City of Stockton

City Council and Concurrent Authorities

Meeting Agenda - Final

City Council and Concurrent Authorities

Christina Fugazi, Mayor/Chair (At Large)
Jason Lee, Vice Mayor (District 6)
Michele Padilla (District 1)
Mariela Ponce (District 2)
Michael Blower (District 3)
Mario Enríquez (District 4)
Brando Villapudua (District 5)

Tuesday, August 12, 2025 **3:00 PM** **Council Chamber, City Hall, 425 N. El Dorado Street, Stockton CA**

Closed Session 3:00 PM :: Regular Session 5:30 PM

1. CLOSED SESSION CALL TO ORDER/ROLL CALL

2. ADDITIONS TO CLOSED SESSION AGENDA

3. ANNOUNCEMENT OF CLOSED SESSION

3.1 25-0812 CONFERENCE WITH LABOR NEGOTIATOR

Recommended Action: Agency Designated Representative: Interim City Manager; Deputy City Manager Chad Reed; City Attorney; Director of Human Resources; Assistant Director of Human Resources; Jasmine Pantoja, Supervising HR Analyst; Maria Pina, Supervising HR Analyst; Brandon Sepulveda, Interim Budget Officer; and Legal Counsel, Dania Torres Wong of Sloan Sakai

Employee Organizations: Unrepresented Units, Stockton City Employees' Association, Operating Engineer's Local 3, Mid-Management/Supervisory Level Unit, Unrepresented Management/Confidential, Law Department, Stockton Police Management Association, Stockton Firefighters Local 456 International Association of Firefighters, Stockton Fire Management, Stockton Police Officers' Association (SPOA)

This Closed Session is authorized pursuant to section 54957.6(a) of the Government Code.

Department: Human Resources

3.2 25-0910 CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION

Recommended Action: Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: 1 potential case.

Department: None

3.3 25-0911 CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION

Recommended Action: Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: 1 potential case.

Department: None

3.4 25-0823 **PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**

Recommended Action: City Attorney

This Closed Session is authorized pursuant to Government Code section 54957(b).

Department: None

3.5 25-0916 **PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL RELEASE**

Recommended Action: This Closed Session is authorized pursuant to Government Code Section 54957.

Department: None

3.6 25-0919 **PUBLIC EMPLOYEE APPOINTMENT**

Recommended Action: This Closed Session is authorized pursuant to Government Code section 54957.
Title: City Attorney

Department: None

3.7 25-0899 **PUBLIC EMPLOYEE APPOINTMENT:**

Recommended Action: City Manager

This Closed Session is authorized pursuant to Government Code section 54957(b).

Department: None

4. CLOSED SESSION PUBLIC COMMENT*

5. RECESS TO CLOSED SESSION

6. REGULAR SESSION CALL TO ORDER/ROLL CALL

7. INVOCATION/PLEDGE TO FLAG

8. REPORT OF ACTION TAKEN IN CLOSED SESSION

9. ADDITIONS TO REGULAR SESSION AGENDA***

10. RECOGNITIONS, ANNOUNCEMENTS, OR REPORTS

10.1 25-0836 **CERTIFICATE OF RECOGNITION - DELTA SUNRISE LITTLE**

LEAGUE JUNIOR DIVISION TEAM

Department: None

10.2 25-0875 **REPORT: STRIVE PROJECT**

Department: None

10.3 25-0903 **REPORT: UPDATE FROM ASSEMBLY DISTRICT 13**

Department: Office of the Mayor

Attachments: PowerPoint Presentation

11. PUBLIC COMMENTS* – MATTERS NOT ON THE AGENDA

12. CONSENT AGENDA

12.1 25-0502 **ACCEPTANCE OF THE QUARTERLY INVESTMENT REPORT FOR QUARTER ENDED MARCH 31, 2025**

Recommended Action: RECOMMENDATION

It is recommended that the City Council, by motion, accept the Quarterly Investment Report for the quarter ending on March 31, 2025.

Department: Administrative Services

Attachments: Attachment A - PFMAM Investment Report 3.31.25

Attachment B - Chandler Investment Report 3.31.25

Attachment C - Certification for Quarter Ending 3.31.25

Attachment D - Investment Policy

12.2 25-0776 **ACCEPTANCE OF THE QUARTERLY INVESTMENT REPORT FOR QUARTER ENDED JUNE 30, 2025**

Recommended Action: RECOMMENDATION

It is recommended that the City Council, by motion, accept the Quarterly Investment Report for the quarter ending on June 30, 2025

Department: Administrative Services

Attachments: Attachment A - PFMAM Investment Report

Attachment B - Chandler Investment Report

Attachment C - Quarterly Investment Report Certificate

12.3 25-0797 **APPROVE MOTION TO ENTER INTO A COOPERATIVE PURCHASING AGREEMENT FOR MAINTENANCE, REPAIR, OPERATING SUPPLIES, INDUSTRIAL SUPPLIES, AND RELATED PRODUCTS AND SERVICES**

Recommended Action: RECOMMENDATION

It is recommended that the City Council approve a motion to:

1. Approve findings pursuant to Stockton Municipal Code 3.68.070 in support of an exception to the competitive bidding process.

2. Authorize City Manager to execute Omnia Partners Cooperative Purchase Agreement, No. 16154, with The Home Depot U.S.A., Inc., to provide Maintenance, Repair, Operating Supplies (MRO), Industrial Supplies, and Related Products and Services, for a term through December 31, 2026, in a total not-to-exceed amount of $225,000.

It is also recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of this motion.

Department: Administrative Services

Attachments: Attachment A - Omnia Partners Coop Agmt with Home Depot

12.4 25-0850 APPROVE REVISED GANN LIMIT FOR FISCAL YEAR 2023-24

Recommended Action: RECOMMENDATION

It is recommended that the City Council approve by resolution the revised Fiscal Year (FY) 2023-24 California Constitutional (Gann) Appropriations Limit of $463,417,917.

Department: Administrative Services

Attachments: Attachment A - GANN Limit Legislation

Proposed Resolution

12.5 25-0898 APPOINTMENT OF INTERIM CITY MANAGER

Recommended Action: RECOMMENDATION

It is recommended that the City Council adopt a resolution:

1. Appointing Steve Colangelo as the Interim City Manager for the City of Stockton; and

2. Authorizing the Mayor, on behalf of the City Council, to execute an employment contract with Steve Colangelo setting forth the conditions of employment.

Department: City Attorney

Attachments: Proposed Resolution

Exhibit 1 - ICM Employment Agreement

12.6 25-0888 APPROVAL OF CITY COUNCIL MINUTES

Recommended Action: RECOMMENDATION

Approve the minutes from the City Council meeting of July 15, 2025

Department: City Clerk

Attachments: Attachment A – 2025-07-15

12.7 25-0914 RATIFY APPOINTMENT TO PLANNING COMMISSION

Recommended Action: RECOMMENDATION

It is recommended that City Council adopt a resolution ratifying an appointment to the Stockton Planning Commission to fill a vacated term representing Council District 1. The partial term will begin upon appointment and end January 31, 2027.

Department: City Clerk

Attachments: Attachment A - Redacted Application

Proposed Resolution - PC Appointment.docx

12.8 25-0795 APPROVE A MOTION AWARDING PROFESSIONAL SERVICES AGREEMENTS FOR ACCELA PERMIT SOFTWARE TECHNICAL SUPPORT AND ENHANCEMENT

Recommended Action: RECOMMENDATION

It is recommended that the City Council approve a motion to:

1. Award a three-year Professional Services Agreement to Byrne Software Technologies, Inc. for Accela Software Professional Services for a total not-to-exceed contract amount of $220,000.

2. Award a three-year Professional Services Agreement to TruePoint Solutions LLC for Accela Software Professional Services for a total not-to-exceed contract amount of $65,000.

3. Award a three-year Professional Services Agreement to 3SG Plus LLC for Accela Software Professional Services for a total not-to-exceed contract amount of $65,000.

4. Authorize the City Manager to take all necessary and appropriate actions to carry out the purpose and intent of this motion.

Department: Community Development

Attachments: Attachment A - Byrne Contract Packet

Attachment B - TruePoint Contract Packet

Attachment C - 3SG Contract Packet

12.9 25-0724 ADOPT A RESOLUTION APPROVING A FINAL MAP AND SUBDIVISION AGREEMENT FOR CANNERY PARK, UNIT NO. 14 (VILLAGE I) TRACT NO. 4213 PROJECT

Recommended Action: RECOMMENDATION

It is recommended that the City Council adopt a resolution to:

1. Approve the Final Map for Cannery Park, Unit No. 14 (Village I), Tract No. 4213;

2. Authorize the City Manager to execute the subdivision agreement, accept on behalf of the public all offers of dedication, and record the Final Map for Cannery Park, Unit No. 14 (Village I), Tract No. 4213; and

3. Authorize the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the resolution.

Department: Community Development

Attachments: Attachment A - Vicinity Map
Resolution
Exhibit 1 - Map Agreement
Exhibit 2 - Map

12.10 25-0727 **ADOPT A RESOLUTION APPROVING A FINAL MAP AND SUBDIVISION AGREEMENT FOR CANNERY PARK, UNIT NO. 15 (VILLAGE J) TRACT NO. 4214 PROJECT**

Recommended Action: RECOMMENDATION

It is recommended that the City Council adopt a resolution to:

1. Approve the Final Map for Cannery Park, Unit No. 15 (Village J), Tract No. 4214;

2. Authorize the City Manager to execute the subdivision agreement, accept on behalf of the public all offers of dedication, and record the Final Map for Cannery Park, Unit No. 15 (Village J), Tract No. 4214; and

3. Authorize the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the resolution.

Department: Community Development

Attachments: Attachment A - Vicinity Map
Resolution
Exhibit 1 - Map Agreement
Exhibit 2 - Map

12.11 25-0764 **ADOPT A MOTION TO ACCEPT AND APPROVE AN UPDATED REGIONAL HOMELESS ACTION PLAN AND MEMORANDUM OF UNDERSTANDING FOR HOMELESS HOUSING, ASSISTANCE AND PREVENTION ROUND 6 APPLICATION**

Recommended Action: RECOMMENDATION

It is recommended that the City Council adopt a motion to:

1. Accept and approve the updated Regionally Coordinated Homelessness Action Plan for Round 6 of the Homeless Housing, Assistance and Prevention (HHAP 6) grant program;

2. Authorize the City Manager to execute a Memorandum of Understanding with San Joaquin County and San Joaquin Continuum of Care (COC); and

3. Authorize the City Manager, or designee, to take appropriate and necessary actions to carry out the purpose and intent of this motion.

Department: Economic Development

Attachments: Attachment A - Approved Resolution 2025-07-15-1208

Attachment B - Motion 2024-03-19-1503

Attachment C - Updated Regional Homelessness Action Plan

Attachment D - MOU CoS County

12.12 25-0777 **APPROVE RESOLUTION TO ESTABLISH NEW CLASSIFIED/REPRESENTED CLASSIFICATION SPECIFICATIONS OF CODE AND HOUSING ENFORCEMENT OFFICIAL, PUBLIC SAFETY TELECOMMUNICATIONS MANAGER, AND PROPERTY AND RECORDS MANAGER FOR THE STOCKTON POLICE DEPARTMENT AND APPROVE THE PROPOSED SALARY RANGES**

Recommended Action: RECOMMENDATION

It is recommended that the City Council adopt a resolution establishing three new classified/represented classification specifications of Code and Housing Enforcement Official, Public Safety Telecommunications Manager, and Property and Records Manager for the Stockton Police Department (SPD) and assign the salary ranges.

Department: Human Resources

Attachments: Proposed Resolution - Division of Police Services Manager Class Spec

12.13 25-0753 **APPROVE MOTION TO ENTER INTO A NEW CONTRACT WITH APPLIED OFFICE FOR CITYWIDE COMPUTER TRAINING SERVICES**

Recommended Action: RECOMMENDATION

It is recommended that the City Council approve a motion to:

1. Award a Professional Services Contract to Applied Office for a term of three (3) years with the option of two (2) one-year renewals for citywide computer training services. The total contract amount is $166,320 for the first three years, with two (2) one-year optional renewals, estimated at $55,440 per year;

2. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process; and

3. Authorize the City Manager, or designee, to take necessary and appropriate actions to carry out the purpose and intent of this motion.

Department: Information Technology

Attachments: Attachment A - Applied Office Proposal.pdf

Attachment B - Contract with Applied Office

Attachment C - Applied Office Fee Schedule

12.14 25-0748 ADOPT A RESOLUTION TO APPROVE AN ADMINISTRATIVE CORRECTION TO THE 2024 WASTEWATER RATE STUDY RESOLUTION EXHIBIT 2 AND AMEND THE FISCAL YEAR 2025-26 FEE SCHEDULE

Recommended Action: RECOMMENDATION

It is recommended that the City Council adopt a resolution to:

1. Approve the administrative correction to Exhibit 2 to Resolution No. 2024-11-12-1605 (Attachment A).

2. Amend page I-8 of the Fiscal Year 2025-26 Fee Schedule for Multi-family rate class (Attachment B).

It is also recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Department: Municipal Utilities

Attachments: Attachment A - Exhibit 2 to Resolution No. 2024-11-12-1605

Attachment B - Page I-8 of the Fiscal Year 2025-26 Fee Schedule

Proposed Resolution

Exhibit 1

Exhibit 2

12.15 25-0815 ADOPT A RESOLUTION APPROVING AN ADDENDUM TO THE 2005 DWSP EIR, AWARD A PROFESSIONAL SERVICES CONTRACT TO INFERRERA CONSTRUCTION MANAGEMENT GROUP, INC., AND ADOPT A RESOLUTION AUTHORIZING A CONTACT CHANGE

ORDER FOR THE GROUNDWATER RECHARGE PROJECT

Recommended Action: RECOMMENDATION

It is recommended that the City Council adopt a resolution to:

1. Approve the Addendum to the certified 2005 Environmental Impact Report for the Delta Water Supply Project (State Clearinghouse No. 2003112060), pursuant to the California Environmental Quality Act Guidelines Section 15164, to support the proposed Groundwater Recharge Basins Project at the Delta Water Treatment Plant.

2. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process.

3. Award a Professional Service Agreement to Inferrera Construction Management Group, Inc. of Shingle Springs, CA in the not-to-exceed amount of $728,760 for construction management services.

4. Adopt a resolution authorizing Contract Change Order No. 1 in the amount of $5,714,565 with Gateway Pacific Contractors, Inc. (Gateway Pacific) to increase the capacity and efficiency of the groundwater recharge project, for a total contract amount not-to-exceed $17,197,813.

It is also recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Department: Municipal Utilities

Attachments: Proposed Addendum Resolution
Exhibit 1 to the EIR Addendum
Proposed Construction Management Resolution
Exhibit 1 - Construction Management
Proposed Change Order Resolution
Exhibit 1 - CCO

12.16 25-0806 APPROVE FINDINGS AND AWARD A PROFESSIONAL SERVICES AGREEMENT TO HDR ENGINEERING, INC. TO DEVELOP A WATER RATE STUDY

Recommended Action: RECOMMENDATION

It is recommended that the City Council adopt a resolution to:

1. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process.

2. Award a Professional Services Agreement to HDR Engineering, Inc. of Folsom, CA, in the not-to-exceed amount of $209,957 for the Municipal Utilities Department Water Rate Study.

It is also recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Department: Municipal Utilities

Attachments: Proposed Resolution

Exhibit 1

12.17 25-0909 FIFTH AMENDMENT TO THE 2025 CITY COUNCIL/SUCCESSOR AGENCY/STOCKTON PUBLIC FINANCING AUTHORITY/STOCKTON PARKING AUTHORITY MEETING CALENDAR

Recommended Action: RECOMMENDATION

It is recommended that the City Council, Successor Agency, Stockton Public Financing Authority, and Stockton Parking Authority adopt by motion the revised 2025 Concurrent City Council/Successor Agency/Stockton Public Financing Authority/Stockton Parking Authority Meeting Calendar.

Department: City Clerk

Attachments: Attachment A - 2025 Fifth Revised Meeting Calendar

12.18 25-0810 APPROVE MOTION TO EXECUTE A ONE-TIME PURCHASE FROM INVERIS TRAINING SOLUTIONS, INC. FOR AN AUGMENTED REALITY WEAPONS TRAINING SYSTEM IN AN AMOUNT NOT TO EXCEED $265,000

Recommended Action: RECOMMENDATION

It is recommended that the City Council approve a motion to:

1. Authorize the City Manager to execute a one-time purchase from InVeris Training Solution, Inc (InVeris) for an augmented reality training system not to exceed $265,000;

2. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process; and

3. It is further recommended that the City Manager is hereby authorized and directed to make any and all expenditures and appropriations on behalf of the City as appropriate and necessary to carry out the purpose and intent of this motion.

Department: Police

Attachments: Attachment A - Standard Agreement

12.19 25-0817 **APPROVE MOTION TO EXECUTE A ONE-TIME PURCHASE FROM CRIME POINT, INC. FOR A SURVEILLANCE VAN WITH ACCESSORIES, IN AN AMOUNT NOT TO EXCEED $260,000**

Recommended Action: RECOMMENDATION

It is recommended that the City Council approve a motion to:

1. Authorize the City Manager to execute a one-time purchase from Crime Point, Inc. (Crime Point) for a surveillance van with accessories not to exceed $260,000.

2. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process; and

3. It is further recommended that the City Manager is hereby authorized and directed to make any and all expenditures and appropriations on behalf of the City as appropriate and necessary to carry out the purpose and intent of this motion.

Department: Police

Attachments: Attachment A - Standard Agreement

12.20 25-0862 **APPROVE MOTION TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH SAN JOAQUIN COUNTY FOR THE INSPECTION OF THE CITY'S EDIBLE FOOD RECOVERY PROGRAM**

Recommended Action: RECOMMENDATION

It is recommended that the City Council approve a motion to authorize the City Manager to execute a Memorandum of Understanding with San Joaquin County for the inspection of the City's Edible Food Recovery Program.

It is also recommended that the City Manager, or designee, be authorized to take appropriate and necessary actions to carry out the purpose and intent of this motion.

Department: Public Works

Attachments: Attachment A - Memorandum of Understanding

12.21 25-0813 **APPROVE MOTION FOR THE PURCHASE OF 30 POLICE INTERCEPTORS AND Approve Contract Change Order No. 3 with Stommel FOR VEHICLE Up-Fitting**

Recommended Action: RECOMMENDATION

It is recommended that the City Council approve a motion to:

1. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process.

2. Approve the use of a Leveraged Purchasing Agreement through the State of California, Department of General Services, Contract No. 1-22-23-14C, in the amount of $1,723,930.20, from Folsom Lake Ford of Folsom, CA, for the purchase of 30 Police Interceptors.

3. Approve Contract Change Order No. 3 with Stommel, Inc. dba Lehr Auto Electric of Sacramento, CA, in the amount of $993,811.20, for the Police Department and City Vehicles Up-Fitting, Project No. OM-23-022, bringing the contract total to $6,368,083.91.

It is also recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of this motion.

Department: Public Works

Attachments: Attachment A - Vehicle Replacement List

Attachment B - COOP with Folsom Lake Ford

Attachment C - CCO No. 3 with Stommel dba Lehr Auto Electric

13. ADMINISTRATIVE MATTERS

14. UNFINISHED BUSINESS

15. HEARINGS**

15.1 25-0690 STOCKTON ECONOMIC STIMULUS PROGRAM (SESP) UPDATE AND CONSIDERATION OF POTENTIAL PROGRAM AMENDMENTS

Recommended Action: RECOMMENDATION

It is recommended that City Council receive a program update and consider information regarding program performance to determine what, if any, amendments are warranted and act accordingly.

Department: Community Development

Attachments: Attachment A - UOP Study

Attachment B - Resolution 2015-11-17-1602

Attachment C - Resolution 2018-07-17-1302

Attachment D - Motion 2019-08-20-1405

Attachment E - SESP Summary Unit Counts

PPT - 15.1 - SESP Update

16. NEW BUSINESS

16.1 25-0774 ADOPT RESOLUTION AUTHORIZING ISSUANCE OF SPECIAL TAX BONDS FOR AND ON BEHALF OF IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON COMMUNITY FACILITIES DISTRICT NO. 2018-2 (WESTLAKE VILLAGES II), APPROVING AND DIRECTING THE EXECUTION OF A FISCAL AGENT AGREEMENT, APPROVING THE FORM OF PRELIMINARY OFFICIAL STATEMENT, APPROVING THE SALE OF SUCH BONDS, AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS

Recommended Action: RECOMMENDATION

It is recommended that the City Council adopt a resolution to authorize the issuance and sale of Special Tax Bonds, payable from Special Taxes, for and on behalf of Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) in the estimated amount of $26,285,000 (not-to-exceed $30,000,000), and directing the execution of a Fiscal Agent agreement approving as to form a preliminary official statement, and approving all other documents and actions in connection with the issuance.

Department: Administrative Services

Attachments: Proposed Resolution- Westlake II IA4

Exhibit 1 - 2025 IA3 Fiscal Agt Agmt Westlake II IA4

Exhibit 2 - Bond Purchase Agreement

Exhibit 3 - Preliminary Official Statement

PPT - 16.1 - Westlake II IA4

16.2 25-0775 APPROVE TWO RESOLUTIONS RELATED TO PROPOSED FORMATION OF COMMUNITY FACILITIES DISTRICT NO. 2025-1 (CANNERY PARK EAST):

Recommended Action: RECOMMENDATION

It is recommended that the City Council approve the following resolutions:

1. A Resolution of Intention to form a Community Facilities District ("CFD") to levy a special tax in such district to finance the acquisition and construction of certain public facilities in and for such district; and

2. A Resolution of Intention to incur bonded indebtedness to finance the acquisition and construction of certain public facilities in and for proposed Community Facilities District No. 2025-1 (Cannery Park East) (the "District").

The resolutions authorize the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the motion.

Department: Administrative Services

Attachments: Proposed Resolution (Cannery Park East)
Exhibit 1 - RMA
Exhibit 2 - List of Authorized Facilities
Exhibit 3 - Notice of Public Hearing
Proposed Resolution - Indebtedness (Cannery Park East)
Exhibit 1 - Boundary Map CFD No. 2025-1
PPT - 16.2 - CFD 2025-1 - Cannery Park East

16.3 25-0865 ADOPT A RESOLUTION FOR THE FORMATION AND FUNDING OF POLICE SUBSTATIONS IN WESTON RANCH AND SIERRA VISTA

Recommended Action: RECOMMENDATION

It is recommended that the City Council adopt a resolution to:

1. Direct staff to implement police substation projects for Weston Ranch and Sierra Vista as reflected in Exhibit 1, attached hereto and incorporated by reference.

2. Appropriate $281,738 from the Teen Impact Center Rehabilitation, Project No. CR22001, to the Weston Ranch Police Substation Project, for one-time setup costs.

3. Appropriate $168,338 from the Teen Impact Center Rehabilitation, Project No. CR22001, to the Sierra Vista Police Substation Project, for one-time setup costs.

4. Appropriate $122,592 from the Teen Impact Center Rehabilitation Project No. CR22001, to the Weston Ranch Police Substation Project for FY2025/26 operating costs.

5. Appropriate $30,000 from the Teen Impact Center Rehabilitation Project No. CR22001, to the Sierra Vista Police Substation Project for FY2025/26 operating costs.

6. Authorize staff to enter into a lease agreement, in an amount not to exceed $39,000 annually, for the formation of the Weston Ranch Police Substation.

7. Authorize staff to enter into a $0 cost lease agreement with Housing Authority of the County of San Joaquin for the formation of the Sierra Vista Police Substation.

8. Authorize staff to accept a $300,000 contribution from the Housing Authority of the County of San Joaquin to establish the Sierra Vista Police Substation.

It is also recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of this Resolution. The City Manager is further directed to report back to the City Council regarding any final action taken consistent with this delegation of authority.

Department: Police

Attachments: Proposed Resolution - South Stockton Substations.docx
Exhibit 1 - Substations in South Stockton
PPT - 16.3 - Police Substations

17. CITY MANAGER'S UPDATE

18. COUNCIL COMMENTS

19. ADJOURNMENT

INFORMATIONAL ITEMS

1. 25-0905 **COUNCIL COMMITTEE/BOARD AND COMMISSION MINUTES**

Recommended Action: RECOMMENDATION

Information item only. No action required.

Department: City Clerk

Attachments: CSC 2025-05-15
CSC 2025-06-19
PC 2025-03-13
PC 2025-03-27
WAG 2025-04-02

CERTIFICATE OF POSTING

I declare, under penalty of perjury, that I am employed by the City of Stockton and that I caused this agenda to be posted in the City Hall notice case on August 7, 2025, in compliance with the Brown Act.

Katherine Roland, CMC, CPMC
City Clerk

By: Gabriel Searcy Digitally signed by Gabriel Searcy Date: 2025.08.07 17:40:09 -07'00'

Deputy

PUBLIC COMMENTS
**Citizens may comment on any subject within the jurisdiction of the City Council/Successor Agency to the Redevelopment Agency/Public Finance Authority/Parking Authority, including items on the Agenda. The time limit for public comment is four (4) minutes and remains at the discretion of the presiding officer and changes shall be set at the start of the meeting. Speakers must submit "Request to Speak" cards to the City Clerk, and be prepared to speak when called. No speaker cards will be received after the close of the Citizen's Comments portion of the meeting.*

***Speakers should hold comments on items listed as a Hearing until the Hearing is opened.*

The City of Stockton invites public comments in multiple forms. You provide your comments by using one of these methods:

1. Email - you may email your comments to publiccomment@stocktonca.gov
2. Voicemail - you can leave a voice message by dialing (209) 937-8459.
3. In-Person Comments - a) Speakers must submit "request to speak cards" to the Clerk prior to the Public Comment portion of the agenda. No speaker cards will be accepted after the close of Public Comment. b) Address only issues over which the meeting body has jurisdiction. c) The time limit for public comment is at the discretion of the presiding officer and shall be set at the start of the meeting. Donating time is not authorized. d) Your time will be displayed on the speaker podium for convenience.

**All written and voicemail public comments received by the Clerk's Office 90 minutes prior to the meeting start time will be forwarded to the meeting body members as correspondence and attached to the minutes. All comments received after that time will be forwarded as correspondence the following business day. Written and voicemail comments will not be read into the record.*

Council Policy Manual Chapter 4.07 DECORUM
§ 4.07.010 Policy.

1) COUNCILMEMBERS
The City Council will practice civility and decorum in their discussions and debate. Councilmembers will value each other's time and will preserve order and decorum. A member shall neither, by conversation or otherwise, delay or interrupt the proceedings of the Council, use personal, impertinent or slanderous remarks, nor disturb any other member while that member is speaking or refuse to obey the orders of the presiding officer or the Council, except as otherwise provided herein.
A) All Councilmembers have the opportunity to speak and agree to disagree but no Councilmember shall speak twice on any given subject unless all other Councilmembers have been given the opportunity to speak.
B) The Mayor has the affirmative duty to maintain order. The City Council will honor the role of the Mayor in maintaining order. If a Councilmember believes the Mayor is not maintaining order, the Councilmember may move that the Vice-Mayor enforce the rules of decorum and otherwise maintain order. If that motion receives a second and is approved by a Council majority, the Vice-Mayor shall enforce the rules of decorum and maintain order.
C) Any Councilmember who violates the rules repeatedly shall be sanctioned by the City Council, including, but not limited to, barring the Councilmember from further participation (other than voting) on the subject.

2) PERSONS ADDRESSING THE CITY COUNCIL
Persons addressing the Council shall not make personal, impertinent, unduly repetitive, slanderous or profane remarks to the Council, any member of the Council, City staff or the general public, nor utter loud, threatening, personal or abusive language, nor engage in any other conduct that disrupts, disturbs or otherwise unreasonably impedes the orderly conduct of the Council meeting. Any person who makes such remarks, who utters loud, threatening, personal or abusive language, who is unduly repetitious or engages in extended discussion of irrelevancies, or who engages in any disorderly conduct that disrupts, disturbs or otherwise unreasonably impedes the orderly conduct of any Council meeting shall, at the discretion of the presiding officer or a majority of the Council, be barred from further audience before the Council during that meeting.

3) ENFORCEMENT
The rules of decorum set forth above shall be enforced in the following manner:
Warning. The presiding officer shall request that a person who is breaching the rules of decorum be orderly and silent. If, after receiving a warning from the presiding officer, a person persists in disturbing the meeting, the presiding officer shall order him or her to leave the Council meeting. If such person does not remove himself or herself, the presiding officer may order any law enforcement officer who is on duty at the meeting to remove that person from the Council Chambers.

4) RULES PERTAINING TO SIGNS, OBJECTS, SYMBOLIC MATERIALS, AND FIRE SAFETY WITHIN THE COUNCIL CHAMBERS DURING COUNCIL MEETINGS
A) Objects and symbolic materials such as signs which do not have sticks attached or otherwise create any fire or safety hazards will be allowed within the Council Chamber during Council meetings provided that they are not so large as to infringe upon the space of those in adjacent areas, and are no wider on their longest side than the audience chairs.
B) Persons with objects and symbolic materials such as signs must remain seated when displaying them except when making an oral presentation to the Council and must not raise them above shoulder level or otherwise use them to obstruct vision or passage or disturb the conduct of the Council meeting. Such materials may not be placed on or against the walls, doors or furniture or in the aisles.
C) Exits shall not be obstructed in any manner. Obstructions, including storage, shall not be placed in aisles or other exit ways. Hand carried items must be stored so that such items do not inhibit passage in aisles or other exit ways.
D) Exit ways shall not be used in any way that will present a hazardous condition.
E) Overcrowding and admittance of persons beyond the approved capacity of a place of assembly are prohibited.
F) The Fire Marshal may establish designated areas for media equipment.

5) PERSONS AUTHORIZED WITHIN RAIL

No person except City officials and City staff shall be permitted within the rail in front of the City Council dais without the express consent of the presiding officer.

File #: 25-0812, **Version:** 1

CONFERENCE WITH LABOR NEGOTIATOR

Agency Designated Representative: Interim City Manager; Deputy City Manager Chad Reed; City Attorney; Director of Human Resources; Assistant Director of Human Resources; Jasmine Pantoja, Supervising HR Analyst; Maria Pina, Supervising HR Analyst; Brandon Sepulveda, Interim Budget Officer; and Legal Counsel, Dania Torres Wong of Sloan Sakai

Employee Organizations: Unrepresented Units, Stockton City Employees' Association, Operating Engineer's Local 3, Mid-Management/Supervisory Level Unit, Unrepresented Management/Confidential, Law Department, Stockton Police Management Association, Stockton Firefighters Local 456 International Association of Firefighters, Stockton Fire Management, Stockton Police Officers' Association (SPOA)

This Closed Session is authorized pursuant to section 54957.6(a) of the Government Code.

File #: 25-0910, **Version:** 1

CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: 1 potential case.

File #: 25-0911, **Version:** 1

CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: 1 potential case.

File #: 25-0823, **Version:** 1

PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

City Attorney

This Closed Session is authorized pursuant to Government Code section 54957(b).

File #: 25-0916, **Version:** 1

PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL RELEASE

This Closed Session is authorized pursuant to Government Code Section 54957.

File #: 25-0919, **Version:** 1

PUBLIC EMPLOYEE APPOINTMENT

This Closed Session is authorized pursuant to Government Code section 54957.
Title: City Attorney

File #: 25-0899, **Version:** 1

PUBLIC EMPLOYEE APPOINTMENT:

City Manager

This Closed Session is authorized pursuant to Government Code section 54957(b).

File #: 25-0836, **Version:** 1

CERTIFICATE OF RECOGNITION - DELTA SUNRISE LITTLE LEAGUE JUNIOR DIVISION TEAM

File #: 25-0875, **Version:** 1

REPORT: STRIVE PROJECT

File #: 25-0903, **Version:** 1

REPORT: UPDATE FROM ASSEMBLY DISTRICT 13

PROUDLY SERVING

Stockton, Tracy, Mountain House,
and French Camp

ASSEMBLYMEMBER — DISTRICT 13

Rhodesia Ransom

OVERVIEW

Legislative Update

Constituent Services

Internship Program

ASSEMBLYMEMBER — DISTRICT 13

Rhodesia Ransom

LEGISLATIVE UPDATES

Immigration

- Hosted two Know Your Rights Webinars
- Authored letter to Department of Homeland Security regarding agents ICE agents properly identifying themselves

Advocacy

- Requested Audit of Department of Water Resources regarding Delta Tunnels
- Secured 10 million Dollars for Family Justice Centers in California

Visit **ASMDC.org/Ransom** for details

ASSEMBLYMEMBER — DISTRICT 13

Rhodesia Ransom

CONSTITUENT SERVICES

Advocating on behalf of constituents to navigate and resolve issues with state and local agencies.

Successfully closed **over 200 constituent cases** since December 2024.

Recovered a total of **$283,920.27 in benefits** and refunds for constituents

ASSEMBLYMEMBER — DISTRICT 13

Rhodesia Ransom

ASSEMBLYMEMBER DISTRICT 13

Rhodesia Ransom

INTERNSHIP PROGRAM

Hands-On Experience in State Government

Professional Development & Networking Opportunities

Mentorship & Guidance from Experienced Professionals

Insight into State Legislation

Must be at least 16 years of age

Minimum 10 hours a week. Office Hours: 9am-5pm

STAY CONNECTED

a13.asmdc.org

@AsmRansom

@AsmRansom.bsky.social

Assemblymember Rhodesia Ransom

File #: 25-0502, **Version:** 1

ACCEPTANCE OF THE QUARTERLY INVESTMENT REPORT FOR QUARTER ENDED MARCH 31, 2025

RECOMMENDATION

It is recommended that the City Council, by motion, accept the Quarterly Investment Report for the quarter ending on March 31, 2025.

Summary

Pursuant to California Government Code section 53646 and the City's Investment Policy No. 17.01.030 (Attachment D), the City Treasurer (Chief Financial Officer) is required to provide a quarterly report and certification to the City Council, City Manager, and City Auditor.

Due to the specialized services and expertise required to assist the City with the varied investment options available, effective July 1, 2022, the City moved to have two portfolio managers manage separate portions of the City's Reserve portfolio. The Quarterly Investment Reports for PFM Asset Management (Attachment A), Chandler Asset Management (Attachment B), and the Certification for the quarter ending March 31, 2025 (Attachment C), are being provided as required.

The City's consolidated investment portfolio was $1,027,279,057 as of March 31, 2025, which represents an increase of $32 million from the prior market value reported on December 31, 2024. This consolidated investment portfolio includes the City's liquidity position, short-term investments, and the reserve portfolios. (Attachment A- PFM Investment Report, page 15).

Total Program Breakdown:

- Reserve Portfolio - $804,119,950
- Short Term Portfolio - $31,302,779
- BMO Main Account - $96,356,639
- California Asset Management Program (CAMP) - $94,640,772
- Local Agency Investment Fund (LAIF) - $858,917

DISCUSSION

Background

To comply with state law and City policy, the City is required to present quarterly certification and investment reports detailing the City's investment portfolio to the City Council, City Manager, and City Auditor. The City also posts monthly transaction reports to the City's website. The Quarterly Investment Report shall include a complete description of the portfolio, the types of investments, the

issuers, maturity dates, par value, and dollar amounts invested in all securities, investments, or programs that are under the management of contracted parties, including lending programs. The certification must provide assurances that investments were made consistent with the City's Investment Policy and that the City will meet its obligations for the next six months.

The authority of the Council to invest, reinvest funds, sell, or exchange securities is delegated to the City's Chief Financial Officer, who also serves as City Treasurer (Resolution No. 2024-06-18-1603). Pursuant to the Investment Policy, the City Treasurer may and does delegate fiduciary responsibility to external investment managers. An investment manager's fiduciary responsibility is a legal requirement related to registration with the Securities and Exchange Commission under the Investment Advisor Act of 1940.

Present Situation

The City divides its investment portfolio into Reserve and Liquid portions. The Reserve portion represents the long-term assets managed by PFM Asset Management and Chandler Asset Management, and the Liquid portion represents funds invested in several short-term investment vehicles including State of California Local Agency Investment Fund, California Asset Management Program, and Dreyfus Treasury Money Market, to maintain adequate liquidity and optimize returns.

City staff work closely with both PFM Asset Management and Chandler Asset Management to monitor the status of the City's investment portfolios and their returns. The total returns on the consolidated portfolio for the first quarter of 2025 were positive, driven by lower yields and strong performance across U.S. Treasury indexes, which more than offset any short-term market uncertainty. Details on these returns are reflected in Attachment A, page 23 (PFMAM Investment Report) and on Attachment B, page 25 (Chandler Investment Report). The quarterly return valuation includes funds from all activities, restricted and unrestricted, and includes changes in fair market value (unrealized gains/losses).

The City's investment portfolio complies with California Government Code section 53601. It is invested solely in fixed-income securities (no stock holdings) that, while earning certain rates of interest, gain in market value when interest rates fall and lose market value when interest rates rise.

FINANCIAL SUMMARY

There is no financial impact related to the presentation and acceptance of these reports.

Attachment A - PFMAM Investment Report
Attachment B - Chandler Investment Report
Attachment C - Certification of Quarterly Investment Report
Attachment D - Investment Policy

pfm asset management

CITY OF STOCKTON

Investment Performance Review
For the Quarter Ended March 31, 2025

Client Management Team

Monique Spyke, Managing Director
Allison Kaune, Relationship Manager
Joseph Creason, Portfolio Manager
Rachael Miller, Client Consultant

PFM Asset Management
A division of U.S. Bancorp Asset Management, Inc

1 California Street Ste. 1000
San Francisco, CA 94111-5411
415-393-7270

213 Market Street
Harrisburg, PA 17101-2141
717-232-2723

NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE

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Agenda

- Market Update
- Account Summary
- Portfolio Review

Market Update

Current Market Themes

- U.S. economy is clouded by tariff and policy uncertainty
  - Labor market continues to serve as backbone
  - Goods inflation weighs on progress towards Fed's 2% inflation target
  - Fiscal policy uncertainty and volatile tariff rollouts weigh on consumer sentiment

- Fed takes a pause from easing but looks to continue cutting later this year
  - The Fed kept the federal funds target rate unchanged at 4.25% - 4.50%
  - The Fed's March "dot plot" implies another 50 bps of cuts in 2025
  - Fed Chair Powell stated the administration's "significant policy changes" relating to trade, immigration, fiscal policy, and regulation is creating "considerable uncertainty"

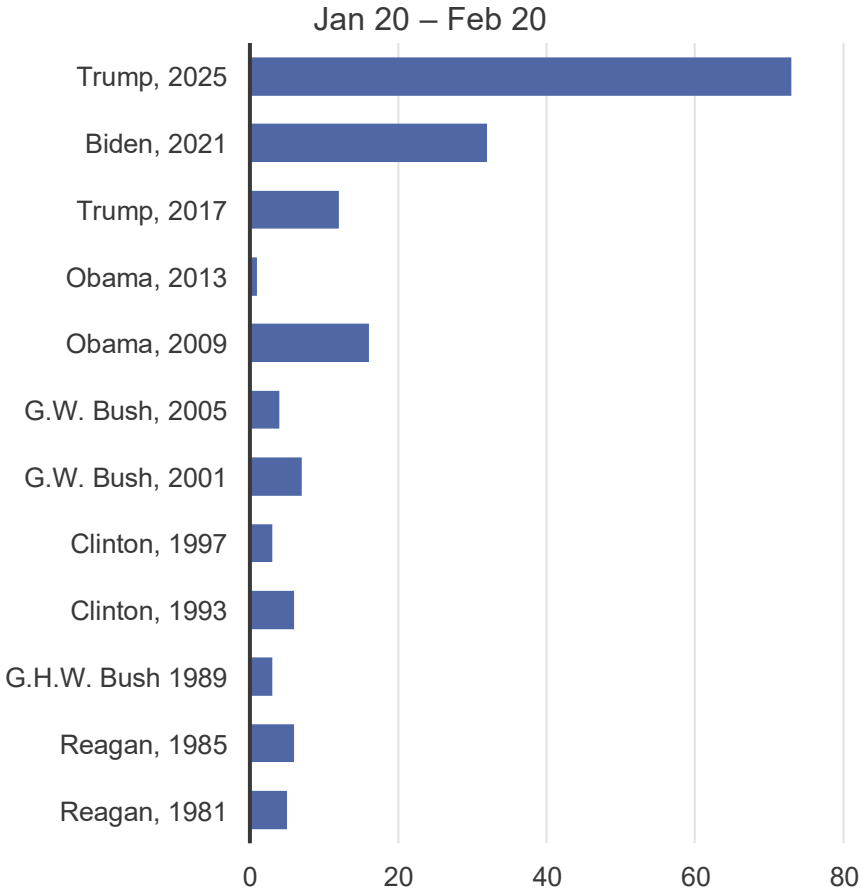
- Treasury yields fall on growing uncertainty
  - Yields on maturities between 2 years and 10 years fell 35-43 bps during the 1st quarter
  - The yield curve reinverted on the front end while the steepness of the curve between 2 years and 10 years was unchanged
  - Yield spreads widened off their historically low levels given growing economic concerns but still remain tight

Source: Details on market themes and economic indicators provided throughout the body of the presentation. Bloomberg Finance L.P., as of March 31, 2025.

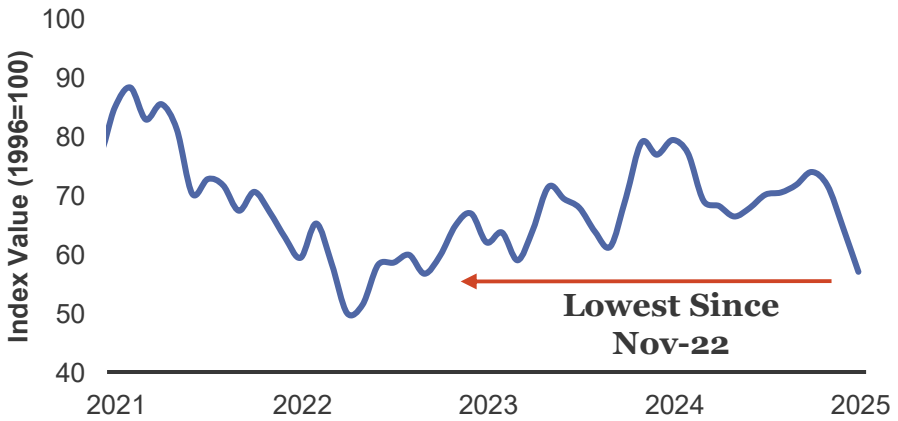
Policy Changes Increase Consumer Uncertainty

Fed Chair Powell: "We understand that sentiment is quite negative at this time, and that probably has to do with … turmoil at the beginning of an administration…"

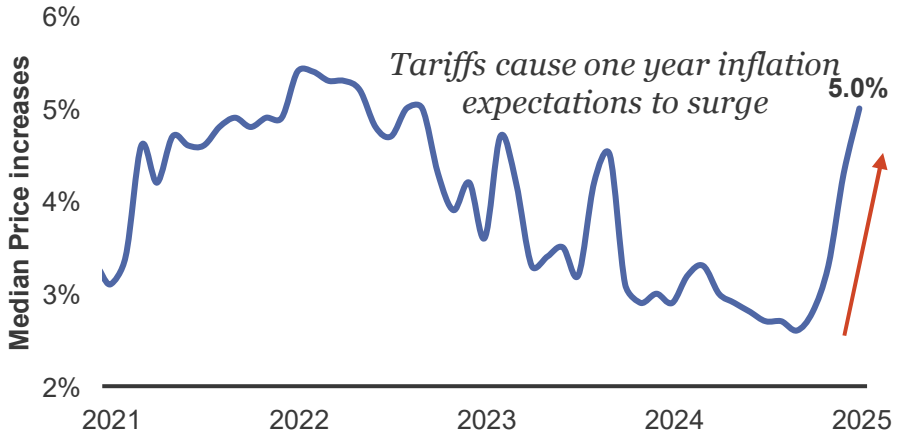
Number of Executive Orders Signed In First Month of Term



Consumer Sentiment Index



Expected Change in Prices During Next Year



Source: FOMC Chair Jerome Powell Press Conference, March 19, 2025. Bloomberg Finance L.P. and Federal Register :: Executive Orders, as of March 2025 (left). University of Michigan Consumer, as of March 2025 (right).

Tariffs Have Broad Economic Implications

Tariff Implications

Inflation

Fed staff research[1] suggests each 10% increase in the effective tariff rate leads to a 0.8% increase in inflation

Economic Impact

Fed staff research[1] suggests each 10% increase in the effective tariff rate leads to a 1.4% decrease in GDP

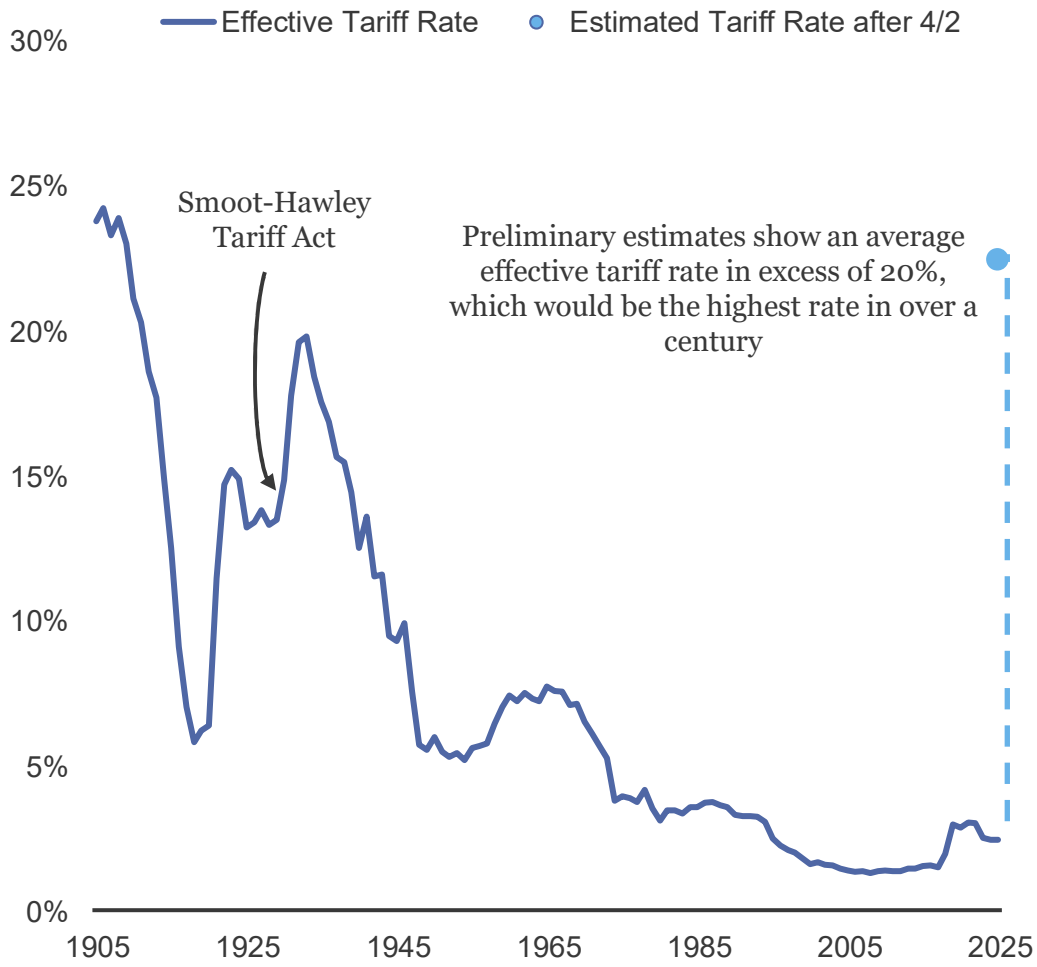
Tariff Revenues

Each $100 billion of tariffs paid by the consumer is approximately equal to a 0.4% increase in income taxes

Consumer Spending

Price increases and uncertainty could directly impact consumer confidence and spending habits

Effective Tariff Rate

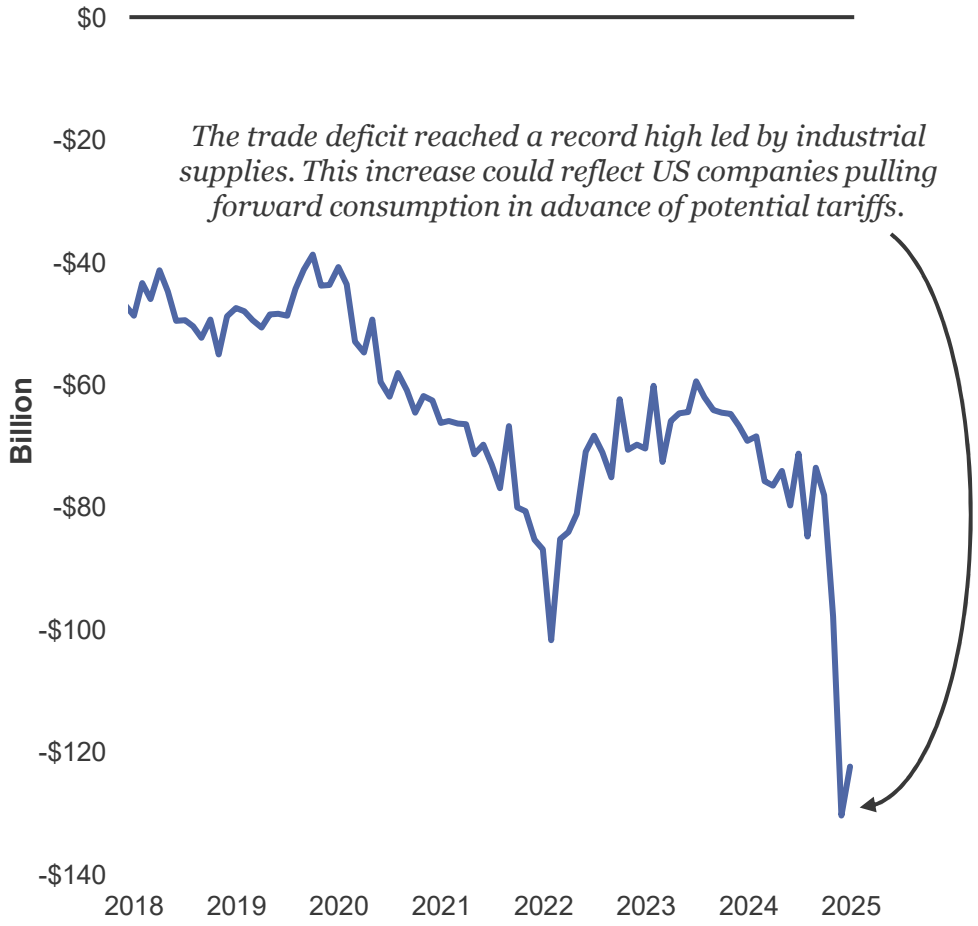


Source: PFMAM calculations, Bloomberg Finance L.P., Bureau of Economic Analysis. As of April 2025.
[1]Federal Reserve: Tealbook A, September 2018

Tariffs Drive Growth Expectations Lower

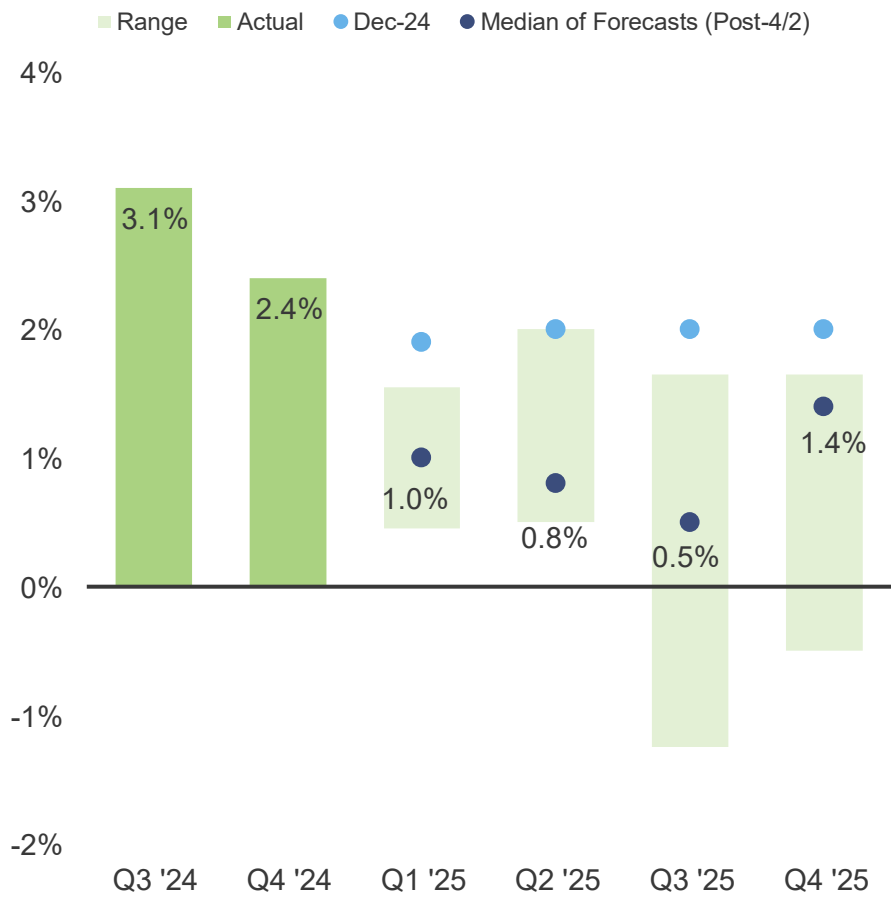
Fed Chair Powell: "But we kind of know there are going to be tariffs and they tend to bring growth down."

U.S. Trade Balance



U.S. GDP Forecasts

Annualized Rate

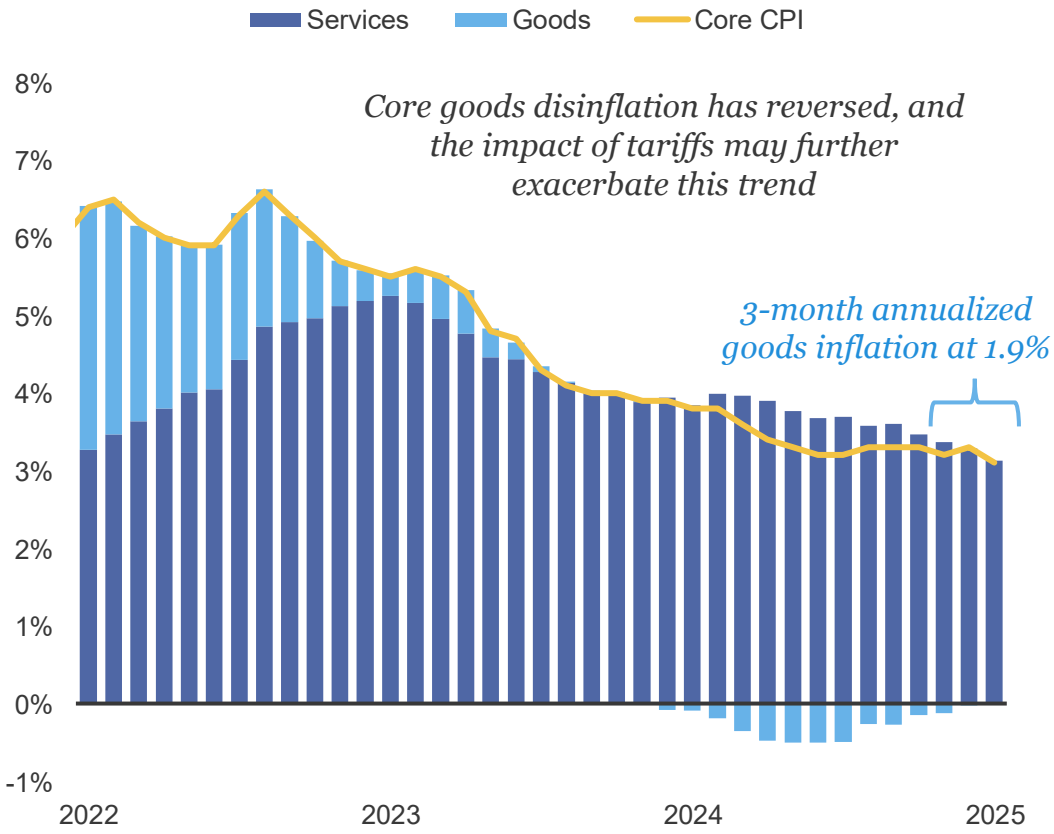


Source: FOMC Chair Jerome Powell Press Conference, March 19, 2025; Bloomberg Finance L.P. and the U.S. Census Bureau as of February 2025 (left). Bureau of Economic Analysis and Bloomberg Finance L.P., as of April 2025. Survey responses after April 2, 2025 included in median and forecast range (right).

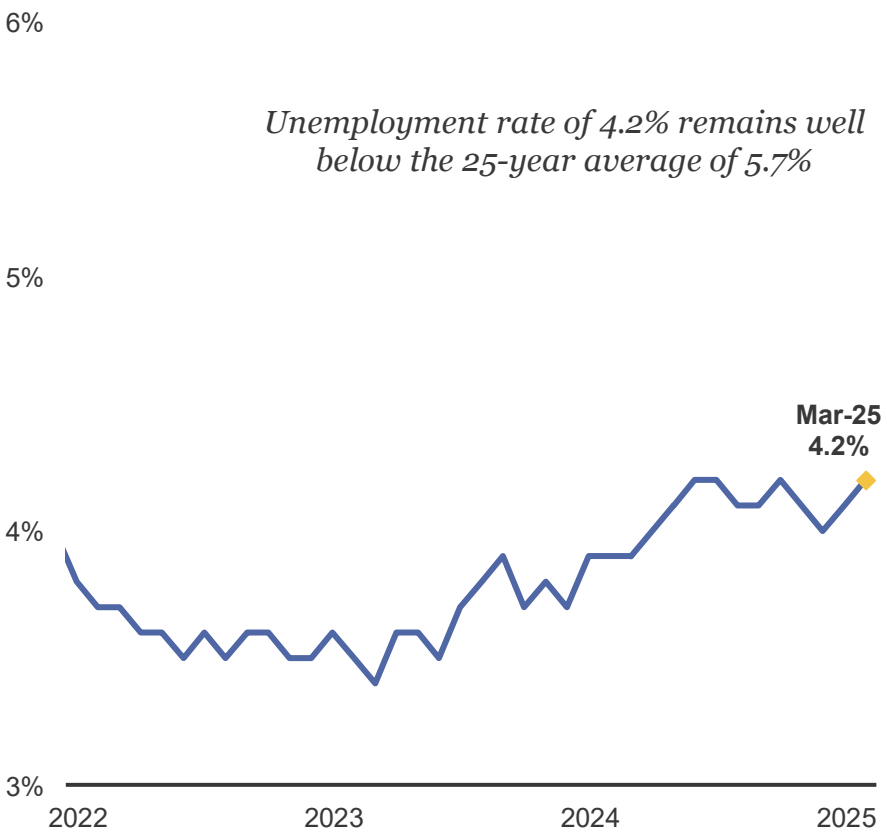
The Fed's Dual Mandate Gets More Complicated

Fed Chair Powell : "...ultimately, though, it's too soon to be seeing significant effects [from tariffs] in economic data..."

Core CPI
Contributions to Year-Over-Year Change



Unemployment Rate

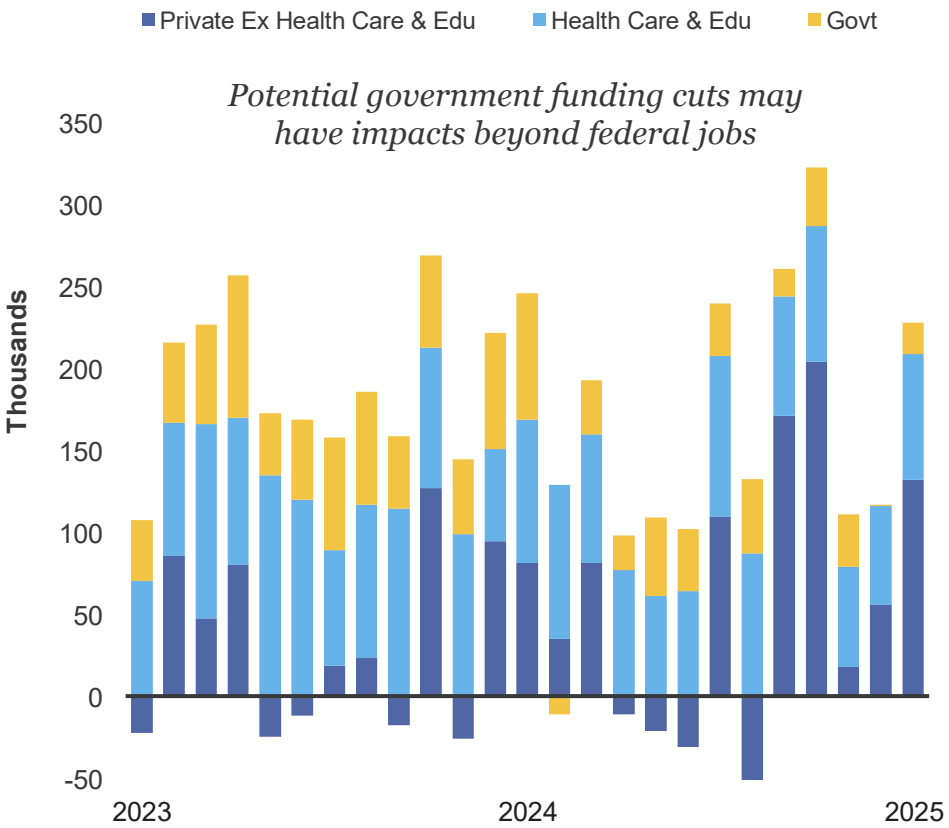


Source: FOMC Chair Jerome Powell Press Conference, March 19, 2025. Bureau of Labor Statistics, and Bloomberg Finance L.P., as of February 2025 (left). Bureau of Labor Statistics, and Bloomberg Finance L.P., as of March 2025 (right). Data is seasonally adjusted. Historical average unemployment rate calculated from March 2000 – March 2025.

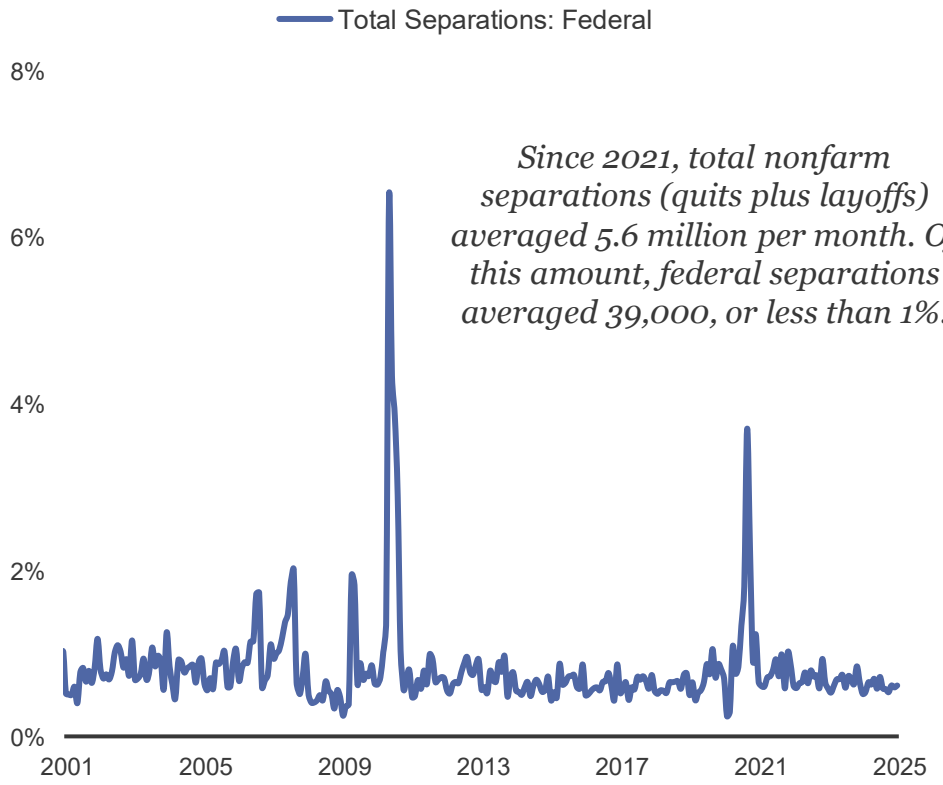
Federal Employment Remains a Focus

Fed Chair Powell: "The [federal] layoffs … at the national level … they're not significant yet. … There were… a good number of months … when a lot of the job creation was concentrated in … educational institutions, health care, state governments."

Monthly Change In Nonfarm Payrolls



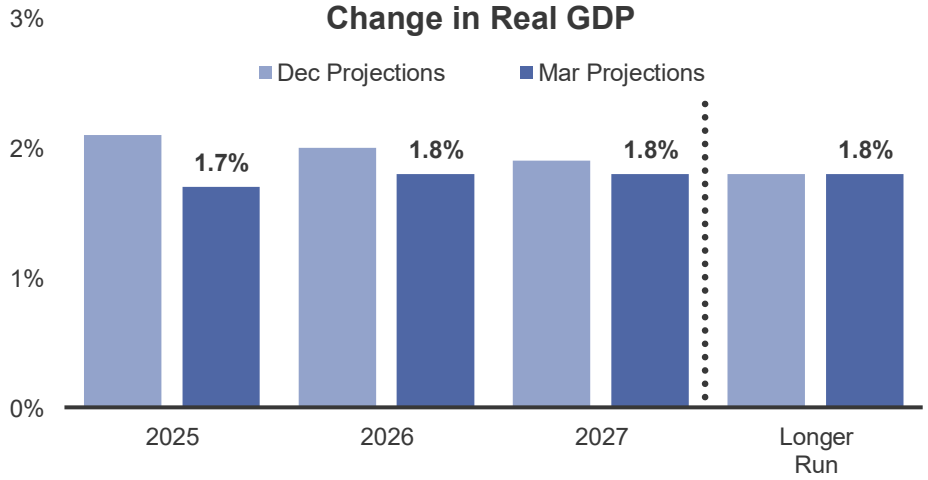
Proportion of Monthly Separations
Job Openings and Labor Turnover Survey

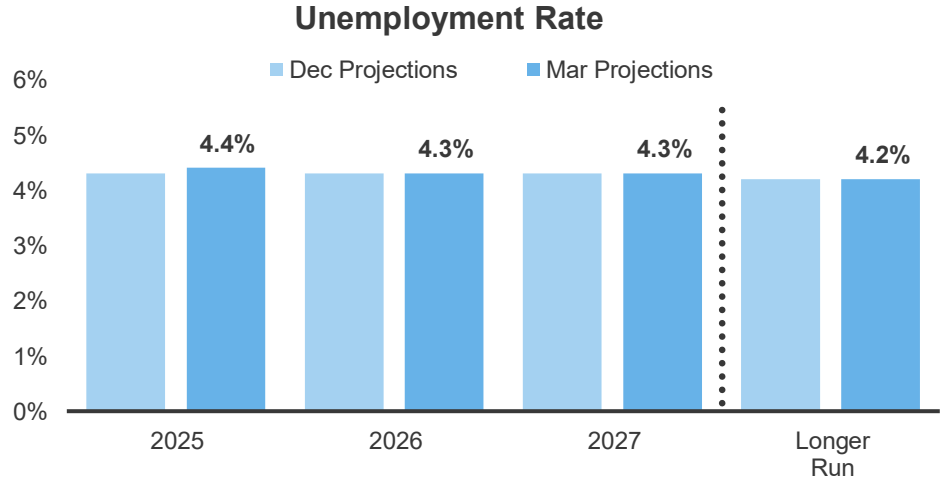


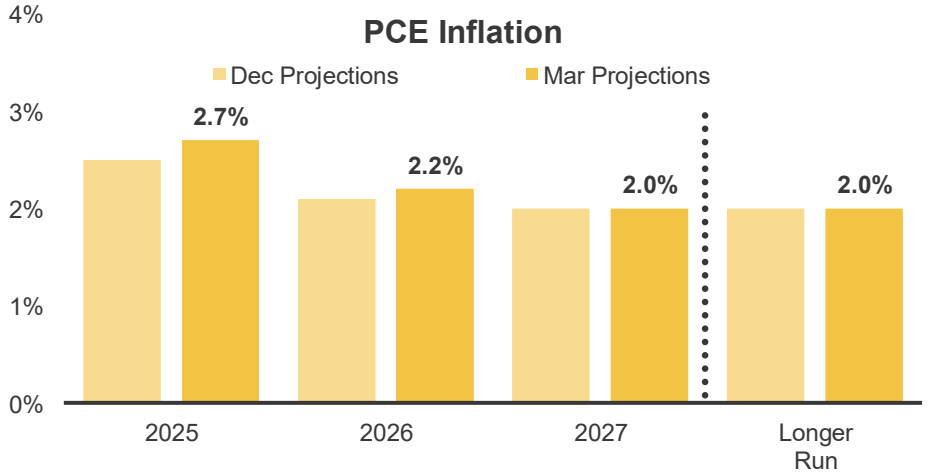
Source: FOMC Chair Jerome Powell Press Conference, March 19, 2025. Bloomberg Finance L.P., Bureau of Labor Statistics as of March 2025 (left). FRED and Bureau of Labor Statistics, as of February 2025 (right).

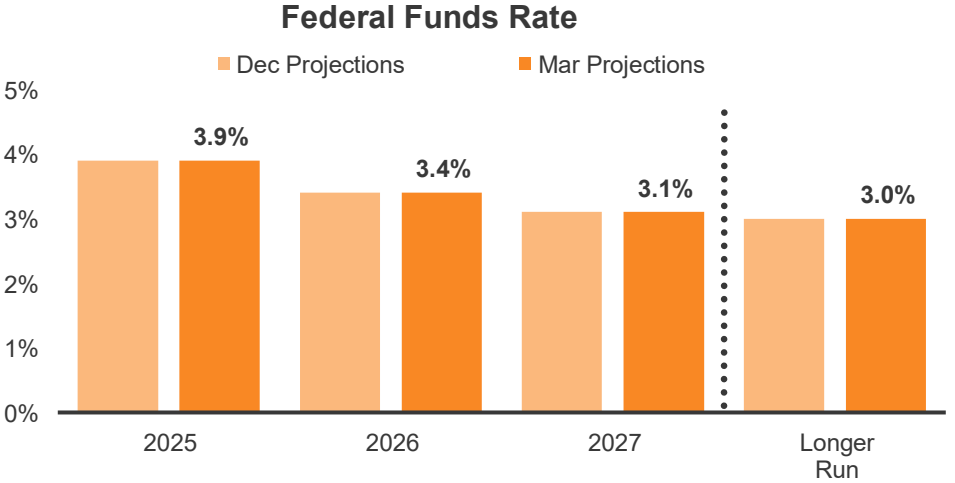
Fed's Updated Summary of Economic Projections

Fed Chair Powell: "... you see weaker growth but higher inflation—they kind of offset—and also, frankly, a little bit of inertia. When it comes to changing something in this highly uncertain environment, you know, I think there is a level of inertia where you just say, maybe I'll stay where I am.





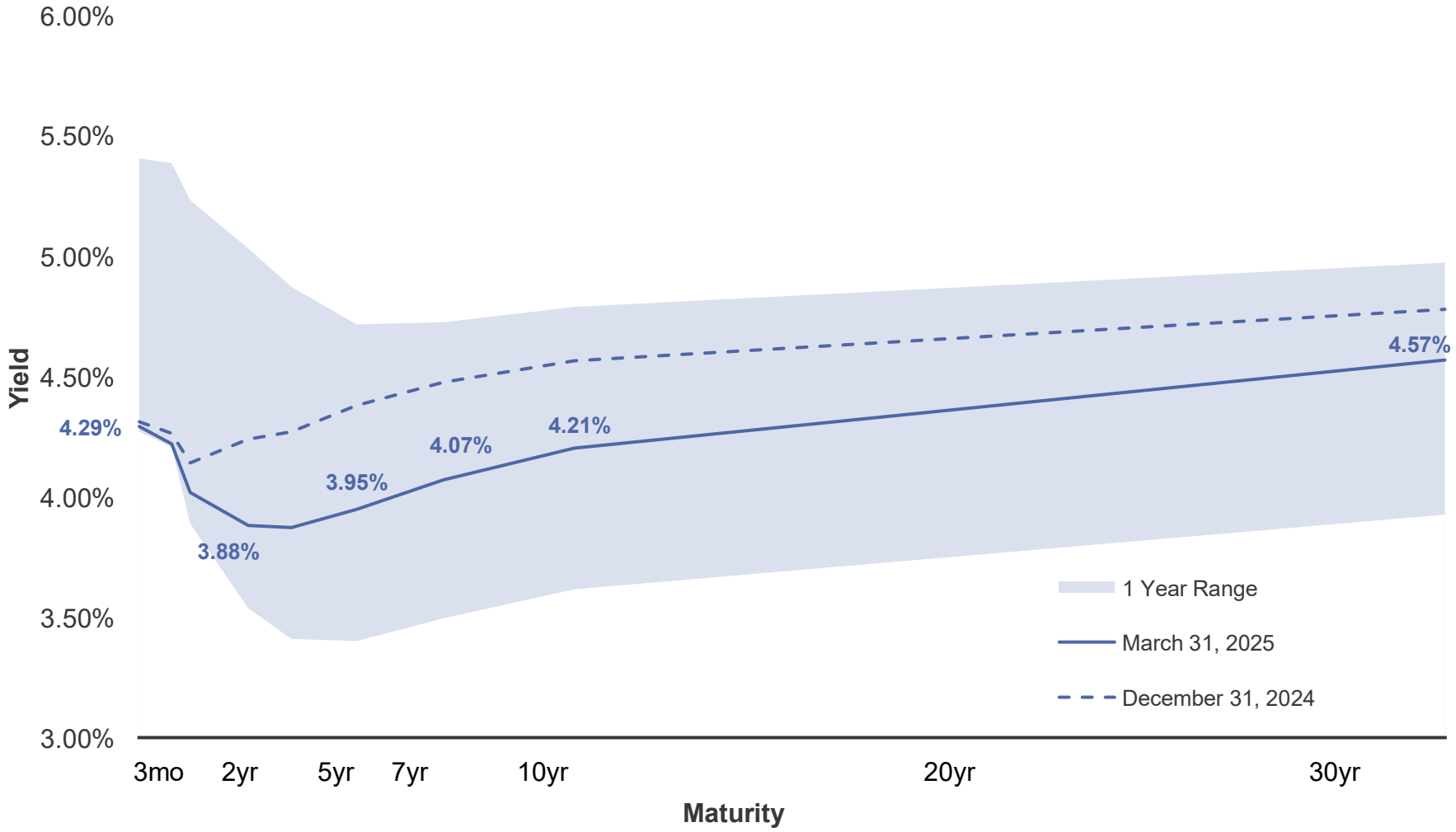




Source: FOMC Chair Jerome Powell Press Conference, March 19, 2025. Federal Reserve, latest economic projections as of March 2025.

Treasury Yields Lower Across the Curve

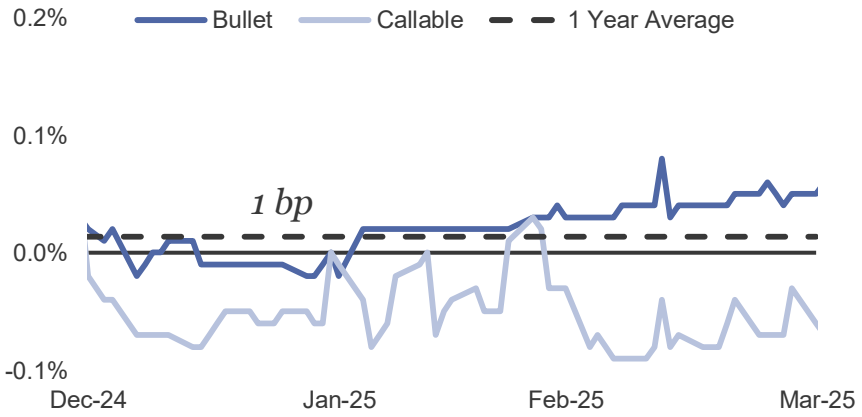
U.S. Treasury Yield Curve



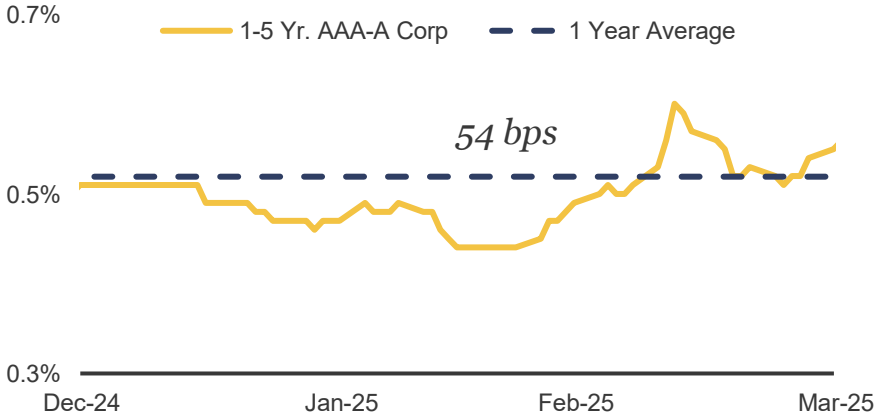
Source: Bloomberg Finance L.P., as of March 31, 2025.

Sector Yield Spreads

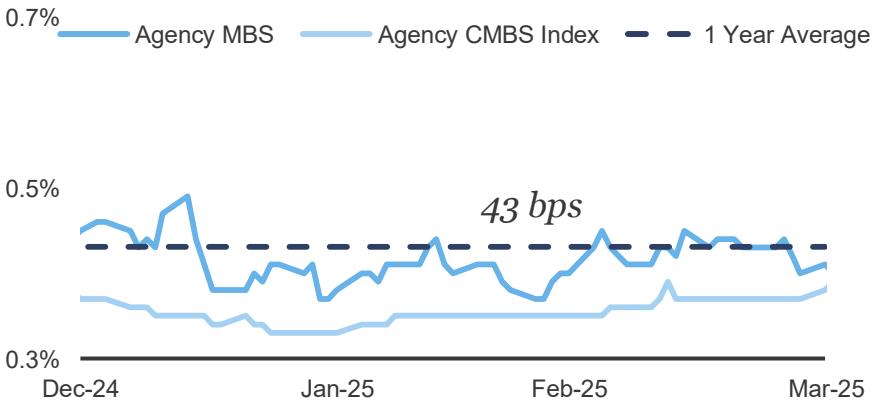
Federal Agency Yield Spreads



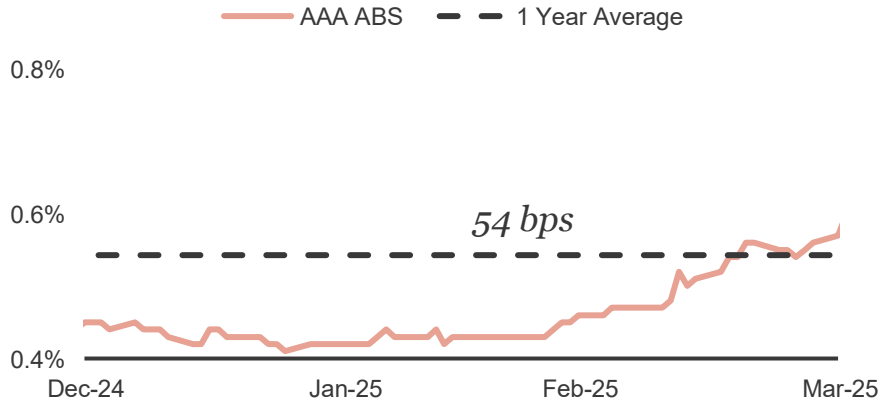
Corporate Notes A-AAA Yield Spreads



Mortgage-Backed Securities Yield Spreads



Asset-Backed Securities AAA Yield Spreads

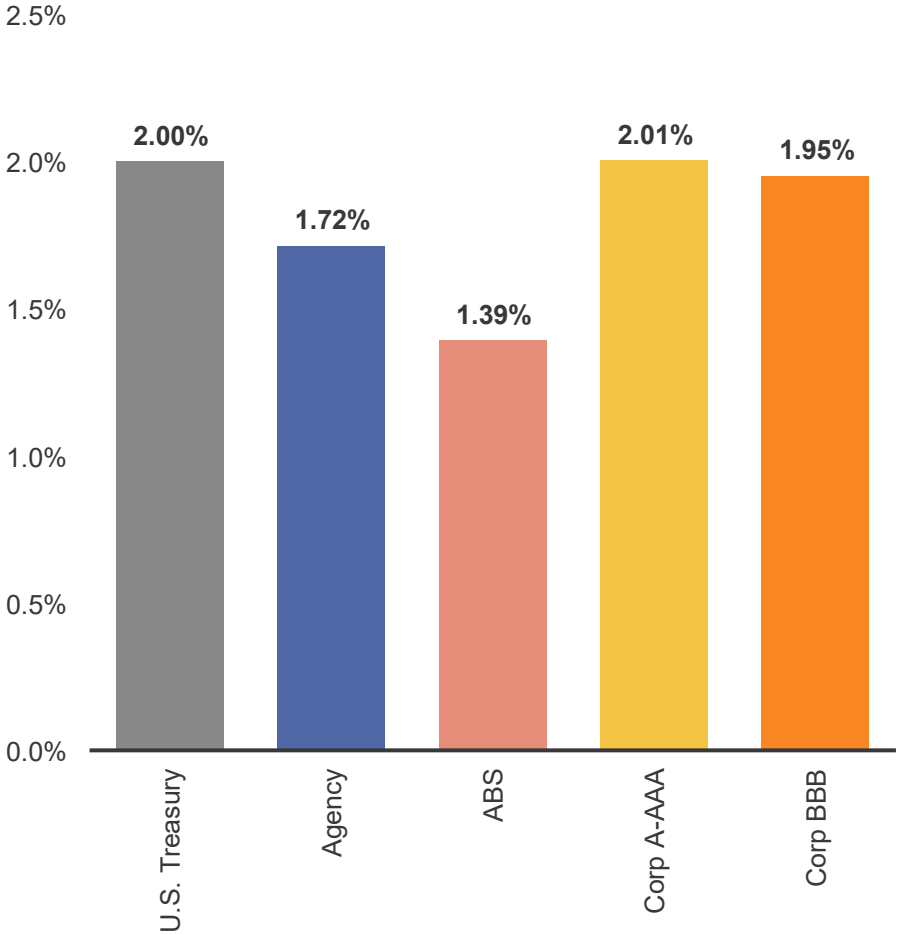


Source: ICE BofA 1-5 year Indices via Bloomberg, MarketAxess and PFMAM as of March 31, 2025. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries.
CMBS is Commercial Mortgage-Backed Securities and represented by the ICE BofA Agency CMBS Index.

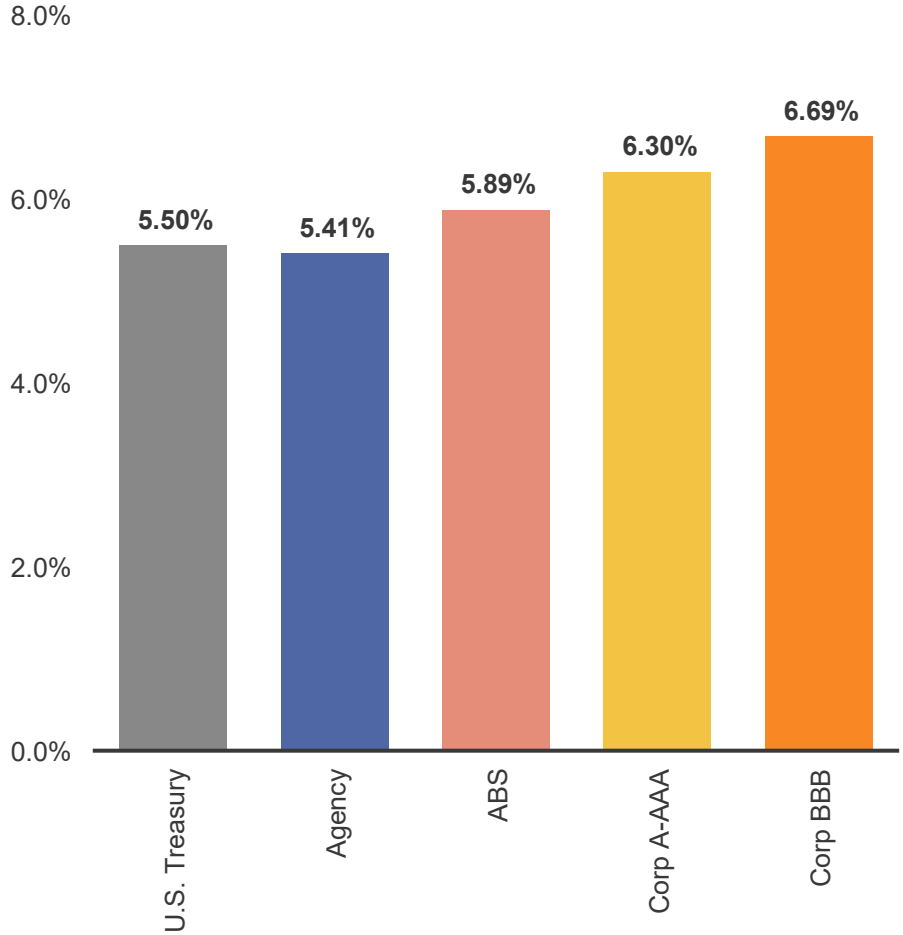
Fixed-Income Index Total Returns in 1Q 2025

1-5 Year Indices

First Quarter 2025 Returns



1-Year Return



Source: ICE BofA Indices. ABS indices are 0-5 year, based on weighted average life. As of March 31, 2025.

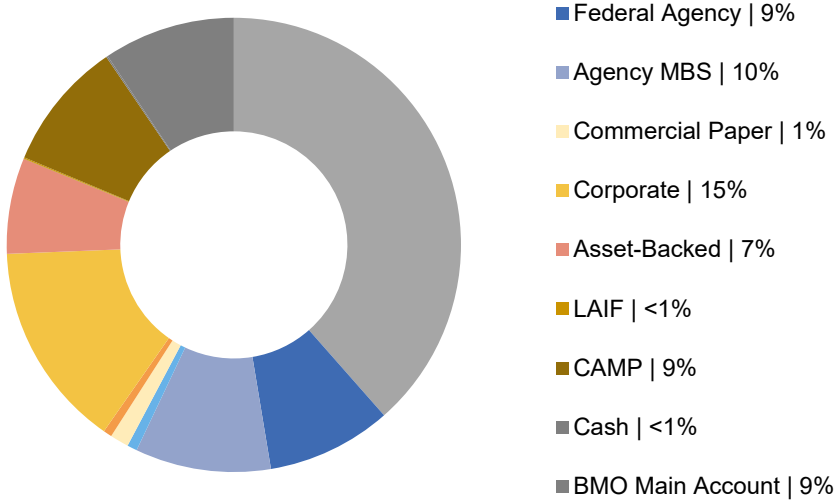
Account Summary

Consolidated Summary

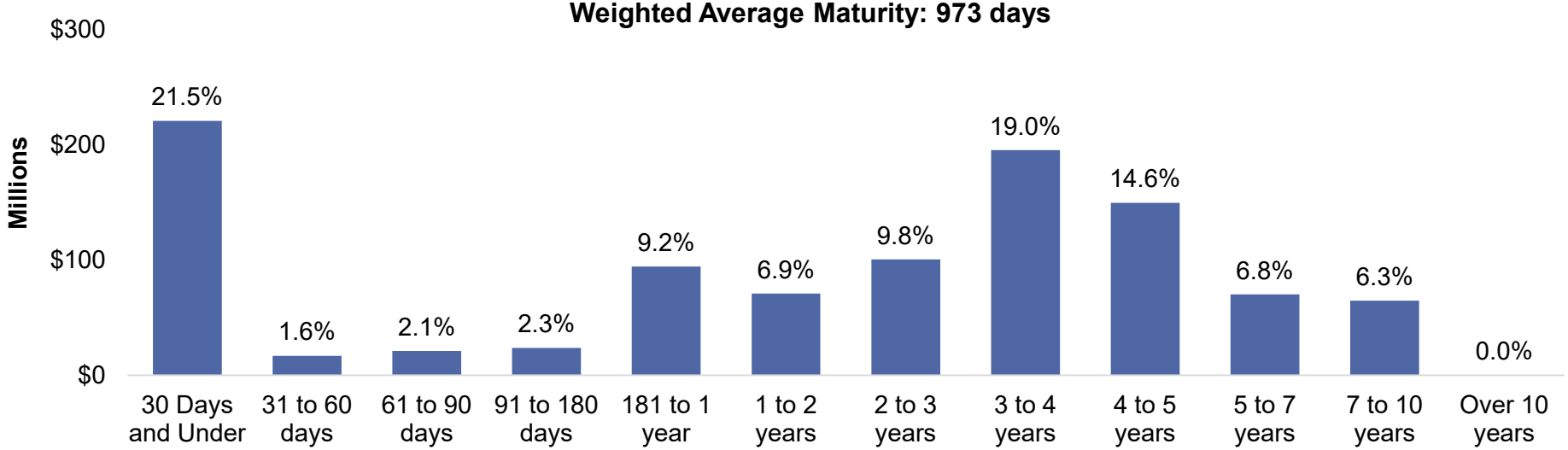
Account Summary

Reserve Portfolio[1]	$804,119,950
Short Term Portfolio[1]	$31,302,779
BMO Main Account	$96,356,639
CAMP Pool	$94,640,772
Local Agency Investment Fund	$858,917
Total Program	**$1,027,279,057**

Sector Allocation



Maturity Distribution
Weighted Average Maturity: 973 days



1. Reserve Portfolio includes both the PFMAM Reserve portfolio assets and Chandler Asset Management assets. Short-Term Portfolio comprises assets managed by Chandler Asset Management. Portfolio figures include cash in portfolios' sweep accounts and excludes accrued interest.

Portfolio Review:
CITY OF STOCKTON RESERVE PORTFOLIO

Certificate of Compliance

During the reporting period for the quarter ended March 31, 2025, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc.*

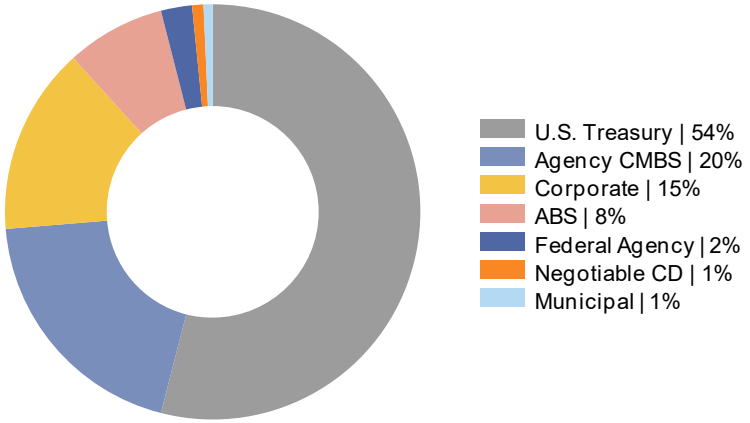
Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Financial LP Asset and Investment Management ("AIM").

Portfolio Snapshot - CITY OF STOCKTON RESERVE PORTFOLIO[1]

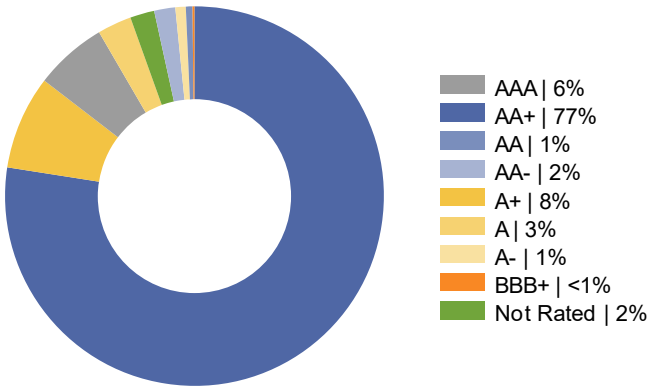
Portfolio Statistics

Total Market Value	$469,493,983.39
Securities Sub-Total	*$465,842,227.14*
Accrued Interest	*$2,529,183.97*
Cash	*$1,122,572.28*
Portfolio Effective Duration	3.08 years
Benchmark Effective Duration	3.19 years
Yield At Cost	3.93%
Yield At Market	4.18%
Portfolio Credit Quality	AA

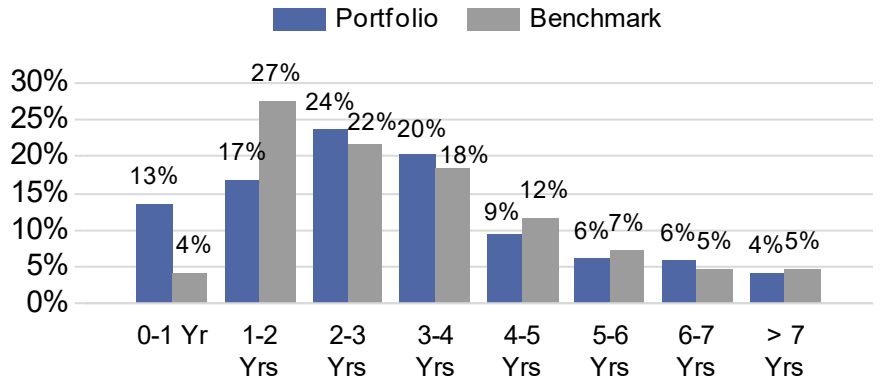
Sector Allocation



Credit Quality - S&P



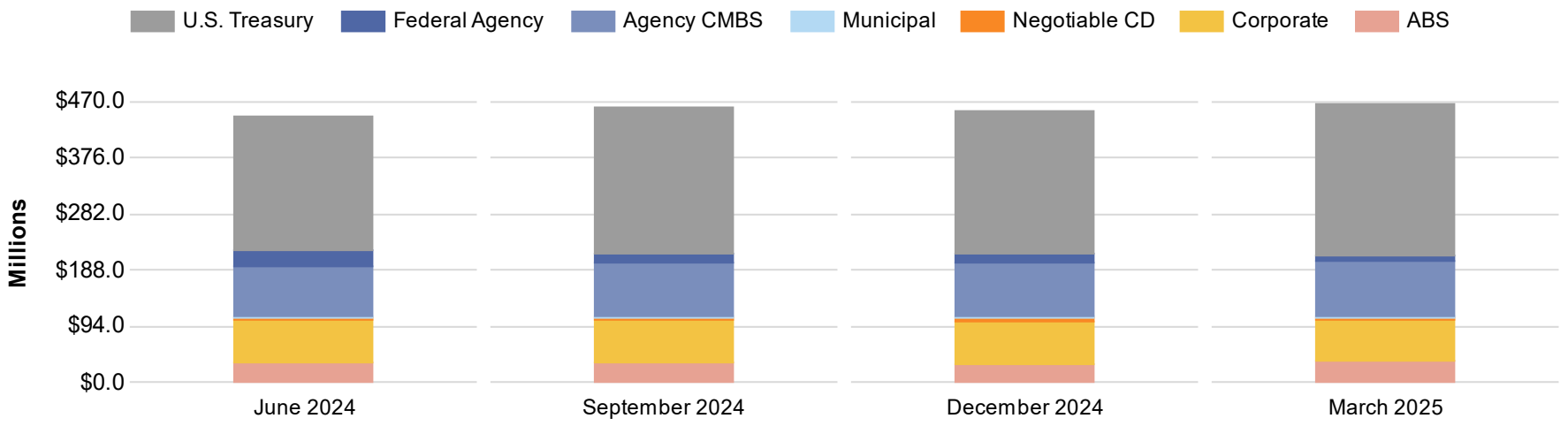
Duration Distribution



1. *Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest.*
The portfolio's benchmark is Ccurrently 80% ICE BofA 1-5 Year AAA-A US Corporate & Government Index and 20% ICE BofA 5-10 Year US Treasury Index. Prior to 3/31/23 it was the ICE BofA 1-5 Year AAA-A US Corporate & Government Index. Source: Bloomberg Financial LP.
An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

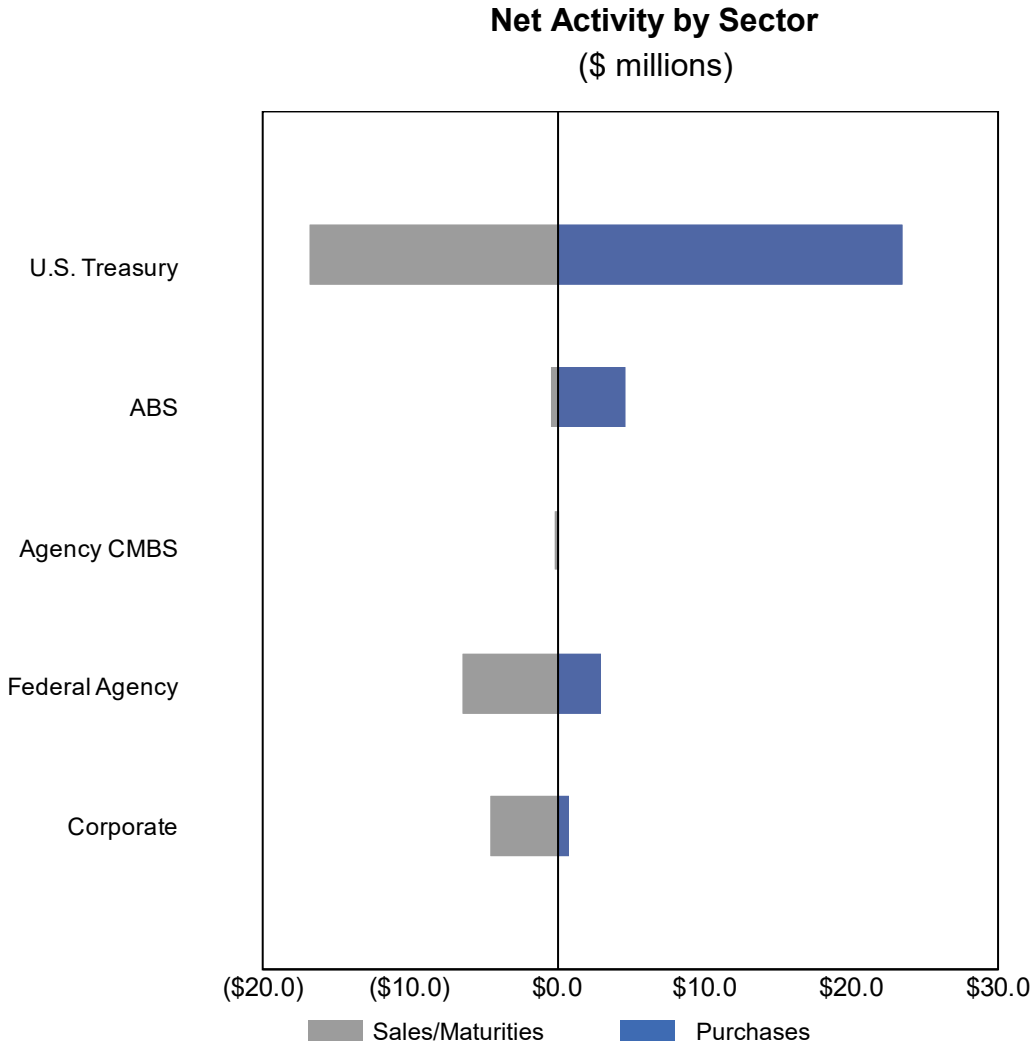
Sector Allocation Review - CITY OF STOCKTON RESERVE PORTFOLIO

Security Type	Jun-24	% of Total	Sep-24	% of Total	Dec-24	% of Total	Mar-25	% of Total
U.S. Treasury	$224.0	50.4%	$244.8	53.2%	$240.8	52.8%	$251.9	54.0%
Federal Agency	$26.3	5.9%	$14.3	3.1%	$14.4	3.2%	$11.0	2.4%
Agency CMBS	$82.8	18.6%	$88.8	19.3%	$90.8	19.9%	$91.7	19.7%
Municipal	$3.8	0.8%	$3.8	0.8%	$3.1	0.7%	$3.2	0.7%
Negotiable CD	$4.2	0.9%	$4.3	0.9%	$4.3	0.9%	$4.3	0.9%
Corporate	$71.2	16.0%	$72.0	15.7%	$70.7	15.5%	$67.8	14.6%
ABS	$32.9	7.4%	$32.3	7.0%	$31.8	7.0%	$36.1	7.7%
Total	**$445.2**	**100.0%**	**$460.3**	**100.0%**	**$455.8**	**100.0%**	**$465.8**	**100.0%**



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

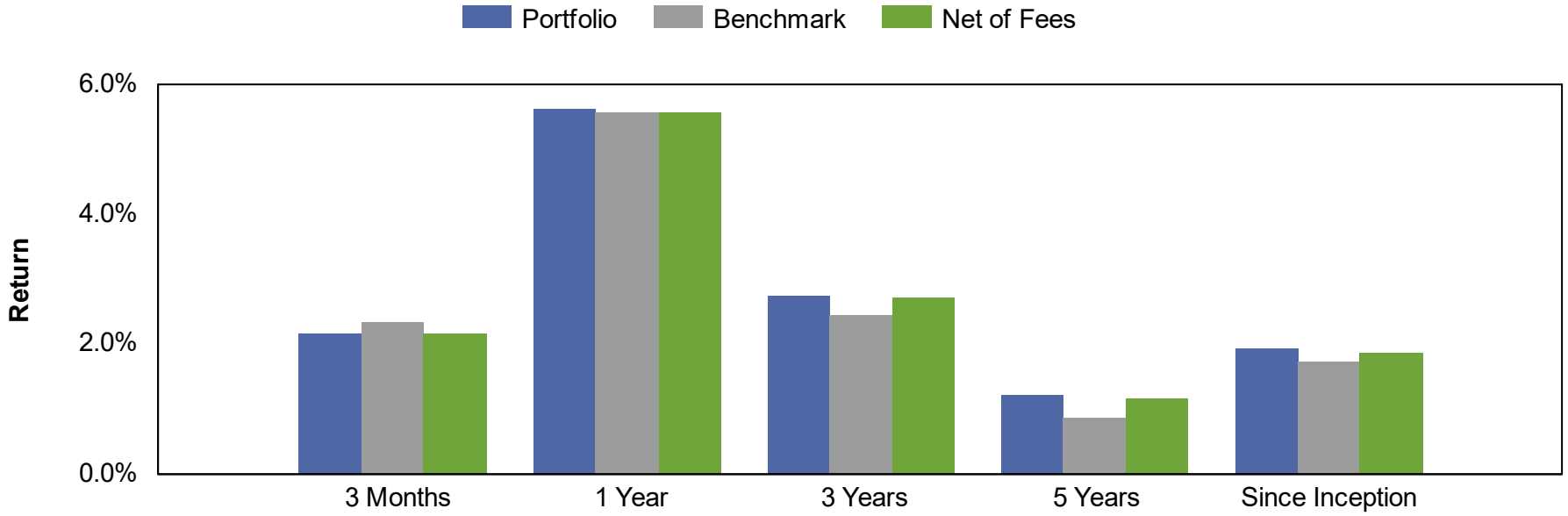
Portfolio Activity - CITY OF STOCKTON RESERVE PORTFOLIO



Sector	Net Activity
U.S. Treasury	$6,730,566
ABS	$4,300,407
Agency CMBS	($101,139)
Federal Agency	($3,454,862)
Corporate	($3,603,852)
Total Net Activity	**$3,871,119**

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

Portfolio Performance

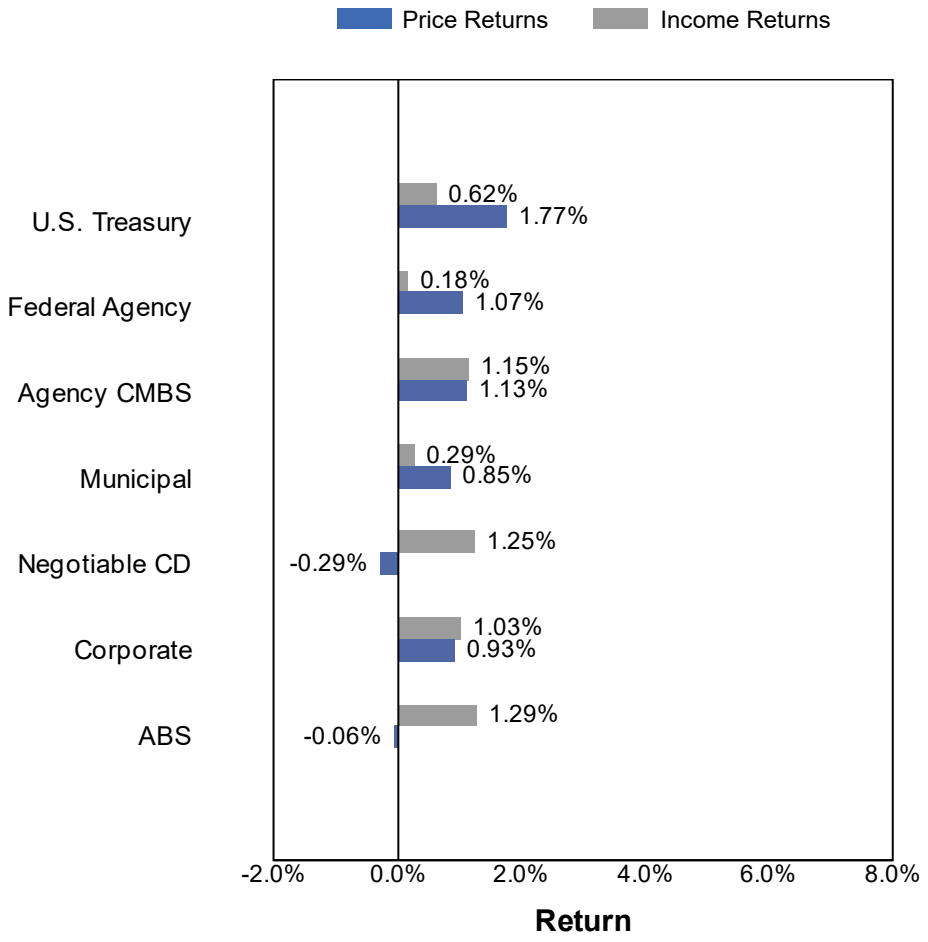


Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception[1]
Interest Earned[2]	$3,884,696	$14,500,603	$29,688,833	$46,789,725	$70,548,850
Change in Market Value	$6,151,307	$10,503,077	$5,663,287	($25,376,469)	($8,983,303)
Total Dollar Return	**$10,036,003**	**$25,003,680**	**$35,352,120**	**$21,413,256**	**$61,565,547**
Total Return[3]					
Portfolio	2.18%	5.61%	2.75%	1.21%	1.91%
Benchmark[4]	2.32%	5.56%	2.44%	0.87%	1.73%
Basis Point Fee	0.01%	0.04%	0.04%	0.05%	0.05%
Net of Fee Return	2.17%	5.57%	2.71%	1.16%	1.87%

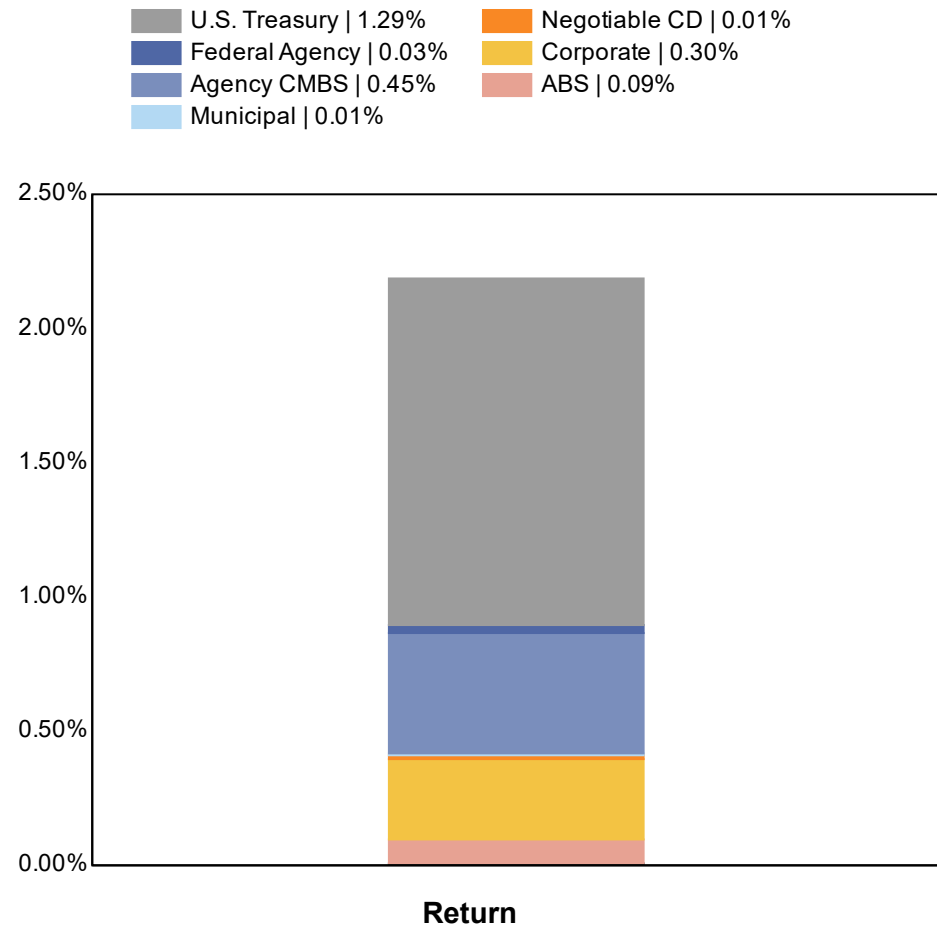
1. *The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is June 30, 2017.*
2. *Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.*
3. *Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.*
4. *The portfolio's benchmark is Ccurrently 80% ICE BofA 1-5 Year AAA-A US Corporate & Government Index and 20% ICE BofA 5-10 Year US Treasury Index. Prior to 3/31/23 it was the ICE BofA 1-5 Year AAA-A US Corporate & Government Index. Source: Bloomberg Financial LP.*

Quarterly Sector Performance

Total Return by Sector

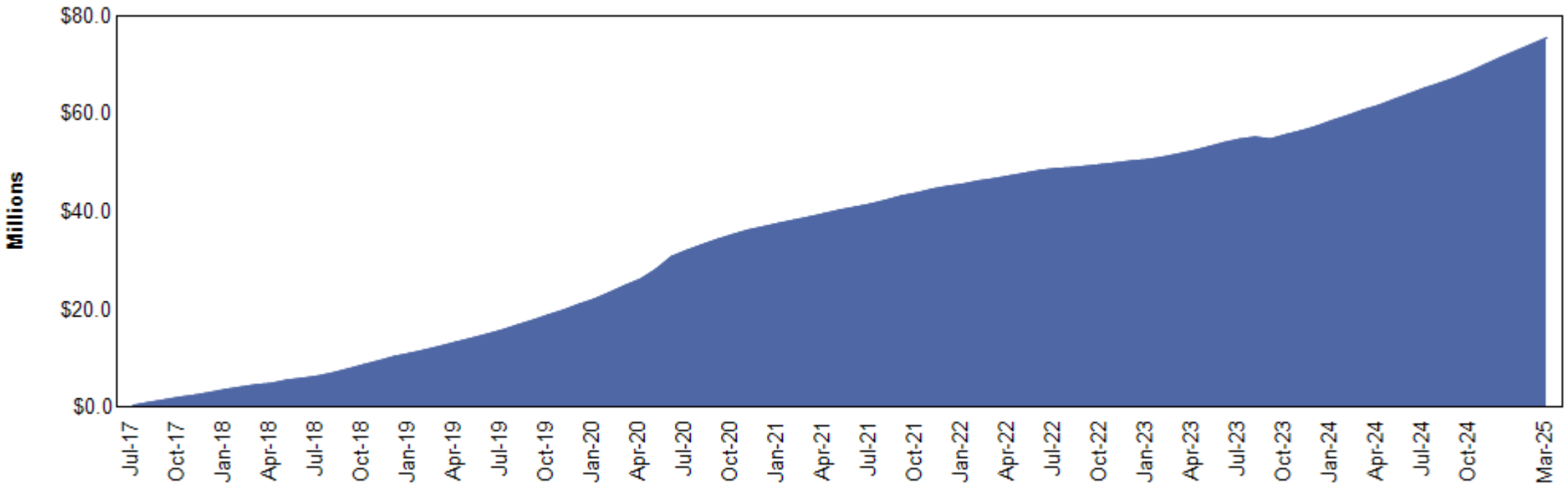


Contribution to Total Return



1. *Performance on trade-date basis, gross (i.e., before fees), in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).*
2. *Income returns calculated as interest earned on investments during the period.*
3. *Price returns calculated as the change in market value of each security for the period.*
4. *Returns are presented on a periodic basis.*

Accrual Basis Earnings - CITY OF STOCKTON RESERVE PORTFOLIO



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	Since Inception[1]
Interest Earned[2]	$3,884,696	$14,500,603	$29,688,833	$46,789,725	$70,548,850
Realized Gains / (Losses)[3]	($482,558)	($2,068,859)	($19,273,678)	($12,858,781)	($13,802,081)
Change in Amortized Cost	$610,741	$2,401,261	$18,439,191	$16,756,599	$18,871,517
Total Earnings	**$4,012,879**	**$14,833,005**	**$28,854,346**	**$50,687,543**	**$75,618,286**

1. The lesser of 10 years or since inception is shown. Performance inception date is June 30, 2017.
2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.
3. Realized gains / (losses) are shown on an amortized cost basis.

Factors to Consider for 6-12 Months

Monetary Policy (Global):

- The Fed paused its easing cycle in the first quarter given sticky inflation and the solid labor market. While the FOMC's "dot plot" continues to suggest 50 bps in rate cuts by the end of 2025, Fed Chair Powell indicated there is heightened risk and uncertainty due to the new administration's policies.
- Other major central banks (excluding the Bank of Japan) continued to cut rates. However, inflation remains a risk to this trend continuing, particularly in light of tariff uncertainty.

Economic Growth (Global):

- U.S. economic growth remained steady in 2024, but worsening consumer sentiment may weigh on spending going forward.
- Pro-growth fiscal policies proposed on the campaign trail have yet to be realized, leaving rapidly changing tariff policy to weigh on growth prospects.
- Escalating trade tensions create the potential for slowing global growth.

Inflation (U.S.):

- Progress towards the Fed's 2% target remains stalled with goods inflation moving higher even before tariff policies were enacted.
- Consumer expectations for inflation over the next 12 months have now reached their highest levels since early 2023 on tariff concerns.
- Fed Chair Powell said the data are not yet reflecting tariffs and reiterated it will be difficult to directly measure the impact of these policies on prices.

Financial Conditions (U.S.):

- Financial conditions remained supportive in the first half of the quarter but tightened as ongoing tariff risks weighed on equity prices and credit spreads. While credit spreads widened modestly during the first quarter they remain below historic averages.
- The evolving fiscal landscape and growing uncertainty may lead to tightening financial conditions over the next 6-12 months.

Consumer Spending (U.S.):

- Sentiment has meaningfully deteriorated as consumers expect higher prices and weaker labor market conditions as tariffs weigh on the pace of economic growth.
- A material deterioration of labor market conditions remains the biggest risk factor to consumer spending. Other headwinds may include slower real wage growth and reduced willingness to spend as prices move higher due to tariffs.

Labor Markets:

- The labor market remains surprisingly resilient with both initial jobless claims and the unemployment rate at historically low levels. Monthly job gains continue to keep pace with labor force growth.
- With hiring and quits rates low, any acceleration in layoffs may result in job seekers remaining unemployed for longer.
- Federal job cuts and funding freezes could impact the hiring plans of sectors such as healthcare and higher education which rely on government funding. The impact of immigration policy remains unknown.

Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg and FactSet. The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (3/31/2025) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

Reserve Portfolio Holdings and Transactions

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 04/30/2020 0.375% 04/30/2025	912828ZL7	112,500.00	AA+	Aaa	4/5/2021	4/7/2021	111,032.23	0.70	177.14	112,471.32	112,145.63
US TREASURY N/B DTD 06/30/2020 0.250% 06/30/2025	912828ZW3	22,500.00	AA+	Aaa	10/4/2021	10/6/2021	22,128.22	0.70	14.14	22,475.45	22,275.59
US TREASURY N/B DTD 11/30/2020 0.375% 11/30/2025	91282CAZ4	7,500.00	AA+	Aaa	11/1/2021	11/2/2021	7,297.27	1.05	9.43	7,466.91	7,315.25
US TREASURY N/B DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	3,425,000.00	AA+	Aaa	5/6/2021	5/10/2021	3,368,942.38	0.73	3,228.68	3,415,943.52	3,331,213.23
US TREASURY N/B DTD 02/01/2021 0.375% 01/31/2026	91282CBH3	7,635,000.00	AA+	Aaa	2/18/2022	2/22/2022	7,215,969.73	1.83	4,745.51	7,546,185.38	7,402,552.43
US TREASURY N/B DTD 01/31/2019 2.625% 01/31/2026	9128286A3	1,707,500.00	AA+	Aaa	2/4/2021	2/4/2021	1,890,055.76	0.46	7,429.04	1,738,059.55	1,686,957.07
US TREASURY N/B DTD 02/01/2021 0.375% 01/31/2026	91282CBH3	1,195,000.00	AA+	Aaa	7/2/2021	7/7/2021	1,172,033.59	0.80	742.75	1,190,803.02	1,158,618.23
US TREASURY N/B DTD 02/01/2021 0.375% 01/31/2026	91282CBH3	8,475,000.00	AA+	Aaa	1/4/2022	1/6/2022	8,174,402.34	1.27	5,267.61	8,413,302.63	8,216,978.63
US TREASURY N/B DTD 03/01/2021 0.500% 02/28/2026	91282CBQ3	10,690,000.00	AA+	Aaa	2/2/2022	2/3/2022	10,249,872.66	1.55	4,647.83	10,591,371.19	10,346,337.88
US TREASURY N/B DTD 03/01/2021 0.500% 02/28/2026	91282CBQ3	1,980,000.00	AA+	Aaa	12/3/2021	12/7/2021	1,926,632.81	1.15	860.87	1,968,490.11	1,916,346.96
US TREASURY N/B DTD 06/01/2021 0.750% 05/31/2026	91282CCF6	3,155,000.00	AA+	Aaa	10/4/2021	10/6/2021	3,133,186.13	0.90	7,930.84	3,149,540.11	3,037,921.11
US TREASURY N/B DTD 06/01/2021 0.750% 05/31/2026	91282CCF6	805,000.00	AA+	Aaa	6/7/2021	6/7/2021	803,176.17	0.80	2,023.56	804,573.87	775,127.26
US TREASURY N/B DTD 06/01/2021 0.750% 05/31/2026	91282CCF6	4,360,000.00	AA+	Aaa	6/6/2022	6/8/2022	3,995,871.88	2.99	10,959.89	4,253,493.15	4,198,204.76
US TREASURY N/B DTD 09/30/2021 0.875% 09/30/2026	91282CCZ2	3,700,000.00	AA+	Aaa	4/5/2022	4/7/2022	3,406,746.09	2.77	88.46	3,602,009.84	3,534,802.40
US TREASURY N/B DTD 11/15/2016 2.000% 11/15/2026	912828U24	2,540,000.00	AA+	Aaa	8/8/2022	8/9/2022	2,437,606.25	3.01	19,225.41	2,501,052.28	2,462,212.50

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 02/15/2017 2.250% 02/15/2027	912828V98	855,000.00	AA+	Aaa	8/8/2022	8/9/2022	828,515.04	2.99	2,391.40	844,011.39	829,083.24
US TREASURY N/B DTD 02/15/2017 2.250% 02/15/2027	912828V98	1,390,000.00	AA+	Aaa	5/12/2023	5/12/2023	1,328,047.27	3.52	3,887.78	1,359,136.28	1,347,866.32
US TREASURY N/B DTD 03/31/2022 2.500% 03/31/2027	91282CEF4	5,350,000.00	AA+	Aaa	5/9/2023	5/10/2023	5,138,925.78	3.60	365.44	5,241,714.91	5,205,801.45
US TREASURY N/B DTD 04/30/2020 0.500% 04/30/2027	912828ZN3	4,840,000.00	AA+	Aaa	8/2/2022	8/3/2022	4,331,989.06	2.88	10,161.33	4,617,249.97	4,511,789.92
US TREASURY N/B DTD 06/30/2022 3.250% 06/30/2027	91282CEW7	4,300,000.00	AA+	Aaa	3/30/2023	3/31/2023	4,214,000.00	3.76	35,130.52	4,254,561.86	4,240,036.50
US TREASURY N/B DTD 06/30/2020 0.500% 06/30/2027	912828ZV5	4,215,000.00	AA+	Aaa	8/25/2022	8/26/2022	3,705,577.73	3.21	5,297.86	3,978,863.05	3,908,261.81
US TREASURY N/B DTD 08/01/2022 2.750% 07/31/2027	91282CFB2	5,000,000.00	AA+	Aaa	5/12/2023	5/12/2023	4,857,226.56	3.48	22,790.06	4,921,154.97	4,870,510.00
US TREASURY N/B DTD 08/15/2017 2.250% 08/15/2027	9128282R0	2,730,000.00	AA+	Aaa	9/1/2022	9/6/2022	2,588,274.61	3.40	7,635.70	2,661,965.53	2,627,837.94
US TREASURY N/B DTD 08/31/2022 3.125% 08/31/2027	91282CFH9	5,030,000.00	AA+	Aaa	3/24/2023	3/24/2023	4,971,644.14	3.41	13,668.48	4,998,248.08	4,937,850.40
US TREASURY N/B DTD 09/30/2020 0.375% 09/30/2027	91282CAL5	2,400,000.00	AA+	Aaa	10/28/2022	10/31/2022	1,998,843.75	4.17	24.59	2,196,181.34	2,199,751.20
US TREASURY N/B DTD 11/02/2020 0.500% 10/31/2027	91282CAU5	5,340,000.00	AA+	Aaa	1/4/2023	1/6/2023	4,547,552.34	3.91	11,211.05	4,915,168.76	4,895,487.72
US TREASURY N/B DTD 10/31/2022 4.125% 10/31/2027	91282CFU0	4,250,000.00	AA+	Aaa	3/30/2023	3/31/2023	4,320,224.61	3.73	73,611.88	4,289,535.41	4,271,581.50
US TREASURY N/B DTD 10/31/2022 4.125% 10/31/2027	91282CFU0	1,790,000.00	AA+	Aaa	12/1/2022	12/2/2022	1,820,346.09	3.74	31,003.59	1,805,951.15	1,799,089.62
US TREASURY N/B DTD 01/03/2023 3.875% 12/31/2027	91282CGC9	2,945,000.00	AA+	Aaa	2/1/2023	2/2/2023	2,981,582.42	3.60	28,687.31	2,965,484.52	2,942,355.39
US TREASURY N/B DTD 02/01/2021 0.750% 01/31/2028	91282CBJ9	540,000.00	AA+	Aaa	3/14/2022	3/15/2022	498,382.03	2.15	671.27	519,946.65	494,606.52
US TREASURY N/B DTD 02/01/2021 0.750% 01/31/2028	91282CBJ9	4,500,000.00	AA+	Aaa	5/12/2023	5/12/2023	3,976,347.66	3.44	5,593.92	4,185,808.60	4,121,721.00
US TREASURY N/B DTD 02/28/2023 4.000% 02/29/2028	91282CGP0	4,825,000.00	AA+	Aaa	3/24/2023	3/24/2023	4,967,299.80	3.35	16,782.61	4,908,975.03	4,835,933.45

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 03/31/2023 3.625% 03/31/2028	91282CGT2	4,260,000.00	AA+	Aaa	3/30/2023	3/31/2023	4,253,510.16	3.66	421.93	4,256,110.36	4,225,885.92
US TREASURY N/B DTD 03/31/2021 1.250% 03/31/2028	91282CBS9	5,735,000.00	AA+	Aaa	5/9/2023	5/10/2023	5,152,315.04	3.53	195.87	5,377,954.65	5,307,341.05
US TREASURY N/B DTD 03/31/2021 1.250% 03/31/2028	91282CBS9	1,985,000.00	AA+	Aaa	5/8/2023	5/10/2023	1,786,655.08	3.49	67.79	1,863,462.40	1,836,978.55
US TREASURY N/B DTD 05/01/2023 3.500% 04/30/2028	91282CHA2	2,050,000.00	AA+	Aaa	5/1/2023	5/1/2023	2,040,230.47	3.61	30,127.07	2,043,980.98	2,024,854.70
US TREASURY N/B DTD 05/15/2018 2.875% 05/15/2028	9128284N7	705,000.00	AA+	Aaa	11/30/2022	11/30/2022	666,280.08	4.00	7,670.77	682,852.13	683,299.39
US TREASURY N/B DTD 09/30/2021 1.250% 09/30/2028	91282CCY5	525,000.00	AA+	Aaa	3/14/2022	3/15/2022	495,591.79	2.17	17.93	509,281.18	479,247.30
US TREASURY N/B DTD 11/16/1998 5.250% 11/15/2028	912810FF0	1,000,000.00	AA+	Aaa	11/30/2022	11/30/2022	1,064,765.63	4.02	19,868.78	1,039,388.93	1,043,633.00
US TREASURY N/B DTD 02/16/1999 5.250% 02/15/2029	912810FG8	1,875,000.00	AA+	Aaa	1/10/2023	1/11/2023	2,027,856.45	3.74	12,236.71	1,972,191.17	1,968,384.38
US TREASURY N/B DTD 02/15/2019 2.625% 02/15/2029	9128286B1	2,165,000.00	AA+	Aaa	2/27/2023	2/28/2023	1,991,630.86	4.15	7,064.66	2,052,337.91	2,063,177.88
US TREASURY N/B DTD 02/15/2019 2.625% 02/15/2029	9128286B1	500,000.00	AA+	Aaa	3/21/2022	3/22/2022	509,433.59	2.33	1,631.56	505,296.58	476,484.50
US TREASURY N/B DTD 05/31/2024 4.500% 05/31/2029	91282CKT7	960,000.00	AA+	Aaa	6/6/2024	6/7/2024	968,700.00	4.30	14,479.12	967,397.83	979,762.56
US TREASURY N/B DTD 05/31/2022 2.750% 05/31/2029	91282CES6	490,000.00	AA+	Aaa	1/11/2023	1/12/2023	464,523.83	3.67	4,516.35	473,376.55	467,509.98
US TREASURY N/B DTD 06/30/2022 3.250% 06/30/2029	91282CEV9	490,000.00	AA+	Aaa	7/7/2023	7/10/2023	464,026.17	4.26	4,003.25	471,537.39	476,467.67
US TREASURY N/B DTD 07/31/2024 4.000% 07/31/2029	91282CLC3	6,075,000.00	AA+	Aaa	8/1/2024	8/2/2024	6,117,240.23	3.85	40,276.24	6,112,111.73	6,084,015.30
US TREASURY N/B DTD 08/15/2019 1.625% 08/15/2029	912828YB0	520,000.00	AA+	Aaa	3/21/2022	3/22/2022	496,518.75	2.29	1,050.41	506,126.69	472,164.16
US TREASURY N/B DTD 08/16/1999 6.125% 08/15/2029	912810FJ2	1,775,000.00	AA+	Aaa	1/10/2023	1/11/2023	2,023,083.98	3.72	13,514.76	1,939,530.78	1,928,370.65
US TREASURY N/B DTD 08/31/2022 3.125% 08/31/2029	91282CFJ5	2,120,000.00	AA+	Aaa	2/27/2023	2/28/2023	2,000,998.44	4.12	5,760.87	2,039,213.17	2,048,367.32

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 10/31/2024 4.125% 10/31/2029	91282CLR0	950,000.00	AA+	Aaa	11/14/2024	11/15/2024	942,949.22	4.29	16,454.42	943,440.14	955,863.40
US TREASURY N/B DTD 10/31/2024 4.125% 10/31/2029	91282CLR0	1,700,000.00	AA+	Aaa	11/1/2024	11/4/2024	1,695,816.41	4.18	29,444.75	1,696,132.58	1,710,492.40
US TREASURY N/B DTD 11/30/2022 3.875% 11/30/2029	91282CFY2	1,070,000.00	AA+	Aaa	11/30/2022	11/30/2022	1,069,289.45	3.89	13,896.77	1,069,526.49	1,065,527.40
US TREASURY N/B DTD 01/03/2023 3.875% 12/31/2029	91282CGB1	2,030,000.00	AA+	Aaa	1/10/2023	1/11/2023	2,059,339.84	3.64	19,774.27	2,049,993.96	2,020,960.41
US TREASURY N/B DTD 12/31/2024 4.375% 12/31/2029	91282CMD0	6,535,000.00	AA+	Aaa	1/6/2025	1/7/2025	6,520,449.41	4.43	71,871.46	6,521,063.46	6,645,787.86
US TREASURY N/B DTD 01/31/2025 4.250% 01/31/2030	91282CMG3	470,000.00	AA+	Aaa	2/5/2025	2/6/2025	470,110.16	4.24	3,310.77	470,107.82	475,434.61
US TREASURY N/B DTD 02/18/2020 1.500% 02/15/2030	912828Z94	542,500.00	AA+	Aaa	4/6/2022	4/11/2022	498,040.43	2.66	1,011.57	514,881.41	483,291.01
US TREASURY N/B DTD 02/28/2023 4.000% 02/28/2030	91282CGQ8	2,010,000.00	AA+	Aaa	2/27/2023	2/28/2023	2,000,892.19		6,991.30	2,003,609.93	2,012,042.16
US TREASURY N/B DTD 02/28/2023 4.000% 02/28/2030	91282CGQ8	6,865,000.00	AA+	Aaa	3/4/2025	3/5/2025	6,866,877.15	3.99	23,878.26	6,866,881.57	6,871,974.84
US TREASURY N/B DTD 03/31/2025 4.000% 03/31/2030	91282CMU2	4,095,000.00	AA+	Aaa	3/28/2025	3/31/2025	4,090,041.21	4.03	447.54	4,090,058.54	4,098,198.20
US TREASURY N/B DTD 05/01/2023 3.500% 04/30/2030	91282CGZ8	3,880,000.00	AA+	Aaa	4/25/2024	4/26/2024	3,632,498.44	4.73	57,020.99	3,666,452.26	3,791,792.08
US TREASURY N/B DTD 02/15/2000 6.250% 05/15/2030	912810FM5	2,160,000.00	AA+	Aaa	1/11/2023	1/12/2023	2,519,859.38	3.64	51,091.16	2,411,095.91	2,383,678.80
US TREASURY N/B DTD 02/15/2000 6.250% 05/15/2030	912810FM5	925,000.00	AA+	Aaa	11/30/2022	11/30/2022	1,065,123.05	3.89	21,879.32	1,021,228.46	1,020,788.38
US TREASURY N/B DTD 05/15/2020 0.625% 05/15/2030	912828ZQ6	2,535,000.00	AA+	Aaa	1/10/2023	1/11/2023	2,057,608.01	3.56	5,996.12	2,202,018.64	2,141,877.27
US TREASURY N/B DTD 05/31/2023 3.750% 05/31/2030	91282CHF1	2,830,000.00	AA+	Aaa	7/12/2023	7/12/2023	2,783,459.77	4.03	35,569.37	2,795,099.45	2,796,393.75
US TREASURY N/B DTD 08/17/2020 0.625% 08/15/2030	91282CAE1	2,545,000.00	AA+	Aaa	1/10/2023	1/11/2023	2,052,204.49	3.56	1,977.30	2,196,328.96	2,131,040.48
US TREASURY N/B DTD 08/17/2020 0.625% 08/15/2030	91282CAE1	2,540,000.00	AA+	Aaa	2/27/2023	2/28/2023	1,995,586.72	3.97	1,973.41	2,148,022.44	2,126,853.76

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 08/17/2020 0.625% 08/15/2030	91282CAE1	587,500.00	AA+	Aaa	4/6/2022	4/11/2022	498,755.37	2.65	456.45	530,375.01	491,939.60
US TREASURY N/B DTD 11/16/2020 0.875% 11/15/2030	91282CAV3	3,000,000.00	AA+	Aaa	7/11/2023	7/12/2023	2,405,390.63	4.02	9,934.39	2,544,790.29	2,527,383.00
US TREASURY N/B DTD 11/16/2020 0.875% 11/15/2030	91282CAV3	1,330,000.00	AA+	Aaa	11/30/2022	11/30/2022	1,071,065.63	3.72	4,404.25	1,147,044.65	1,120,473.13
US TREASURY N/B DTD 01/31/2024 4.000% 01/31/2031	91282CJX0	1,350,000.00	AA+	Aaa	1/30/2025	1/31/2025	1,323,210.94	4.38	8,950.28	1,323,870.94	1,346,256.45
US TREASURY N/B DTD 02/15/2001 5.375% 02/15/2031	912810FP8	1,800,000.00	AA+	Aaa	1/10/2023	1/11/2023	2,021,273.44	3.61	12,026.93	1,960,586.00	1,923,609.60
US TREASURY N/B DTD 02/16/2021 1.125% 02/15/2031	91282CBL4	565,000.00	AA+	Aaa	4/6/2022	4/11/2022	498,104.88	2.63	790.14	520,582.63	480,073.72
US TREASURY N/B DTD 02/15/2001 5.375% 02/15/2031	912810FP8	2,955,000.00	AA+	Aaa	7/7/2023	7/10/2023	3,201,326.95	4.09	19,744.22	3,145,355.65	3,157,925.76
US TREASURY N/B DTD 02/15/2001 5.375% 02/15/2031	912810FP8	1,820,000.00	AA+	Aaa	2/27/2023	2/28/2023	1,991,620.31	3.98	12,160.57	1,946,606.11	1,944,983.04
US TREASURY N/B DTD 04/01/2024 4.125% 03/31/2031	91282CKF7	3,820,000.00	AA+	Aaa	4/25/2024	4/26/2024	3,686,150.78	4.72	430.53	3,701,721.92	3,832,831.38
US TREASURY N/B DTD 05/17/2021 1.625% 05/15/2031	91282CCB5	2,930,000.00	AA+	Aaa	1/11/2023	1/12/2023	2,530,673.05	3.53	18,019.10	2,636,897.95	2,545,323.23
US TREASURY N/B DTD 05/17/2021 1.625% 05/15/2031	91282CCB5	1,265,000.00	AA+	Aaa	11/30/2022	11/30/2022	1,070,802.73	3.76	7,779.58	1,124,445.95	1,098,919.42
US TREASURY N/B DTD 07/31/2024 4.125% 07/31/2031	91282CLD1	730,000.00	AA+	Aaa	8/14/2024	8/15/2024	748,164.45	3.72	4,991.02	746,715.67	731,654.18
US TREASURY N/B DTD 08/16/2021 1.250% 08/15/2031	91282CCS8	2,465,000.00	AA+	Aaa	2/27/2023	2/28/2023	1,994,627.93	3.92	3,830.28	2,110,774.82	2,075,606.42
US TREASURY N/B DTD 08/16/2021 1.250% 08/15/2031	91282CCS8	562,500.00	AA+	Aaa	4/6/2022	4/11/2022	498,515.62	2.63	874.05	518,875.14	473,642.44
US TREASURY N/B DTD 11/15/2021 1.375% 11/15/2031	91282CDJ7	2,080,000.00	AA+	Aaa	1/10/2023	1/11/2023	1,739,075.00	3.55	10,823.76	1,824,675.67	1,753,213.28
US TREASURY N/B DTD 11/15/2021 1.375% 11/15/2031	91282CDJ7	1,305,000.00	AA+	Aaa	11/30/2022	11/30/2022	1,068,927.54	3.77	6,790.87	1,130,470.88	1,099,972.76
US TREASURY N/B DTD 01/31/2025 4.375% 01/31/2032	91282CMK4	3,400,000.00	AA+	Aaa	2/4/2025	2/5/2025	3,386,984.38	4.44	24,654.70	3,387,235.42	3,453,655.40

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 02/15/2022 1.875% 02/15/2032	91282CDY4	2,365,000.00	AA+	Aaa	2/27/2023	2/28/2023	1,999,625.98	3.94	5,512.34	2,084,775.76	2,049,605.97
US TREASURY N/B DTD 05/16/2022 2.875% 05/15/2032	91282CEP2	2,175,000.00	AA+	Aaa	1/10/2023	1/11/2023	2,056,224.61	3.57	23,665.14	2,084,456.39	2,008,390.65
US TREASURY N/B DTD 05/16/2022 2.875% 05/15/2032	91282CEP2	1,100,000.00	AA+	Aaa	7/2/2024	7/3/2024	988,410.16	4.41	11,968.58	997,420.06	1,015,737.80
US TREASURY N/B DTD 05/16/2022 2.875% 05/15/2032	91282CEP2	660,000.00	AA+	Aaa	8/5/2022	8/9/2022	662,629.69	2.83	7,181.15	661,917.53	609,442.68
US TREASURY N/B DTD 05/16/2022 2.875% 05/15/2032	91282CEP2	1,150,000.00	AA+	Aaa	11/30/2022	11/30/2022	1,067,164.06	3.79	12,512.60	1,087,621.23	1,061,907.70
US TREASURY N/B DTD 05/16/2022 2.875% 05/15/2032	91282CEP2	2,670,000.00	AA+	Aaa	1/11/2023	1/12/2023	2,525,548.83	3.56	29,051.00	2,559,851.22	2,465,472.66
US TREASURY N/B DTD 08/15/2022 2.750% 08/15/2032	91282CFF3	2,195,000.00	AA+	Aaa	2/27/2023	2/28/2023	1,991,190.82	3.93	7,503.63	2,036,186.89	2,002,937.50
US TREASURY N/B DTD 11/15/2022 4.125% 11/15/2032	91282CFV8	3,225,000.00	AA+	Aaa	7/7/2023	7/10/2023	3,242,006.84	4.06	50,346.08	3,238,865.35	3,222,984.38
US TREASURY N/B DTD 11/15/2022 4.125% 11/15/2032	91282CFV8	1,965,000.00	AA+	Aaa	1/10/2023	1/11/2023	2,054,269.34	3.57	30,675.98	2,034,136.57	1,963,771.88
US TREASURY N/B DTD 11/15/2022 4.125% 11/15/2032	91282CFV8	1,055,000.00	AA+	Aaa	11/30/2022	11/30/2022	1,084,877.93	3.78	16,469.80	1,077,872.47	1,054,340.63
US TREASURY N/B DTD 02/15/2023 3.500% 02/15/2033	91282CGM7	2,065,000.00	AA+	Aaa	2/27/2023	2/28/2023	1,993,450.98	3.92	8,984.46	2,008,448.76	1,973,526.70
US TREASURY N/B DTD 05/15/2023 3.375% 05/15/2033	91282CHC8	1,075,000.00	AA+	Aaa	7/2/2024	7/3/2024	992,191.41	4.43	13,730.75	997,982.55	1,015,791.15
US TREASURY N/B DTD 08/15/2023 3.875% 08/15/2033	91282CHT1	2,385,000.00	AA+	Aaa	10/2/2023	10/2/2023	2,236,496.48	4.67	11,488.52	2,259,029.47	2,331,988.61
US TREASURY N/B DTD 11/15/2023 4.500% 11/15/2033	91282CJJ1	4,340,000.00	AA+	Aaa	10/16/2024	10/17/2024	4,504,784.38	4.00	73,911.88	4,497,843.01	4,432,902.04
US TREASURY N/B DTD 02/15/2024 4.000% 02/15/2034	91282CJZ5	3,880,000.00	AA+	Aaa	4/25/2024	4/26/2024	3,667,357.81	4.70	19,292.82	3,683,623.01	3,817,706.60
US TREASURY N/B DTD 05/15/2024 4.375% 05/15/2034	91282CKQ3	1,000,000.00	AA+	Aaa	7/2/2024	7/3/2024	995,156.25	4.44	16,557.32	995,457.59	1,010,977.00

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 08/15/2024 3.875% 08/15/2034	91282CLF6	8,450,000.00	AA+	Aaa	9/4/2024	9/5/2024	8,514,365.23	3.78	40,703.56	8,511,344.72	8,213,661.95
Security Type Sub-Total		**260,742,500.00**					**250,143,658.71**	**3.37**	**1,387,975.53**	**254,577,145.56**	**251,855,122.74**
Negotiable CD											
COOPERAT RABOBANK UA/NY DTD 07/20/2023 5.080% 07/17/2026	21684LGS5	4,200,000.00	A+	Aa2	7/17/2023	7/20/2023	4,200,000.00	5.08	43,857.33	4,200,000.00	4,269,178.20
Security Type Sub-Total		**4,200,000.00**					**4,200,000.00**	**5.08**	**43,857.33**	**4,200,000.00**	**4,269,178.20**
Municipal											
UNIV OF CALIFORNIA-BG (CALLABLE) DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	300,000.00	AA	Aa2	7/10/2020	7/16/2020	300,000.00	0.88	1,000.73	300,000.00	298,711.50
UNIV OF CALIFORNIA-BG (CALLABLE) DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	460,000.00	AA	Aa2	7/14/2020	7/16/2020	461,665.20	0.81	1,534.46	460,042.13	458,024.30
FLORIDA ST BRD OF ADM DTD 09/16/2020 1.258% 07/01/2025	341271AD6	1,050,000.00	AA	Aa2	9/3/2020	9/16/2020	1,057,423.50	1.11	3,302.25	1,050,387.31	1,041,362.70
FLORIDA ST BRD OF ADM DTD 09/16/2020 1.258% 07/01/2025	341271AD6	825,000.00	AA	Aa2	9/3/2020	9/16/2020	825,000.00	1.26	2,594.63	825,000.00	818,213.55
NJ TPK AUTH -B-TXBL DTD 02/04/2021 1.047% 01/01/2026	646140DP5	557,500.00	AA-	A1	1/22/2021	2/4/2021	557,500.00	1.05	1,459.26	557,500.00	544,120.56
Security Type Sub-Total		**3,192,500.00**					**3,201,588.70**	**1.07**	**9,891.33**	**3,192,929.44**	**3,160,432.61**
Federal Agency											
FANNIE MAE DTD 06/19/2020 0.500% 06/17/2025	3135G04Z3	12,500.00	AA+	Aaa	10/2/2020	10/5/2020	12,553.38	0.41	18.06	12,502.40	12,397.60
FEDERAL FARM CREDIT BANK (CALLABLE) DTD 09/29/2020 0.530% 09/29/2025	3133EMBH4	2,265,000.00	AA+	Aaa	10/7/2020	10/9/2020	2,261,036.25	0.57	66.69	2,264,605.84	2,223,666.02

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency											
FANNIE MAE DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	6,190,000.00	AA+	Aaa	12/3/2020	12/4/2020	6,188,885.80	0.50	12,380.00	6,189,864.26	6,049,394.15
FANNIE MAE DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	1,955,000.00	AA+	Aaa	11/19/2020	11/24/2020	1,954,257.10	0.51	3,910.00	1,954,910.00	1,910,592.18
FEDERAL HOME LOAN BANK DTD 08/25/2022 3.375% 09/10/2032	3130AT4C8	875,000.00	AA+	Aaa	11/1/2022	11/3/2022	779,616.25	4.77	1,722.66	802,957.97	826,083.12
Security Type Sub-Total		**11,297,500.00**					**11,196,348.78**	**0.84**	**18,097.41**	**11,224,840.47**	**11,022,133.07**
Corporate											
AMAZON.COM INC DTD 04/13/2022 3.000% 04/13/2025	023135CE4	7,500.00	AA	A1	4/11/2022	4/13/2022	7,488.07	3.06	105.00	7,499.87	7,496.04
GOLDMAN SACHS GROUP INC (CALLABLE) DTD 05/22/2015 3.750% 05/22/2025	38148LAE6	837,500.00	BBB+	A2	2/12/2021	2/17/2021	935,638.25	0.94	11,253.91	837,500.00	836,410.41
BANK OF AMERICA CORP (CALLABLE) DTD 03/22/2022 3.384% 04/02/2026	06051GKM0	1,875,000.00	A-	WR	3/17/2022	3/22/2022	1,875,000.00	3.38	31,548.75	1,875,000.00	1,874,904.38
PACCAR FINANCIAL CORP DTD 08/10/2023 5.050% 08/10/2026	69371RS56	3,800,000.00	A+	A1	8/10/2023	8/14/2023	3,815,846.00	4.90	27,185.83	3,807,201.39	3,839,520.00
BANK OF AMERICA NA (CALLABLE) DTD 08/18/2023 5.526% 08/18/2026	06428CAA2	1,885,000.00	A+	Aa1	8/14/2023	8/18/2023	1,885,000.00	5.53	12,441.94	1,885,000.00	1,914,841.44
JP MORGAN CHASE BANK NA (CALLABLE) DTD 12/08/2023 5.110% 12/08/2026	48125LRU8	3,150,000.00	AA-	Aa2	12/5/2023	12/8/2023	3,150,000.00	5.11	50,525.13	3,150,000.00	3,190,014.45
TARGET CORP (CALLABLE) DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	2,140,000.00	A	A2	1/27/2022	1/31/2022	2,138,694.60	1.96	8,809.67	2,139,528.77	2,059,163.64
MICROSOFT CORP (CALLABLE) DTD 02/06/2017 3.300% 02/06/2027	594918BY9	2,325,000.00	AAA	Aaa	1/27/2023	1/31/2023	2,259,644.25	4.07	11,721.88	2,294,922.79	2,294,337.90
TRUIST FINANCIAL CORP (CALLABLE) DTD 08/03/2020 1.125% 08/03/2027	89788MAC6	2,520,000.00	A-	Baa1	8/5/2022	8/9/2022	2,213,719.20	3.83	4,567.50	2,376,249.48	2,335,651.92
HOME DEPOT INC (CALLABLE) DTD 09/14/2017 2.800% 09/14/2027	437076BT8	3,450,000.00	A	A2	1/25/2023	1/27/2023	3,255,385.50	4.15	4,561.67	3,346,913.86	3,333,041.55

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
JPMORGAN CHASE & CO (CALLABLE) DTD 02/24/2022 2.947% 02/24/2028	46647PCW4	1,605,000.00	A	A1	9/14/2023	9/18/2023	1,467,563.85	5.13	4,861.32	1,515,184.27	1,558,479.08
JPMORGAN CHASE & CO (CALLABLE) DTD 04/25/2017 3.540% 05/01/2028	46647PAF3	1,725,000.00	A	A1	8/8/2024	8/9/2024	1,672,059.75	4.44	25,443.75	1,680,589.76	1,689,720.30
HERSHEY COMPANY (CALLABLE) DTD 05/04/2023 4.250% 05/04/2028	427866BH0	2,785,000.00	A	A1	5/9/2023	5/11/2023	2,801,821.40	4.11	48,331.35	2,795,333.28	2,787,108.25
APPLE INC (CALLABLE) DTD 05/10/2023 4.000% 05/10/2028	037833ET3	1,370,000.00	AA+	Aaa	5/12/2023	5/16/2023	1,380,946.30	3.82	21,463.33	1,376,757.66	1,368,298.46
APPLE INC (CALLABLE) DTD 05/10/2023 4.000% 05/10/2028	037833ET3	4,675,000.00	AA+	Aaa	5/9/2023	5/11/2023	4,673,083.25	4.01	73,241.67	4,673,807.75	4,669,193.65
MORGAN STANLEY BANK NA (CALLABLE) DTD 05/30/2024 5.504% 05/26/2028	61690U8B9	1,430,000.00	A+	Aa3	5/28/2024	5/30/2024	1,430,000.00	5.50	27,328.89	1,430,000.00	1,455,821.51
MORGAN STANLEY BANK NA (CALLABLE) DTD 05/30/2024 5.504% 05/26/2028	61690U8B9	2,770,000.00	A+	Aa3	5/30/2024	5/31/2024	2,775,844.70	5.45	52,937.78	2,774,004.05	2,820,017.89
JOHN DEERE CAPITAL CORP DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	1,420,000.00	A	A1	7/11/2023	7/14/2023	1,417,884.20	4.98	15,034.25	1,418,609.45	1,447,560.78
JOHN DEERE CAPITAL CORP DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	600,000.00	A	A1	7/13/2023	7/14/2023	608,160.00	4.64	6,352.50	605,362.93	611,645.40
TOYOTA MOTOR CREDIT CORP DTD 09/11/2023 5.250% 09/11/2028	89236TLB9	1,400,000.00	A+	A1	9/6/2023	9/11/2023	1,397,564.00	5.29	4,083.33	1,398,257.86	1,435,898.80
CITIBANK NA (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028	17325FBB3	1,300,000.00	A+	Aa3	5/1/2024	5/3/2024	1,325,142.00	5.30	419.11	1,320,312.69	1,353,211.60
CITIBANK NA (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028	17325FBB3	4,935,000.00	A+	Aa3	9/26/2023	9/29/2023	4,935,000.00	5.80	1,590.99	4,935,000.00	5,136,999.42
BLACKROCK FUNDING INC (CALLABLE) DTD 03/14/2024 4.700% 03/14/2029	09290DAA9	4,200,000.00	AA-	Aa3	4/9/2024	4/11/2024	4,181,646.00	4.80	9,321.67	4,184,937.88	4,260,181.80
BLACKROCK FUNDING INC (CALLABLE) DTD 03/14/2024 4.700% 03/14/2029	09290DAA9	405,000.00	AA-	Aa3	3/5/2024	3/14/2024	404,266.95	4.74	898.88	404,407.90	410,803.25

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
ADOBE INC (CALLABLE) DTD 04/04/2024 4.800% 04/04/2029	00724PAF6	1,450,000.00	A+	A1	4/2/2024	4/4/2024	1,447,578.50	4.84	34,220.00	1,448,014.08	1,472,113.95
ADOBE INC (CALLABLE) DTD 04/04/2024 4.800% 04/04/2029	00724PAF6	1,775,000.00	A+	A1	4/1/2024	4/4/2024	1,772,355.25	4.83	41,890.00	1,772,831.07	1,802,070.52
MASTERCARD INC (CALLABLE) DTD 05/31/2019 2.950% 06/01/2029	57636QAM6	3,600,000.00	A+	Aa3	6/26/2024	6/27/2024	3,307,140.00	4.82	35,400.00	3,348,050.55	3,414,081.60
PEPSICO INC (CALLABLE) DTD 07/17/2024 4.500% 07/17/2029	713448FX1	2,160,000.00	A+	A1	7/15/2024	7/17/2024	2,156,652.00	4.53	19,980.00	2,157,089.03	2,178,172.08
TOYOTA MOTOR CREDIT CORP DTD 08/09/2024 4.550% 08/09/2029	89236TMK8	805,000.00	A+	A1	8/7/2024	8/9/2024	804,074.25	4.58	5,290.64	804,185.25	804,228.81
TOYOTA MOTOR CREDIT CORP DTD 08/09/2024 4.550% 08/09/2029	89236TMK8	925,000.00	A+	A1	8/8/2024	8/9/2024	921,198.25	4.64	6,079.31	921,643.55	924,113.85
TOYOTA MOTOR CREDIT CORP DTD 08/09/2024 4.550% 08/09/2029	89236TMK8	370,000.00	A+	A1	8/6/2024	8/9/2024	369,248.90	4.60	2,431.72	369,336.65	369,645.54
ELI LILLY & CO (CALLABLE) DTD 08/14/2024 4.200% 08/14/2029	532457CQ9	2,600,000.00	A+	Aa3	8/13/2024	8/14/2024	2,604,420.00	4.16	14,256.67	2,603,902.55	2,582,842.60
ELI LILLY & CO (CALLABLE) DTD 08/14/2024 4.200% 08/14/2029	532457CQ9	750,000.00	A+	Aa3	8/12/2024	8/14/2024	748,357.50	4.25	4,112.50	748,548.77	745,050.75
PEPSICO INC (CALLABLE) DTD 02/07/2025 4.600% 02/07/2030	713448GB8	805,000.00	A+	A1	2/5/2025	2/7/2025	803,647.60	4.64	5,554.50	803,685.25	811,026.23
Security Type Sub-Total		**67,850,000.00**					**66,942,070.52**	**4.57**	**623,245.44**	**67,209,668.39**	**67,793,667.85**
Agency CMBS											
FHMS K061 A2 DTD 01/01/2017 3.347% 11/01/2026	3137BTUM1	2,775,797.96	AA+	Aaa	5/19/2023	5/24/2023	2,690,355.42	4.29	7,742.16	2,735,549.84	2,727,735.01
FHMS K064 A2 DTD 05/01/2017 3.224% 03/01/2027	3137BXQY1	4,477,651.00	AA+	Aaa	8/16/2023	8/18/2023	4,223,684.23	4.94	12,029.96	4,337,841.99	4,392,123.39
FHMS K065 A2 DTD 07/01/2017 3.243% 04/01/2027	3137F1G44	2,540,000.00	AA+	Aaa	8/16/2023	8/18/2023	2,394,842.97	4.93	6,864.35	2,458,615.80	2,489,687.68
FHMS K066 A2 DTD 08/01/2017 3.117% 06/01/2027	3137F2LJ3	3,941,658.00	AA+	Aaa	8/17/2023	8/22/2023	3,686,066.11	4.97	10,238.46	3,793,070.95	3,850,503.22
FHMS K507 A1 DTD 09/01/2023 4.800% 04/01/2028	3137HAMR4	3,842,784.92	AA+	Aaa	9/20/2023	9/28/2023	3,782,480.10	5.19	15,371.14	3,800,048.63	3,882,653.81

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Agency CMBS											
FHMS K506 A1 DTD 09/01/2023 4.650% 05/01/2028	3137HAMG8	2,067,972.04	AA+	Aaa	9/7/2023	9/14/2023	2,037,045.52	5.01	8,013.39	2,046,406.34	2,085,849.66
FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	3,375,558.44	AA+	Aaa	7/19/2023	7/27/2023	3,375,474.03	4.78	13,437.54	3,375,502.87	3,396,051.46
FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028	3137HACX2	4,200,000.00	AA+	Aaa	7/13/2023	7/20/2023	4,241,949.60	4.59	16,866.50	4,227,509.48	4,256,624.40
FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028	3136BQDE6	4,059,622.29	AA+	Aaa	7/18/2023	7/31/2023	3,990,799.00	4.58	14,174.85	4,013,816.82	4,033,133.25
FHMS K508 A2 DTD 10/01/2023 4.740% 08/01/2028	3137HAQ74	4,300,000.00	AA+	Aaa	10/11/2023	10/19/2023	4,205,675.20	5.25	16,985.00	4,231,318.56	4,350,924.90
FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028	3137HAMH6	4,200,000.00	AA+	Aaa	9/7/2023	9/14/2023	4,137,869.40	4.99	16,275.00	4,155,620.63	4,238,005.80
FHMS KJ47 A1 DTD 09/01/2023 5.272% 08/01/2028	3137HAMN3	2,220,029.07	AA+	Aaa	9/19/2023	9/28/2023	2,220,017.96	5.27	9,753.33	2,220,022.14	2,261,001.92
FHMS K509 A2 DTD 10/01/2023 4.850% 09/01/2028	3137HAST4	3,305,000.00	AA+	Aaa	10/25/2023	10/31/2023	3,199,626.69	5.60	13,357.71	3,225,916.94	3,355,325.24
FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028	3137HAMS2	4,200,000.00	AA+	Aaa	9/20/2023	9/28/2023	4,149,797.40	5.07	16,800.00	4,163,059.92	4,257,960.00
FHMS K510 A2 DTD 11/01/2023 5.069% 10/01/2028	3137HB3D4	1,675,000.00	AA+	Aaa	11/14/2023	11/21/2023	1,670,157.58	5.14	7,075.48	1,671,372.35	1,711,737.77
FHMS K511 A2 DTD 12/01/2023 4.860% 10/01/2028	3137HB3G7	2,440,000.00	AA+	Aaa	11/28/2023	12/7/2023	2,432,989.88	4.93	9,882.00	2,434,711.92	2,477,859.04
FHMS K512 A2 DTD 12/01/2023 5.000% 11/01/2028	3137HBCF9	2,215,000.00	AA+	Aaa	12/11/2023	12/21/2023	2,235,683.67	4.79	9,229.17	2,230,799.81	2,259,481.63
FHMS K514 A2 DTD 02/01/2024 4.572% 12/01/2028	3137HBLV4	2,495,000.00	AA+	Aaa	2/1/2024	2/8/2024	2,519,947.51	4.34	9,505.95	2,514,574.73	2,511,257.42
FHMS K513 A2 DTD 01/01/2024 4.724% 12/01/2028	3137HBFY5	2,505,000.00	AA+	Aaa	1/10/2024	1/18/2024	2,530,022.45	4.50	9,861.35	2,524,450.44	2,534,040.47
FHMS K517 A2 DTD 03/01/2024 5.355% 01/01/2029	3137HC2C5	3,760,000.00	AA+	Aaa	3/5/2024	3/14/2024	3,872,747.36	4.67	16,779.00	3,850,678.77	3,880,895.28
FHMS K515 A2 DTD 02/01/2024 5.400% 01/01/2029	3137HBPD0	4,200,000.00	AA+	Aaa	2/14/2024	2/22/2024	4,313,148.00	4.79	18,900.00	4,290,048.32	4,337,680.20
FHMS K516 A2 DTD 03/01/2024 5.477% 01/01/2029	3137HBPM0	4,200,000.00	AA+	Aaa	2/29/2024	3/7/2024	4,325,987.40	4.79	19,169.50	4,301,026.69	4,350,175.20

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Agency CMBS											
FHMS K518 A2 DTD 03/01/2024 5.400% 01/01/2029	3137HC2L5	3,040,000.00	AA+	Aaa	3/19/2024	3/28/2024	3,113,400.80	4.83	13,680.00	3,100,419.23	3,145,232.64
FHMS K520 A2 DTD 04/01/2024 5.180% 03/01/2029	3137HCKV3	2,380,000.00	AA+	Aaa	4/23/2024	4/30/2024	2,389,660.42	5.09	10,273.67	2,388,159.33	2,446,559.08
FHMS K522 A2 DTD 06/01/2024 4.803% 05/01/2029	3137HDJJ0	4,400,000.00	AA+	Aaa	6/5/2024	6/13/2024	4,399,986.80	4.80	17,611.00	4,400,000.00	4,466,981.20
FHMS K524 A2 DTD 07/01/2024 4.720% 05/01/2029	3137HDV56	3,730,000.00	AA+	Aaa	7/16/2024	7/25/2024	3,752,905.93	4.58	14,671.33	3,750,298.13	3,776,654.84
FHMS K529 A2 DTD 10/01/2024 4.791% 09/01/2029	3137HH6C0	2,355,000.00	AA+	Aaa	10/8/2024	10/16/2024	2,402,069.39	4.34	9,402.34	2,398,132.65	2,392,522.22
FHMS K531 A2 DTD 12/01/2024 4.630% 10/01/2029	3137HHUN9	1,805,000.00	AA+	Aaa	12/3/2024	12/12/2024	1,813,198.31	4.53	6,964.29	1,812,741.96	1,822,479.62
Security Type Sub-Total		**90,706,073.71**					**90,107,589.13**	**4.85**	**350,914.47**	**90,451,715.24**	**91,691,136.35**
ABS											
HAROT 2022-2 A3 DTD 08/24/2022 3.730% 07/20/2026	43815PAC3	108,933.03	AAA	NR	8/15/2022	8/24/2022	108,926.53	3.73	146.73	108,930.86	108,640.11
CCCIT 2023-A1 A1 DTD 12/11/2023 5.230% 12/08/2027	17305EGW9	930,000.00	AAA	Aaa	12/4/2023	12/11/2023	929,883.38	5.23	15,267.24	929,919.45	934,151.52
KCOT 2023-2A A3 DTD 07/26/2023 5.280% 01/18/2028	500945AC4	1,085,000.00	NR	Aaa	7/18/2023	7/26/2023	1,084,725.93	5.29	2,546.13	1,084,828.79	1,094,917.99
BAAT 2023-1A A3 DTD 07/31/2023 5.530% 02/15/2028	06428AAC2	1,702,878.10	NR	Aaa	7/25/2023	7/31/2023	1,702,813.56	5.53	4,185.30	1,702,837.26	1,715,000.89
HAROT 2023-3 A3 DTD 08/22/2023 5.410% 02/18/2028	43815QAC1	2,640,000.00	AAA	NR	8/15/2023	8/22/2023	2,639,455.63	5.42	5,157.53	2,639,650.67	2,661,489.60
TAOT 2023-C A3 DTD 08/15/2023 5.160% 04/17/2028	89231FAD2	825,000.00	AAA	NR	8/8/2023	8/15/2023	824,813.39	5.17	1,892.00	824,878.40	830,243.70
USAOT 2023-A A3 DTD 09/15/2023 5.580% 05/15/2028	90291VAC4	3,306,462.98	AAA	Aaa	9/7/2023	9/15/2023	3,305,884.35	5.58	8,200.03	3,306,065.94	3,327,025.87
BAAT 2023-2A A3 DTD 11/21/2023 5.740% 06/15/2028	06054YAC1	3,075,000.00	NR	Aaa	11/15/2023	11/21/2023	3,074,944.34	5.74	7,844.67	3,074,964.06	3,114,987.30
TAOT 2023-D A3 DTD 11/14/2023 5.540% 08/15/2028	89239FAD4	805,000.00	AAA	NR	11/7/2023	11/14/2023	804,913.22	5.54	1,982.09	804,938.23	817,071.78

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
ABS											
FITAT 2023-1 A3 DTD 08/23/2023 5.530% 08/15/2028	31680EAD3	2,880,000.00	AAA	Aaa	8/15/2023	8/23/2023	2,879,821.44	5.53	7,078.40	2,879,879.03	2,905,274.88
AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1	3,460,000.00	AAA	NR	9/12/2023	9/19/2023	3,459,845.34	5.23	8,042.58	3,459,890.84	3,501,765.66
CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028	161571HT4	3,380,000.00	AAA	NR	9/7/2023	9/15/2023	3,379,063.06	5.17	7,751.47	3,379,327.44	3,417,812.06
HART 2023-C A3 DTD 11/13/2023 5.540% 10/16/2028	44918CAD4	1,190,000.00	AAA	NR	11/3/2023	11/13/2023	1,189,843.52	5.54	2,930.04	1,189,885.44	1,205,527.12
BACCT 2023-A2 A2 DTD 12/14/2023 4.980% 11/15/2028	05522RDH8	1,520,000.00	NR	Aaa	12/7/2023	12/14/2023	1,519,795.86	4.98	3,364.27	1,519,849.16	1,536,654.64
GMCAR 2024-1 A3 DTD 01/17/2024 4.850% 12/18/2028	36268GAD7	410,000.00	NR	Aaa	1/9/2024	1/17/2024	409,917.55	4.85	828.54	409,936.03	412,297.23
CHAIT 2024-A1 A DTD 01/31/2024 4.600% 01/16/2029	161571HV9	3,825,000.00	AAA	NR	1/24/2024	1/31/2024	3,824,417.45	4.60	7,820.00	3,824,548.32	3,845,723.85
KCOT 2025-1A A3 DTD 02/19/2025 4.670% 06/15/2029	50117FAC5	1,745,000.00	NR	Aaa	2/11/2025	2/19/2025	1,744,940.15	4.67	3,621.84	1,744,946.79	1,756,564.12
HART 2025-A A3 DTD 03/12/2025 4.320% 10/15/2029	44935CAD3	2,870,000.00	AAA	NR	3/4/2025	3/12/2025	2,869,576.67	4.32	6,543.60	2,869,586.69	2,865,408.00
Security Type Sub-Total		**35,758,274.11**					**35,753,581.37**	**5.19**	**95,202.46**	**35,754,863.40**	**36,050,556.32**
Managed Account Sub Total		**473,746,847.82**					**461,544,837.21**	**3.93**	**2,529,183.97**	**466,611,162.50**	**465,842,227.14**
Securities Sub Total		**$473,746,847.82**					**$461,544,837.21**	**3.93%**	**$2,529,183.97**	**$466,611,162.50**	**$465,842,227.14**
Accrued Interest											**$2,529,183.97**
Total Investments											**$468,371,411.11**

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
BUY									
1/6/2025	1/7/2025	7,340,000.00	91282CMD0	US TREASURY N/B	4.37%	12/31/2029	7,329,866.63	4.43%	
1/30/2025	1/31/2025	1,350,000.00	91282CJX0	US TREASURY N/B	4.00%	1/31/2031	1,323,210.94	4.38%	
2/4/2025	2/5/2025	3,400,000.00	91282CMK4	US TREASURY N/B	4.37%	1/31/2032	3,389,038.94	4.44%	
2/5/2025	2/6/2025	470,000.00	91282CMG3	US TREASURY N/B	4.25%	1/31/2030	470,441.24	4.24%	
2/5/2025	2/7/2025	805,000.00	713448GB8	PEPSICO INC (CALLABLE)	4.60%	2/7/2030	803,647.60	4.64%	
2/11/2025	2/19/2025	1,745,000.00	50117FAC5	KCOT 2025-1A A3	4.67%	6/15/2029	1,744,940.15	4.67%	
3/4/2025	3/5/2025	6,865,000.00	91282CGQ8	US TREASURY N/B	4.00%	2/28/2030	6,870,608.13	3.99%	
3/4/2025	3/12/2025	2,870,000.00	44935CAD3	HART 2025-A A3	4.32%	10/15/2029	2,869,576.67	4.32%	
3/5/2025	3/6/2025	2,870,000.00	313385CY0	FED HOME LN DISCOUNT NT	0.00%	3/12/2025	2,868,014.92	4.15%	
3/28/2025	3/31/2025	4,095,000.00	91282CMU2	US TREASURY N/B	4.00%	3/31/2030	4,090,041.21	4.03%	
Total BUY		**31,810,000.00**					**31,759,386.43**		**0.00**
CALL									
2/6/2025	2/6/2025	437,500.00	857477BR3	STATE STREET CORP (CALLABLE)	1.78%	2/6/2026	437,500.00		
3/30/2025	3/30/2025	3,750,000.00	857477BM4	STATE STREET CORP (CALLABLE)	2.90%	3/30/2026	3,750,000.00	2.90%	
Total CALL		**4,187,500.00**					**4,187,500.00**		**0.00**
INTEREST									
1/1/2025	1/1/2025		341271AD6	FLORIDA ST BRD OF ADM	1.25%	7/1/2025	11,793.75		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
1/1/2025	1/1/2025		646140DP5	NJ TPK AUTH -B-TXBL	1.04%	1/1/2026	2,918.51		
1/1/2025	1/25/2025		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	16,985.00		
1/1/2025	1/25/2025		3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	14,149.93		
1/1/2025	1/25/2025		3137HHUN9	FHMS K531 A2	4.63%	10/1/2029	6,964.29		
1/1/2025	1/25/2025		3137HAMR4	FHMS K507 A1	4.80%	4/1/2028	15,564.96		
1/1/2025	1/25/2025		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	9,882.00		
1/1/2025	1/25/2025		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	12,029.96		
1/1/2025	1/25/2025		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	17,611.00		
1/1/2025	1/25/2025		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	18,900.00		
1/1/2025	1/25/2025		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	9,402.34		
1/1/2025	1/25/2025		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	9,835.12		
1/1/2025	1/25/2025		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	16,866.50		
1/1/2025	1/25/2025		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	13,680.00		
1/1/2025	1/25/2025		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	13,474.09		
1/1/2025	1/25/2025		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	9,861.35		
1/1/2025	1/25/2025		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	9,505.95		
1/1/2025	1/25/2025		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	13,357.71		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
1/1/2025	1/25/2025		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	7,075.48		
1/1/2025	1/25/2025		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	16,275.00		
1/1/2025	1/25/2025		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	10,273.67		
1/1/2025	1/25/2025		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	10,238.46		
1/1/2025	1/25/2025		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	14,671.33		
1/1/2025	1/25/2025		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	19,169.50		
1/1/2025	1/25/2025		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	7,791.42		
1/1/2025	1/25/2025		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	8,035.87		
1/1/2025	1/25/2025		3137F1G44	FHMS K065 A2	3.24%	4/1/2027	6,864.35		
1/1/2025	1/25/2025		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	9,229.17		
1/1/2025	1/25/2025		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	16,800.00		
1/1/2025	1/25/2025		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	16,779.00		
1/2/2025	1/2/2025		MONEY0002	MONEY MARKET FUND	0.00%		2,219.81		
1/10/2025	1/10/2025		24422EVY2	JOHN DEERE CAPITAL CORP	1.25%	1/10/2025	1,328.13		
1/14/2025	1/14/2025		24422EXB0	JOHN DEERE CAPITAL CORP	4.95%	7/14/2028	49,995.00		
1/15/2025	1/15/2025		161571HV9	CHAIT 2024-A1 A	4.60%	1/16/2029	14,662.50		
1/15/2025	1/15/2025		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	14,534.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
1/15/2025	1/15/2025		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	5,493.83		
1/15/2025	1/15/2025		06428AAC2	BAAT 2023-1A A3	5.53%	2/15/2028	8,179.79		
1/15/2025	1/15/2025		90291VAC4	USAOT 2023-A A3	5.58%	5/15/2028	15,693.75		
1/15/2025	1/15/2025		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	15,079.83		
1/15/2025	1/15/2025		89239BAC5	TAOT 2021-C A3	0.43%	1/15/2026	24.99		
1/15/2025	1/15/2025		500945AC4	KCOT 2023-2A A3	5.28%	1/18/2028	4,774.00		
1/15/2025	1/15/2025		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	6,308.00		
1/15/2025	1/15/2025		87612EBM7	TARGET CORP (CALLABLE)	1.95%	1/15/2027	20,865.00		
1/15/2025	1/15/2025		31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	13,272.00		
1/15/2025	1/15/2025		44935FAD6	HART 2021-C A3	0.74%	5/15/2026	31.90		
1/15/2025	1/15/2025		89231FAD2	TAOT 2023-C A3	5.16%	4/17/2028	3,547.50		
1/15/2025	1/15/2025		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	3,716.42		
1/15/2025	1/15/2025		06054YAC1	BAAT 2023-2A A3	5.74%	6/15/2028	14,708.75		
1/16/2025	1/16/2025		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	1,657.08		
1/17/2025	1/17/2025		21684LGS5	COOPERAT RABOBANK UA/NY	5.08%	7/17/2026	106,680.00		
1/17/2025	1/17/2025		713448FX1	PEPSICO INC (CALLABLE)	4.50%	7/17/2029	48,600.00		
1/18/2025	1/18/2025		43815QAC1	HAROT 2023-3 A3	5.41%	2/18/2028	11,902.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
1/18/2025	1/18/2025		43815PAC3	HAROT 2022-2 A3	3.73%	7/20/2026	500.21		
1/31/2025	1/31/2025		91282CLC3	US TREASURY N/B	4.00%	7/31/2029	121,500.00		
1/31/2025	1/31/2025		91282CBH3	US TREASURY N/B	0.37%	1/31/2026	32,446.88		
1/31/2025	1/31/2025		91282CLD1	US TREASURY N/B	4.12%	7/31/2031	15,056.25		
1/31/2025	1/31/2025		91282CFB2	US TREASURY N/B	2.75%	7/31/2027	68,750.00		
1/31/2025	1/31/2025		91282CBJ9	US TREASURY N/B	0.75%	1/31/2028	18,900.00		
1/31/2025	1/31/2025		9128286A3	US TREASURY N/B	2.62%	1/31/2026	22,410.94		
2/1/2025	2/25/2025		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	12,029.96		
2/1/2025	2/25/2025		3137HHUN9	FHMS K531 A2	4.63%	10/1/2029	6,964.29		
2/1/2025	2/25/2025		3137F1G44	FHMS K065 A2	3.24%	4/1/2027	6,864.35		
2/1/2025	2/25/2025		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	9,861.35		
2/1/2025	2/25/2025		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	13,464.76		
2/1/2025	2/25/2025		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	9,505.95		
2/1/2025	2/25/2025		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	16,800.00		
2/1/2025	2/25/2025		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	9,402.34		
2/1/2025	2/25/2025		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	7,075.48		
2/1/2025	2/25/2025		3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	14,146.40		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
2/1/2025	2/25/2025		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	16,779.00		
2/1/2025	2/25/2025		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	14,671.33		
2/1/2025	2/25/2025		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	19,169.50		
2/1/2025	2/25/2025		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	10,238.46		
2/1/2025	2/25/2025		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	13,357.71		
2/1/2025	2/25/2025		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	9,814.04		
2/1/2025	2/25/2025		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	16,985.00		
2/1/2025	2/25/2025		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	13,680.00		
2/1/2025	2/25/2025		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	18,900.00		
2/1/2025	2/25/2025		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	16,275.00		
2/1/2025	2/25/2025		3137HAMR4	FHMS K507 A1	4.80%	4/1/2028	15,509.10		
2/1/2025	2/25/2025		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	8,029.35		
2/1/2025	2/25/2025		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	7,775.98		
2/1/2025	2/25/2025		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	17,611.00		
2/1/2025	2/25/2025		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	9,229.17		
2/1/2025	2/25/2025		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	9,882.00		
2/1/2025	2/25/2025		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	10,273.67		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
2/1/2025	2/25/2025		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	16,866.50		
2/3/2025	2/3/2025		MONEY0002	MONEY MARKET FUND	0.00%		2,293.62		
2/3/2025	2/3/2025		89788MAC6	TRUIST FINANCIAL CORP (CALLABLE)	1.12%	8/3/2027	14,175.00		
2/6/2025	2/6/2025		857477BR3	STATE STREET CORP (CALLABLE)	1.78%	2/6/2026	3,819.38		
2/6/2025	2/6/2025		594918BY9	MICROSOFT CORP (CALLABLE)	3.30%	2/6/2027	38,362.50		
2/9/2025	2/9/2025		89236TMK8	TOYOTA MOTOR CREDIT CORP	4.55%	8/9/2029	47,775.00		
2/10/2025	2/10/2025		69371RS56	PACCAR FINANCIAL CORP	5.05%	8/10/2026	95,950.00		
2/13/2025	2/13/2025		89236TGT6	TOYOTA MOTOR CREDIT CORP	1.80%	2/13/2025	67.50		
2/14/2025	2/14/2025		532457CQ9	ELI LILLY & CO (CALLABLE)	4.20%	8/14/2029	70,350.00		
2/15/2025	2/15/2025		91282CFF3	US TREASURY N/B	2.75%	8/15/2032	30,181.25		
2/15/2025	2/15/2025		89231FAD2	TAOT 2023-C A3	5.16%	4/17/2028	3,547.50		
2/15/2025	2/15/2025		9128286B1	US TREASURY N/B	2.62%	2/15/2029	34,978.13		
2/15/2025	2/15/2025		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	3,716.42		
2/15/2025	2/15/2025		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	14,534.00		
2/15/2025	2/15/2025		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	6,308.00		
2/15/2025	2/15/2025		912828YB0	US TREASURY N/B	1.62%	8/15/2029	4,225.00		
2/15/2025	2/15/2025		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	15,079.83		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
2/15/2025	2/15/2025		31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	13,272.00		
2/15/2025	2/15/2025		06054YAC1	BAAT 2023-2A A3	5.74%	6/15/2028	14,708.75		
2/15/2025	2/15/2025		912810FG8	US TREASURY N/B	5.25%	2/15/2029	49,218.75		
2/15/2025	2/15/2025		912810FJ2	US TREASURY N/B	6.12%	8/15/2029	54,359.38		
2/15/2025	2/15/2025		912828V98	US TREASURY N/B	2.25%	2/15/2027	25,256.25		
2/15/2025	2/15/2025		06428AAC2	BAAT 2023-1A A3	5.53%	2/15/2028	8,179.79		
2/15/2025	2/15/2025		912828Z94	US TREASURY N/B	1.50%	2/15/2030	4,068.75		
2/15/2025	2/15/2025		91282CHT1	US TREASURY N/B	3.87%	8/15/2033	46,209.38		
2/15/2025	2/15/2025		44935FAD6	HART 2021-C A3	0.74%	5/15/2026	19.18		
2/15/2025	2/15/2025		500945AC4	KCOT 2023-2A A3	5.28%	1/18/2028	4,774.00		
2/15/2025	2/15/2025		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	5,493.83		
2/15/2025	2/15/2025		91282CAE1	US TREASURY N/B	0.62%	8/15/2030	17,726.56		
2/15/2025	2/15/2025		912810FP8	US TREASURY N/B	5.37%	2/15/2031	176,703.13		
2/15/2025	2/15/2025		161571HV9	CHAIT 2024-A1 A	4.60%	1/16/2029	14,662.50		
2/15/2025	2/15/2025		91282CLF6	US TREASURY N/B	3.87%	8/15/2034	163,718.75		
2/15/2025	2/15/2025		91282CGM7	US TREASURY N/B	3.50%	2/15/2033	36,137.50		
2/15/2025	2/15/2025		90291VAC4	USAOT 2023-A A3	5.58%	5/15/2028	15,693.75		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
2/15/2025	2/15/2025		91282CBL4	US TREASURY N/B	1.12%	2/15/2031	3,178.13		
2/15/2025	2/15/2025		91282CJZ5	US TREASURY N/B	4.00%	2/15/2034	77,600.00		
2/15/2025	2/15/2025		9128282R0	US TREASURY N/B	2.25%	8/15/2027	30,712.50		
2/15/2025	2/15/2025		91282CDY4	US TREASURY N/B	1.87%	2/15/2032	22,171.88		
2/15/2025	2/15/2025		89239BAC5	TAOT 2021-C A3	0.43%	1/15/2026	12.03		
2/15/2025	2/15/2025		91282CCS8	US TREASURY N/B	1.25%	8/15/2031	18,921.88		
2/16/2025	2/16/2025		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	1,657.08		
2/18/2025	2/18/2025		43815PAC3	HAROT 2022-2 A3	3.73%	7/20/2026	444.89		
2/18/2025	2/18/2025		06428CAA2	BANK OF AMERICA NA (CALLABLE)	5.52%	8/18/2026	52,082.55		
2/18/2025	2/18/2025		43815QAC1	HAROT 2023-3 A3	5.41%	2/18/2028	11,902.00		
2/24/2025	2/24/2025		46647PCW4	JPMORGAN CHASE & CO (CALLABLE)	2.94%	2/24/2028	23,649.68		
2/28/2025	2/28/2025		91282CFJ5	US TREASURY N/B	3.12%	8/31/2029	33,125.00		
2/28/2025	2/28/2025		91282CBQ3	US TREASURY N/B	0.50%	2/28/2026	31,675.00		
2/28/2025	2/28/2025		91282CGQ8	US TREASURY N/B	4.00%	2/28/2030	40,200.00		
2/28/2025	2/28/2025		912828ZC7	US TREASURY N/B	1.12%	2/28/2025	70.31		
2/28/2025	2/28/2025		91282CGP0	US TREASURY N/B	4.00%	2/29/2028	96,500.00		
2/28/2025	2/28/2025		91282CFH9	US TREASURY N/B	3.12%	8/31/2027	78,593.75		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
3/1/2025	3/25/2025		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	18,900.00		
3/1/2025	3/25/2025		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	16,275.00		
3/1/2025	3/25/2025		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	16,779.00		
3/1/2025	3/25/2025		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	14,671.33		
3/1/2025	3/25/2025		3137F1G44	FHMS K065 A2	3.24%	4/1/2027	6,864.35		
3/1/2025	3/25/2025		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	13,357.71		
3/1/2025	3/25/2025		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	7,075.48		
3/1/2025	3/25/2025		3137HAMR4	FHMS K507 A1	4.80%	4/1/2028	15,452.97		
3/1/2025	3/25/2025		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	9,402.34		
3/1/2025	3/25/2025		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	9,792.83		
3/1/2025	3/25/2025		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	13,680.00		
3/1/2025	3/25/2025		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	16,800.00		
3/1/2025	3/25/2025		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	17,611.00		
3/1/2025	3/25/2025		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	19,169.50		
3/1/2025	3/25/2025		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	9,861.35		
3/1/2025	3/25/2025		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	10,273.67		
3/1/2025	3/25/2025		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	12,029.96		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
3/1/2025	3/25/2025		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	9,882.00		
3/1/2025	3/25/2025		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	16,985.00		
3/1/2025	3/25/2025		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	13,454.40		
3/1/2025	3/25/2025		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	16,866.50		
3/1/2025	3/25/2025		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	10,238.46		
3/1/2025	3/25/2025		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	9,229.17		
3/1/2025	3/25/2025		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	7,760.49		
3/1/2025	3/25/2025		3137HHUN9	FHMS K531 A2	4.63%	10/1/2029	6,964.29		
3/1/2025	3/25/2025		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	8,022.79		
3/1/2025	3/25/2025		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	9,505.95		
3/1/2025	3/25/2025		3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	14,146.43		
3/3/2025	3/3/2025		MONEY0002	MONEY MARKET FUND	0.00%		1,180.37		
3/10/2025	3/10/2025		3130AT4C8	FEDERAL HOME LOAN BANK	3.37%	9/10/2032	14,765.63		
3/11/2025	3/11/2025		89236TLB9	TOYOTA MOTOR CREDIT CORP	5.25%	9/11/2028	36,750.00		
3/14/2025	3/14/2025		09290DAA9	BLACKROCK FUNDING INC (CALLABLE)	4.70%	3/14/2029	108,217.50		
3/14/2025	3/14/2025		437076BT8	HOME DEPOT INC (CALLABLE)	2.80%	9/14/2027	48,300.00		
3/15/2025	3/15/2025		31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	13,272.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
3/15/2025	3/15/2025		44935FAD6	HART 2021-C A3	0.74%	5/15/2026	6.37		
3/15/2025	3/15/2025		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	15,079.83		
3/15/2025	3/15/2025		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	14,534.00		
3/15/2025	3/15/2025		06428AAC2	BAAT 2023-1A A3	5.53%	2/15/2028	8,179.79		
3/15/2025	3/15/2025		50117FAC5	KCOT 2025-1A A3	4.67%	6/15/2029	5,885.50		
3/15/2025	3/15/2025		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	6,308.00		
3/15/2025	3/15/2025		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	3,716.42		
3/15/2025	3/15/2025		06054YAC1	BAAT 2023-2A A3	5.74%	6/15/2028	14,708.75		
3/15/2025	3/15/2025		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	5,493.83		
3/15/2025	3/15/2025		89231FAD2	TAOT 2023-C A3	5.16%	4/17/2028	3,547.50		
3/15/2025	3/15/2025		500945AC4	KCOT 2023-2A A3	5.28%	1/18/2028	4,774.00		
3/15/2025	3/15/2025		90291VAC4	USAOT 2023-A A3	5.58%	5/15/2028	15,693.75		
3/15/2025	3/15/2025		161571HV9	CHAIT 2024-A1 A	4.60%	1/16/2029	14,662.50		
3/16/2025	3/16/2025		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	1,657.08		
3/18/2025	3/18/2025		43815PAC3	HAROT 2022-2 A3	3.73%	7/20/2026	389.68		
3/18/2025	3/18/2025		43815QAC1	HAROT 2023-3 A3	5.41%	2/18/2028	11,902.00		
3/29/2025	3/29/2025		3133EMBH4	FEDERAL FARM CREDIT BANK (CALLABLE)	0.53%	9/29/2025	6,002.25		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
3/29/2025	3/29/2025		17325FBB3	CITIBANK NA (CALLABLE)	5.80%	9/29/2028	180,908.53		
3/30/2025	3/30/2025		857477BM4	STATE STREET CORP (CALLABLE)	2.90%	3/30/2026	54,393.75		
3/31/2025	3/31/2025		91282CCZ2	US TREASURY N/B	0.87%	9/30/2026	16,187.50		
3/31/2025	3/31/2025		91282CCY5	US TREASURY N/B	1.25%	9/30/2028	3,281.25		
3/31/2025	3/31/2025		91282CBS9	US TREASURY N/B	1.25%	3/31/2028	48,250.00		
3/31/2025	3/31/2025		91282CKF7	US TREASURY N/B	4.12%	3/31/2031	78,787.50		
3/31/2025	3/31/2025		91282CGT2	US TREASURY N/B	3.62%	3/31/2028	77,212.50		
3/31/2025	3/31/2025		91282CEF4	US TREASURY N/B	2.50%	3/31/2027	66,875.00		
3/31/2025	3/31/2025		91282CAL5	US TREASURY N/B	0.37%	9/30/2027	4,500.00		
Total INTEREST		**0.00**					**4,154,522.77**		**0.00**
MATURITY									
1/10/2025	1/10/2025	212,500.00	24422EVY2	JOHN DEERE CAPITAL CORP	1.25%	1/10/2025	212,500.00		
2/13/2025	2/13/2025	7,500.00	89236TGT6	TOYOTA MOTOR CREDIT CORP	1.80%	2/13/2025	7,500.00		
2/28/2025	2/28/2025	12,500.00	912828ZC7	US TREASURY N/B	1.12%	2/28/2025	12,500.00		
3/12/2025	3/12/2025	2,870,000.00	313385CY0	FED HOME LN DISCOUNT NT	0.00%	3/12/2025	2,870,000.00		
Total MATURITY		**3,102,500.00**					**3,102,500.00**		**0.00**

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
1/1/2025	1/25/2025	1,684.39	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	1,684.39		18.84
1/1/2025	1/25/2025	2,345.23	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	2,345.23		0.04
1/1/2025	1/25/2025	4,799.55	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	4,799.55		0.01
1/1/2025	1/25/2025	1,371.88	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	1,371.88		16.64
1/1/2025	1/25/2025	13,965.61	3137HAMR4	FHMS K507 A1	4.80%	4/1/2028	13,965.61		166.86
1/1/2025	1/25/2025	5,534.28	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	5,534.28		92.41
1/15/2025	1/15/2025	36,170.08	89239BAC5	TAOT 2021-C A3	0.43%	1/15/2026	36,170.08		0.67
1/15/2025	1/15/2025	20,621.86	44935FAD6	HART 2021-C A3	0.74%	5/15/2026	20,621.86		1.37
1/18/2025	1/18/2025	17,799.02	43815PAC3	HAROT 2022-2 A3	3.73%	7/20/2026	17,799.02		0.41
2/1/2025	2/25/2025	5,552.85	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	5,552.85		88.65
2/1/2025	2/25/2025	4,828.02	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	4,828.02		0.02
2/1/2025	2/25/2025	1,692.31	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	1,692.30		18.50
2/1/2025	2/25/2025	21.19	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	21.19		0.25
2/1/2025	2/25/2025	14,031.89	3137HAMR4	FHMS K507 A1	4.80%	4/1/2028	14,031.89		163.80
2/1/2025	2/25/2025	2,601.34	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	2,601.34		0.04
2/15/2025	2/15/2025	33,561.95	89239BAC5	TAOT 2021-C A3	0.43%	1/15/2026	33,561.95		0.57
2/15/2025	2/15/2025	20,771.01	44935FAD6	HART 2021-C A3	0.74%	5/15/2026	20,771.01		1.28

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
2/18/2025	2/18/2025	17,761.87	43815PAC3	HAROT 2022-2 A3	3.73%	7/20/2026	17,761.87		0.38
3/1/2025	3/25/2025	29.25	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	29.25		0.34
3/1/2025	3/25/2025	6,571.60	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	6,571.60		100.10
3/1/2025	3/25/2025	4,237.12	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,237.12		0.08
3/1/2025	3/25/2025	2,425.18	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,425.18		25.91
3/1/2025	3/25/2025	8,990.30	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	8,990.30		0.03
3/1/2025	3/25/2025	20,457.51	3137HAMR4	FHMS K507 A1	4.80%	4/1/2028	20,457.51		233.17
3/15/2025	3/15/2025	72,121.90	06428AAC2	BAAT 2023-1A A3	5.53%	2/15/2028	72,121.90		1.76
3/15/2025	3/15/2025	10,331.65	44935FAD6	HART 2021-C A3	0.74%	5/15/2026	10,331.65		0.60
3/15/2025	3/15/2025	68,537.02	90291VAC4	USAOT 2023-A A3	5.58%	5/15/2028	68,537.02		8.34
3/18/2025	3/18/2025	16,433.02	43815PAC3	HAROT 2022-2 A3	3.73%	7/20/2026	16,433.02		0.34
Total PAYDOWNS		**415,248.88**					**415,248.87**		**941.41**
SELL									
1/6/2025	1/7/2025	3,120,000.00	91282CAJ0	US TREASURY N/B	0.25%	8/31/2025	3,043,560.81		-71,793.65
1/6/2025	1/7/2025	3,545,000.00	3137EAEX3	FREDDIE MAC	0.37%	9/23/2025	3,452,877.27		-94,443.89
2/4/2025	2/5/2025	3,500,000.00	91282CAT8	US TREASURY N/B	0.25%	10/31/2025	3,401,309.45		-87,670.95
2/5/2025	2/7/2025	805,000.00	91282CMD0	US TREASURY N/B	4.37%	12/31/2029	813,099.34		6,166.71

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
SELL									
2/11/2025	2/12/2025	475,000.00	91282CAZ4	US TREASURY N/B	0.37%	11/30/2025	460,759.58		-12,093.21
3/4/2025	3/5/2025	6,290,000.00	91282CAZ4	US TREASURY N/B	0.37%	11/30/2025	6,123,426.78		-141,898.43
3/5/2025	3/6/2025	2,275,000.00	91282CBC4	US TREASURY N/B	0.37%	12/31/2025	2,208,459.58		-61,485.83
3/5/2025	3/6/2025	700,000.00	91282CBC4	US TREASURY N/B	0.37%	12/31/2025	679,526.03		-20,280.19
Total SELL		**20,710,000.00**					**20,183,018.84**		**-483,499.44**

Important Disclosures

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.

- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. **Past performance is not indicative of future returns.**

- ICE Bank of America Indices provided by Bloomberg Financial Markets.

- Money market fund/cash balances are included in performance and duration computations.

- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.

- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.

- MBS maturities are represented by expected average life.

Glossary

- Accrued Interest: Interest that is due on a bond or other fixed income security since the last interest payment was made.
- Agencies: Federal agency securities and/or Government-sponsored enterprises.
- Amortized Cost: The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- Asset-Backed Security: A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- Bankers' Acceptance: A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- Commercial Paper: An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- Contribution to Total Return: The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- Effective Duration: A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- Effective Yield: The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- FDIC: Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- Interest Rate: Interest per year divided by principal amount and expressed as a percentage.
- Market Value: The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- Maturity: The date upon which the principal or stated value of an investment becomes due and payable.
- Negotiable Certificates of Deposit: A CD with a very large denomination, usually $1 million or more, that can be traded in secondary markets.
- Par Value: The nominal dollar face amount of a security.
- Pass-through Security: A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

Glossary

- Repurchase Agreements: A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- Settle Date: The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- Supranational: A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- Trade Date: The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- Unsettled Trade: A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- U.S. Treasury: The department of the U.S. government that issues Treasury securities.
- Yield: The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- YTM at Cost: The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- YTM at Market: The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

CHANDLER ASSET MANAGEMENT

INVESTMENT REPORT

City of Stockton | As of March 31, 2025

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

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ECONOMIC UPDATE

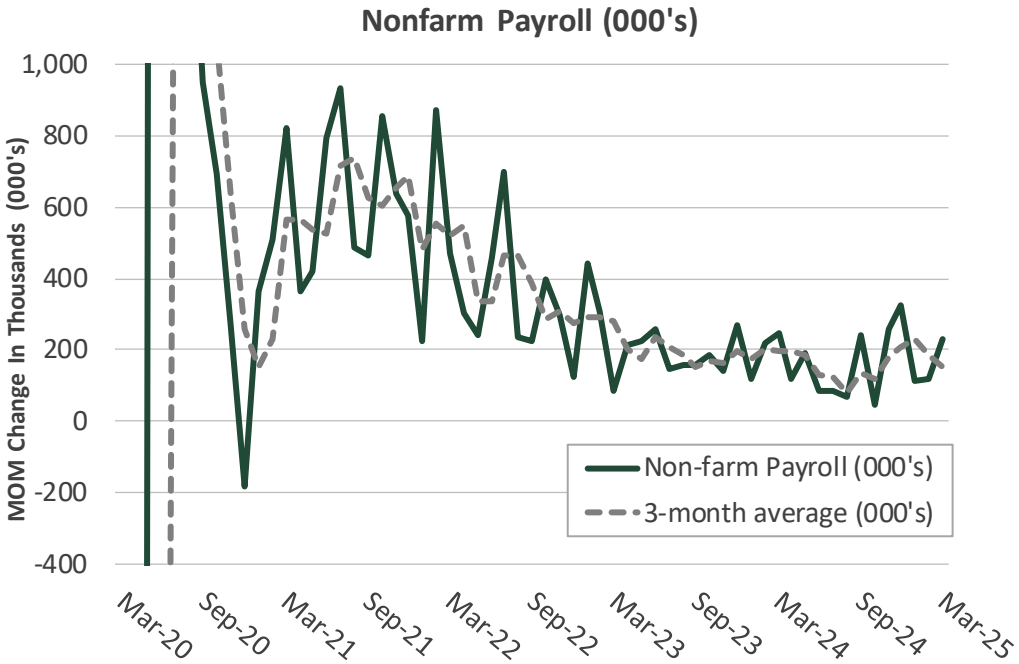
ECONOMIC UPDATE

- Recent economic data suggest slower growth in 2025 and greater market uncertainty as the effects of fiscal policy unfold. Inflationary trends have subsided, but some components remain sticky, and core levels remain above the Fed's target. The labor market reflects improved balance between supply and demand for workers. While job creation has been robust, continuing jobless claims remain elevated. Given the economic outlook, we expect gradual normalization of monetary policy and a steepening yield curve.

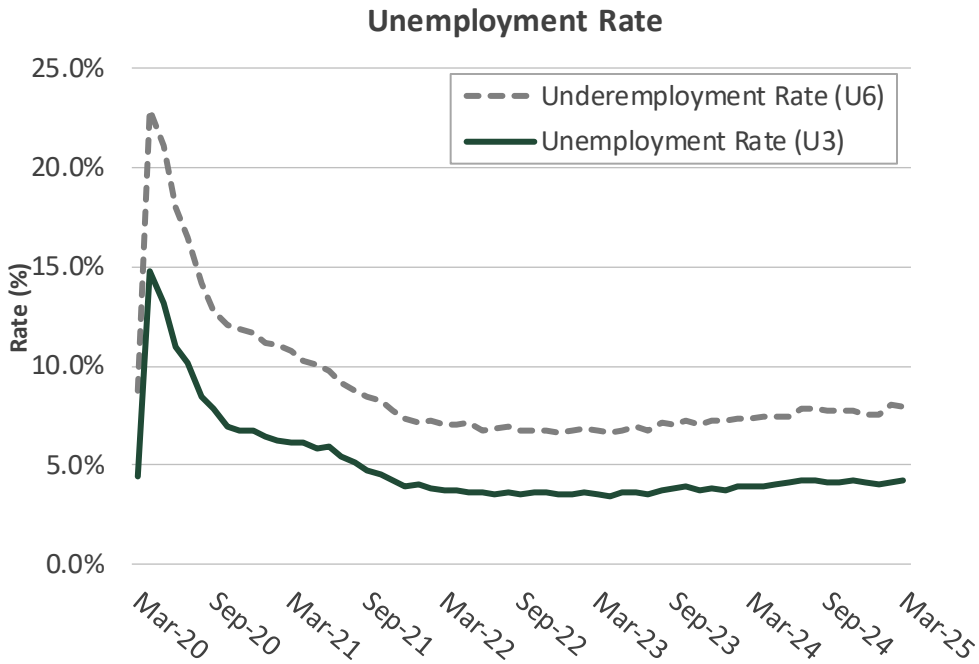
- As broadly anticipated, the Federal Open Market Committee (FOMC) left the Federal Funds Rate unchanged at the range of 4.25 - 4.50% at the March meeting. Fed Chair Powell emphasized increased uncertainty around the economic outlook and the need for "greater clarity" before making changes to interest rate policy. He also acknowledged possible transitory inflationary impacts from tariffs. The summary of economic projections (SEP) indicated lower GDP growth, higher inflation, and higher unemployment estimates than December projections, along with roughly two 25-basis point rate cuts this year. The FOMC also announced a slowdown in the pace of balance sheet reduction.

- US Treasury yields declined, and the curve steepened in March. The 2-year Treasury yield declined 10 basis points to 3.89%, the 5-year Treasury fell 7 basis points to 3.95%, and the 10-year Treasury yield was unchanged 4.21%. The spread between the 2-year and 10-year Treasury yield points on the curve widened to +32 basis points at March month-end versus +22 basis points at February month-end. The spread between the 2-year Treasury and 10-year Treasury yield one year ago was -42 basis points. The spread between the 3-month and 10-year Treasury yield points on the curve was -9 basis points in March, unchanged from February.

EMPLOYMENT



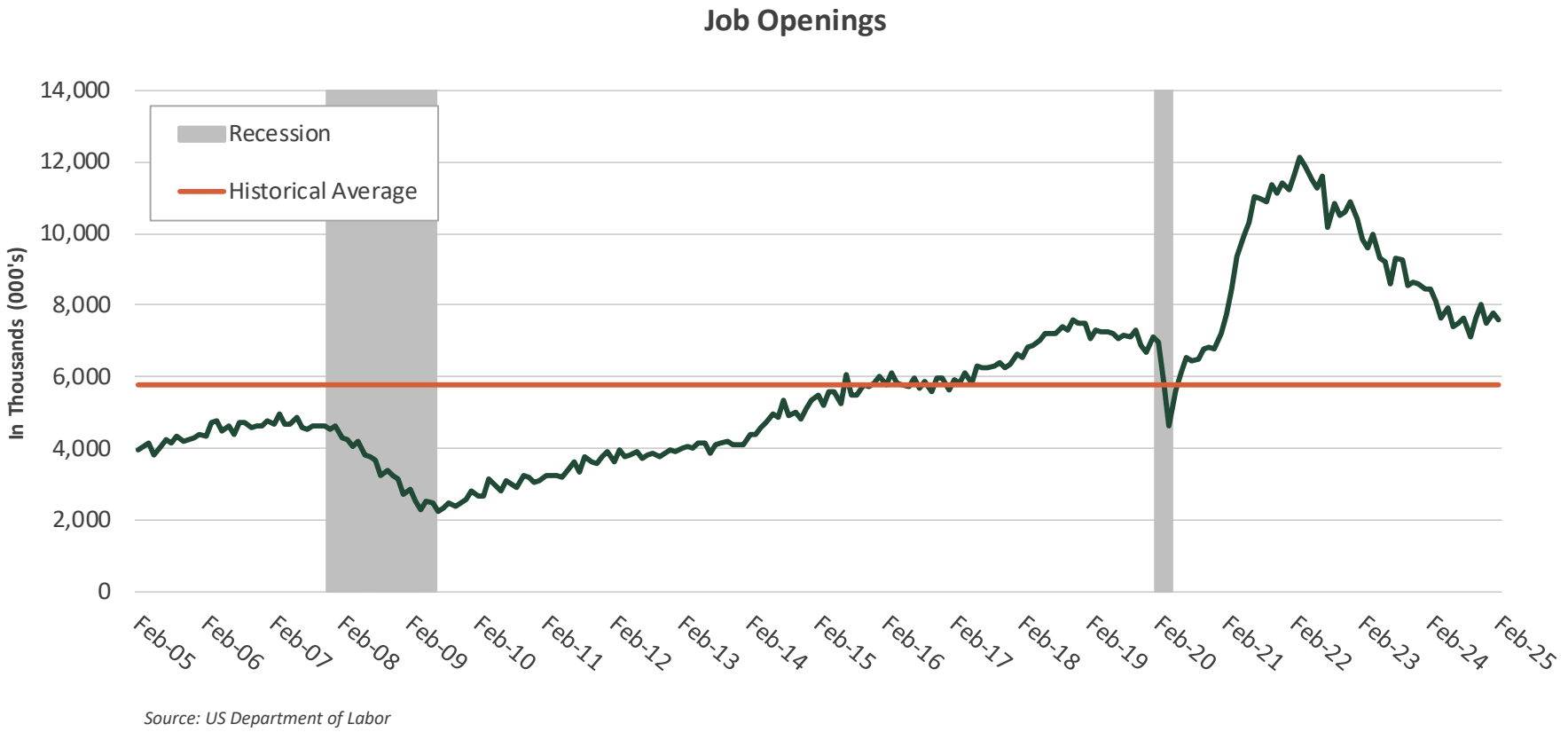
Source: US Department of Labor



Source: US Department of Labor

The U.S. economy added 228,000 jobs in March, exceeding consensus expectations, and the last two months were revised down by 48,000. Gains were led by healthcare, retail, social assistance, and transportation. The three-month moving average and six-month moving average payrolls totaled 152,000 and 181,000 respectively. The unemployment rate rose to 4.2% in March, and the labor participation rate edged up to 62.5%, remaining below the pre-pandemic level of 63.3%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons edged down to 7.9% in March from 8.0% in February. Average hourly earnings ticked down to an increase of 3.8% year-over-year in March.

JOB OPENINGS & LABOR TURNOVER SURVEY

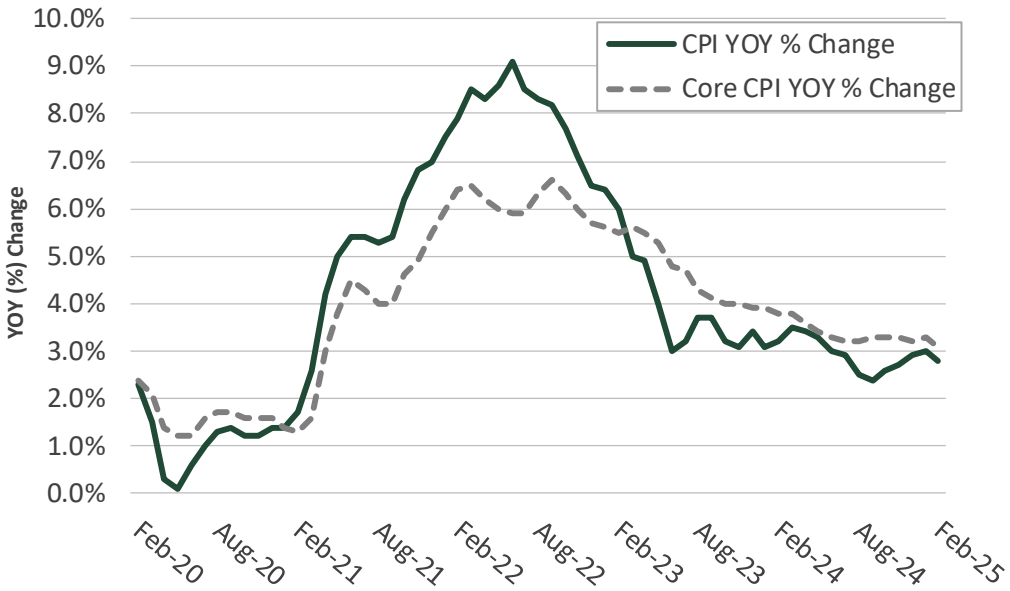


Source: US Department of Labor

The Labor Department's Job Openings and Labor Turnover Survey (JOLTS) fell to 7.57 million new job openings in February from 7.76 million new job openings in January. Job openings indicate a ratio of 1.1 jobs for each unemployed individual, representing a relatively balanced labor market.

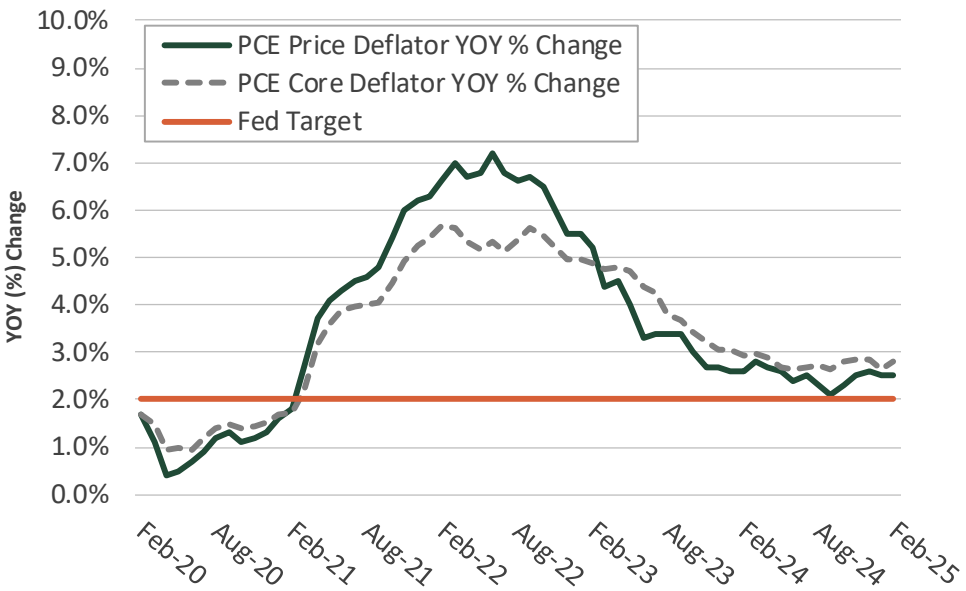
INFLATION

Consumer Price Index (CPI)



Source: US Department of Labor

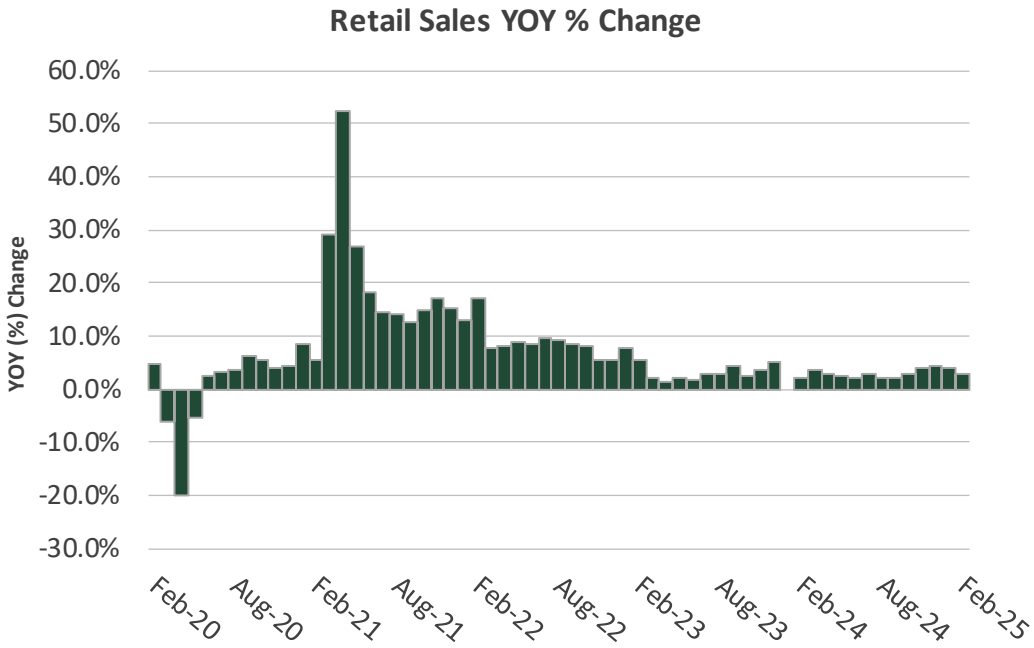
Personal Consumption Expenditures (PCE)



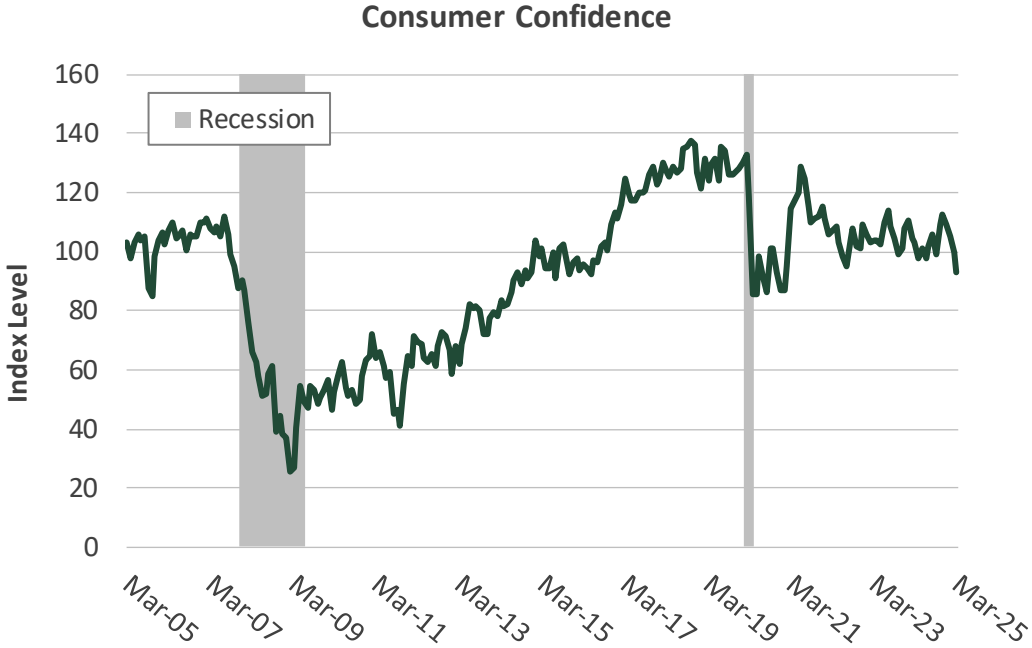
Source: US Department of Commerce

In February, both the Consumer Price Index (CPI) and Core CPI, which excludes volatile food and energy components, posted more moderate increases than last month and came in lower than consensus expectations. The headline CPI rose 0.2% month-over-month and 2.8% year-over-year, while the Core CPI rose 0.2% month-over-month and 3.1% year-over-year. The Personal Consumption Expenditures (PCE) price index increased by 0.3% from the previous month and 2.5% year-over-year in February. The Core PCE deflator, which excludes food and energy and is the Fed's preferred gauge, accelerated its increase to 0.4% month-over-month and 2.8% from 2.6% year-over-year.Inflation remains above the Fed's 2% target.

CONSUMER



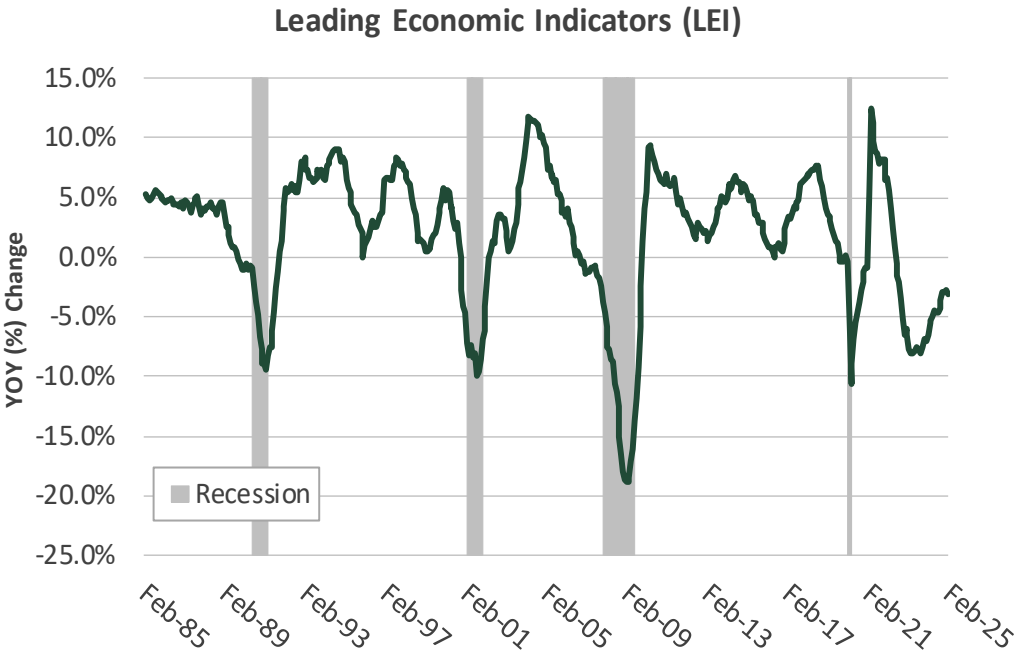
Source: US Department of Commerce



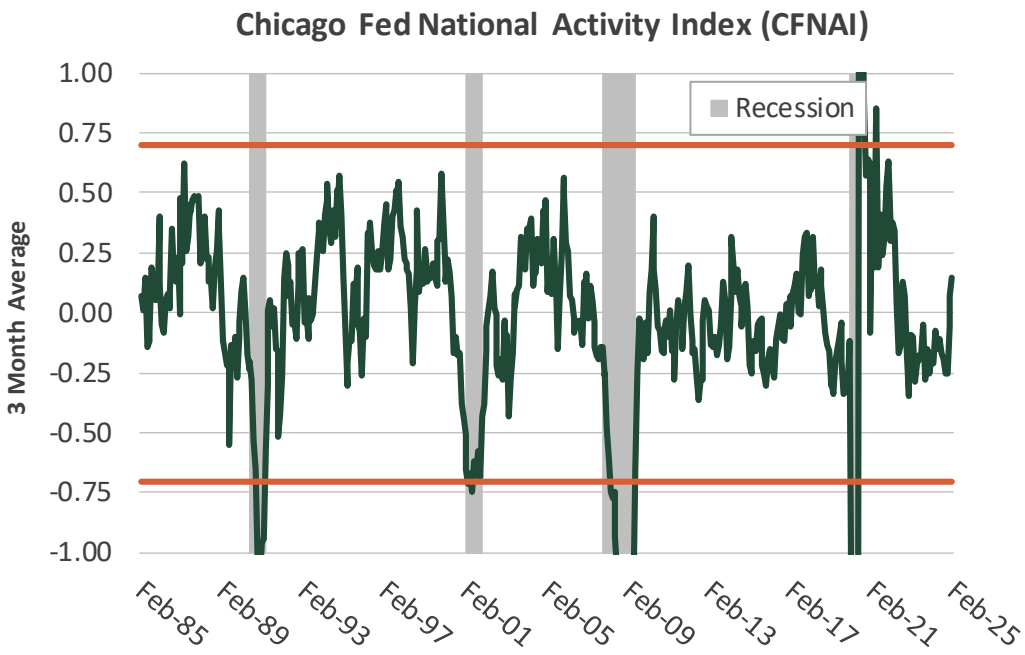
Source: The Conference Board
All time high is 144.70 (1/31/00); All time low is 25.30 (2/28/09)

The Advance Retail Sales report for February fell short of expectations, increasing 0.2% month-over-month following a 1.2% decline in January. Declines were broad-based across categories. However, control group sales, which feeds into gross domestic product and excludes food services, auto dealers, building materials stores, and gasoline stations, increased 1% in February. On a year-over-year basis, Retail Sales grew 3.1% in February versus 3.9% in January. The Conference Board's Consumer Confidence Index tumbled 7.2 points in March to 92.9, a notable decrease from February. Consumers' assessment of the present situation fell, with business conditions viewed as "good" by only 17.7% and jobs considered "plentiful" by 33.6%. Their expectations for income, business, and labor market conditions dropped, with pessimism about future employment prospects falling to a 12-year low. While the consumer has been resilient, rising inflation expectations, concerns about trade policies and tariffs, and general economic and policy uncertainty could pose potential risks to future spending.

LEADING INDICATORS OF ECONOMIC ACTIVITY



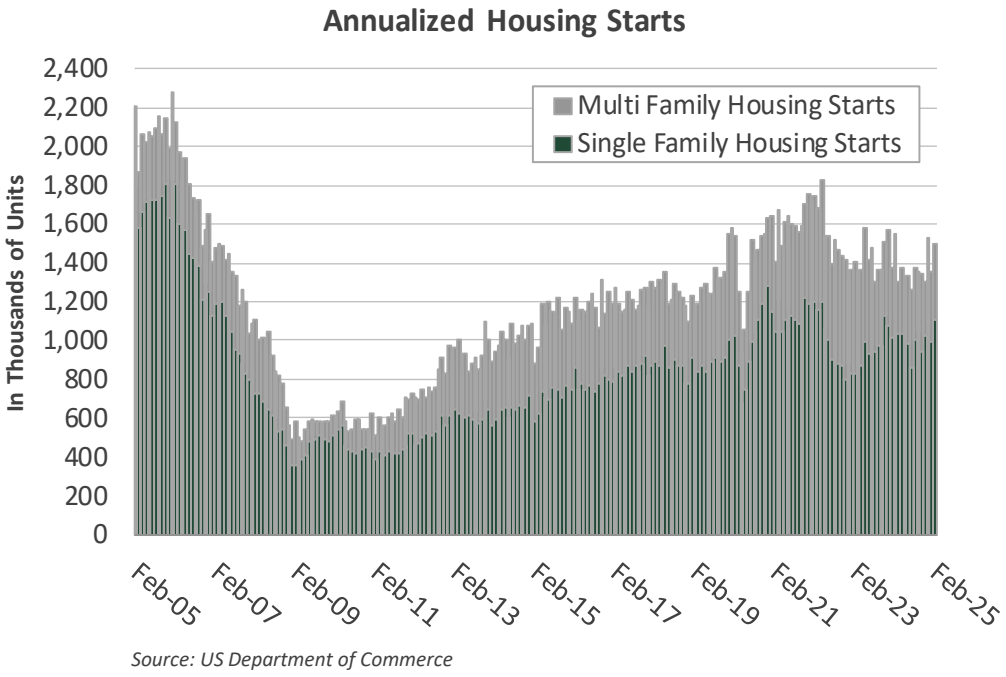
Source: The Conference Board



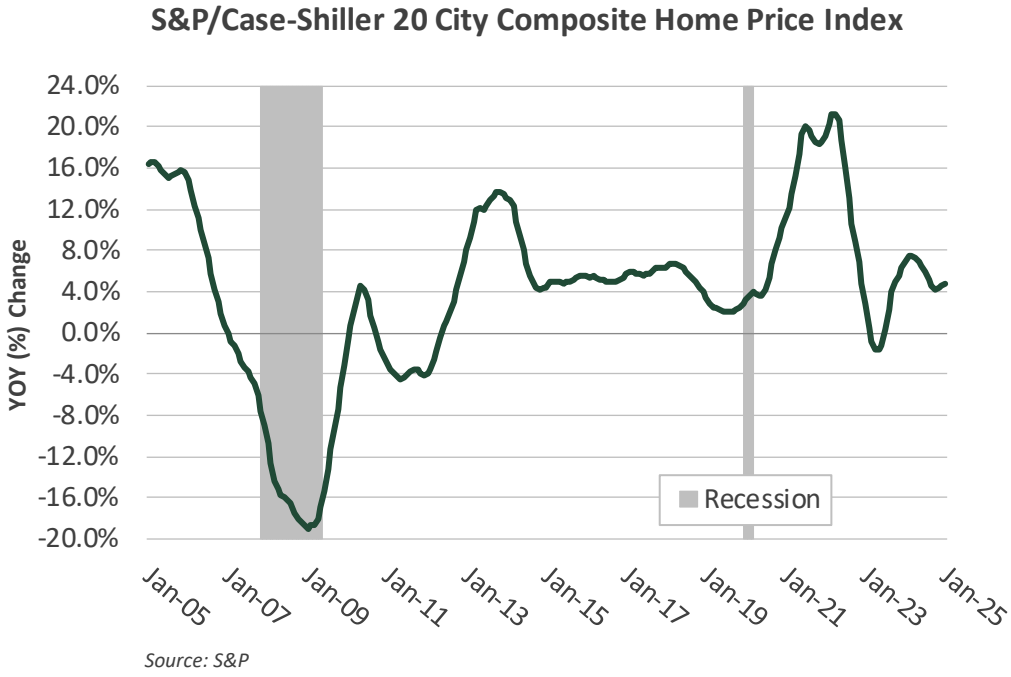
Source: Federal Reserve Bank of Chicago

The Conference Board's Leading Economic Index (LEI) fell by 0.3% in February, following a 0.2% decline in January. The LEI decreased year-over-year by 3.1%. The monthly decline was primarily driven by consumer assessments of future business conditions becoming more pessimistic. The Chicago Fed National Activity Index (CFNAI) increased to +0.18 in February from a revised -0.08 in January, reflecting stronger readings across production-related indicators and sales, orders, and inventories. The three-month moving average rose to +0.15 in February from +0.07 in January, indicating expectations of continued above-trend economic growth.

HOUSING



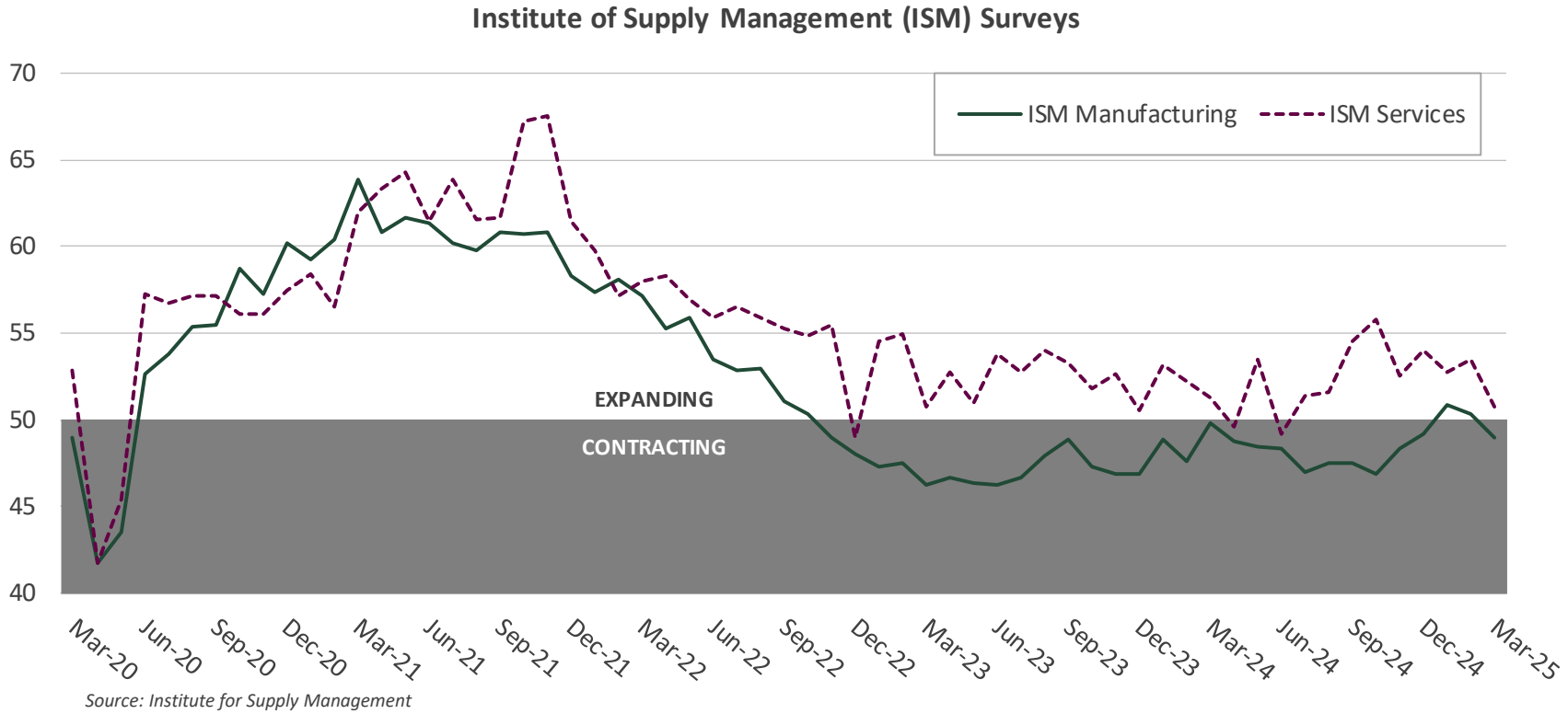
Source: US Department of Commerce



Source: S&P

Housing starts soared 11.2% to 1.5 million units in February as builders rebounded from adverse weather conditions in January. Total starts are down 2.9% compared to February 2024. Single family homes starts rose 11.4%, and multi-family starts increased 10.7%. The Freddie Mac 30-year fixed rate mortgage averaged approximately 6.8% in February. According to the Case-Shiller 20-City Home Price Index, housing prices rose 4.7% year-over-year in January, compared to 4.5% in December. While inventory constraints remain a challenge, the slight improvement in annual gains suggests gradual stabilization in the market. However, higher mortgage rates continue to weigh on affordability, limiting buyer demand and market activity.

SURVEY BASED MEASURES

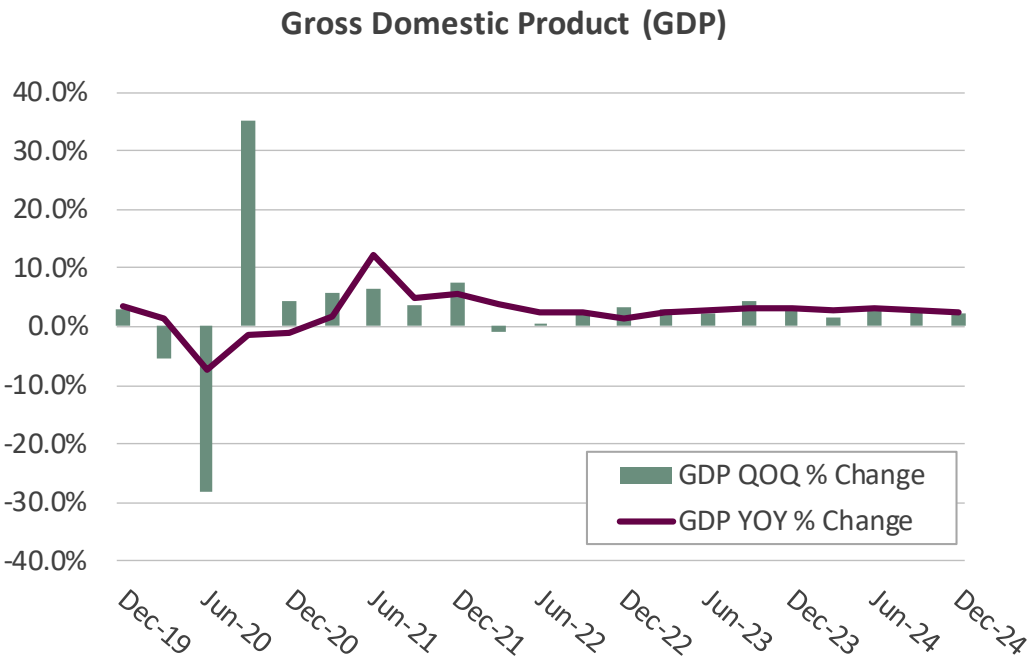


The Institute for Supply Management (ISM) Manufacturing index dipped back into contraction at 49.0 in March from 50.3 in February. The survey reflected a decline in business activity, upward price pressures, and notably weaker employment. The ISM Services index declined to 50.8 in March from 53.5 in February as new orders, employment, and supplier deliveries all weakened. A reading over 50 indicates expansion, while a reading under 50 indicates contraction.

GROSS DOMESTIC PRODUCT (GDP)

Components of GDP	3/24	6/24	9/24	12/24
Personal Consumption Expenditures	1.3%	1.9%	2.5%	2.7%
Gross Private Domestic Investment	0.6%	1.5%	0.2%	-1.0%
Net Exports and Imports	-0.6%	-0.9%	-0.4%	0.3%
Federal Government Expenditures	0.0%	0.3%	0.6%	0.3%
State and Local (Consumption and Gross Investment)	0.3%	0.3%	0.3%	0.3%
Total	**1.6%**	**3.0%**	**3.1%**	**2.4%**

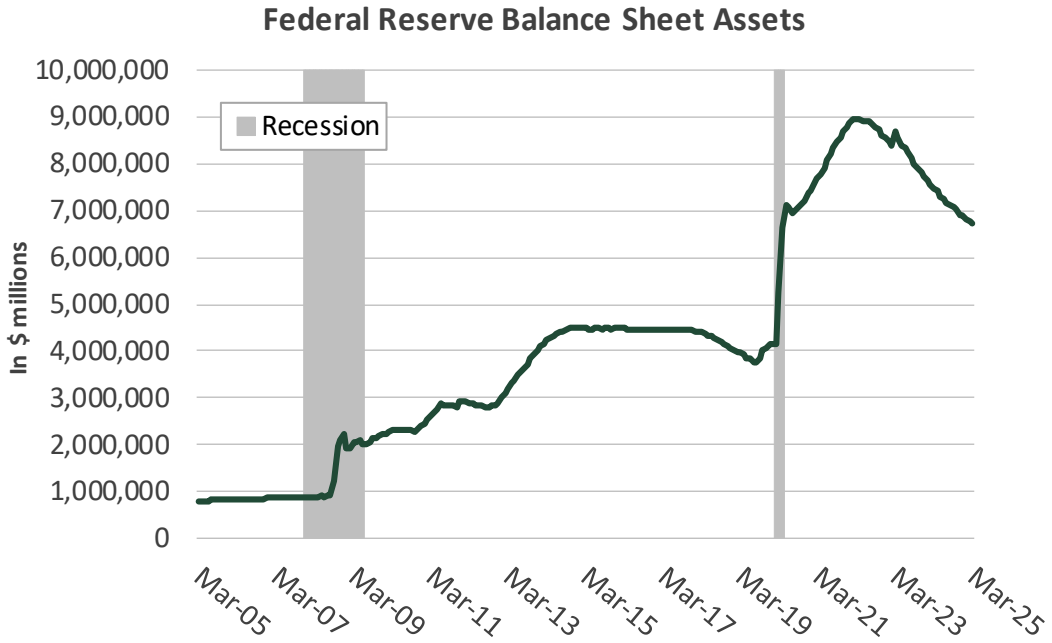
Source: US Department of Commerce



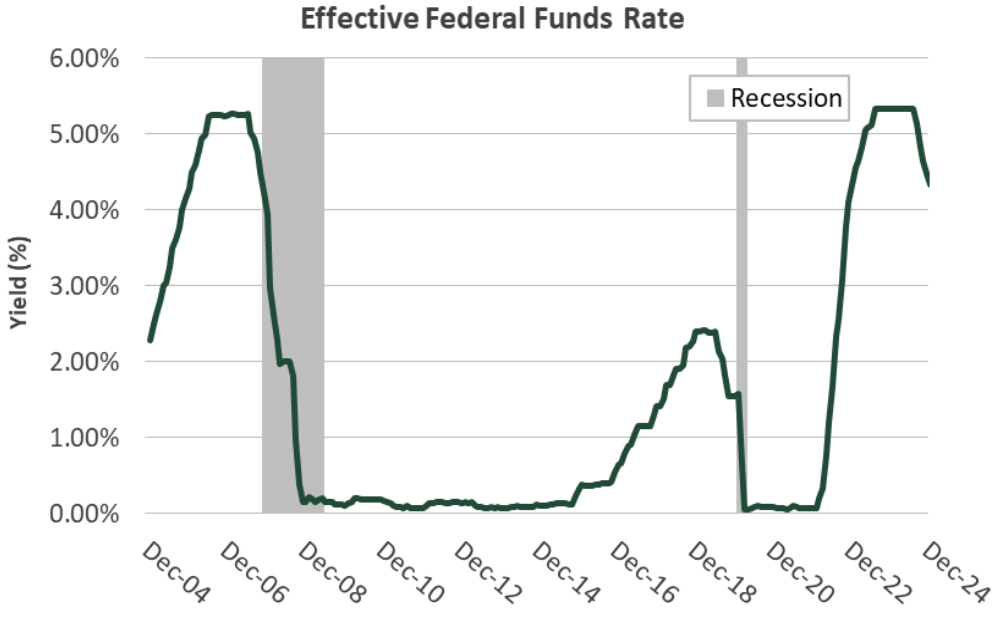
Source: US Department of Commerce

According to the third estimate, fourth quarter GDP increased at an annualized rate of 2.4 percent, revised up 0.1 percentage point from the second estimate. Growth continues to be powered by consumer spending and government spending, partly offset by a decrease in investment. Imports also decreased. Real GDP increased 2.8 percent in 2024. The consensus projection calls for 1.2% growth for the first quarter and 2.0% for the full year 2025.

FEDERAL RESERVE



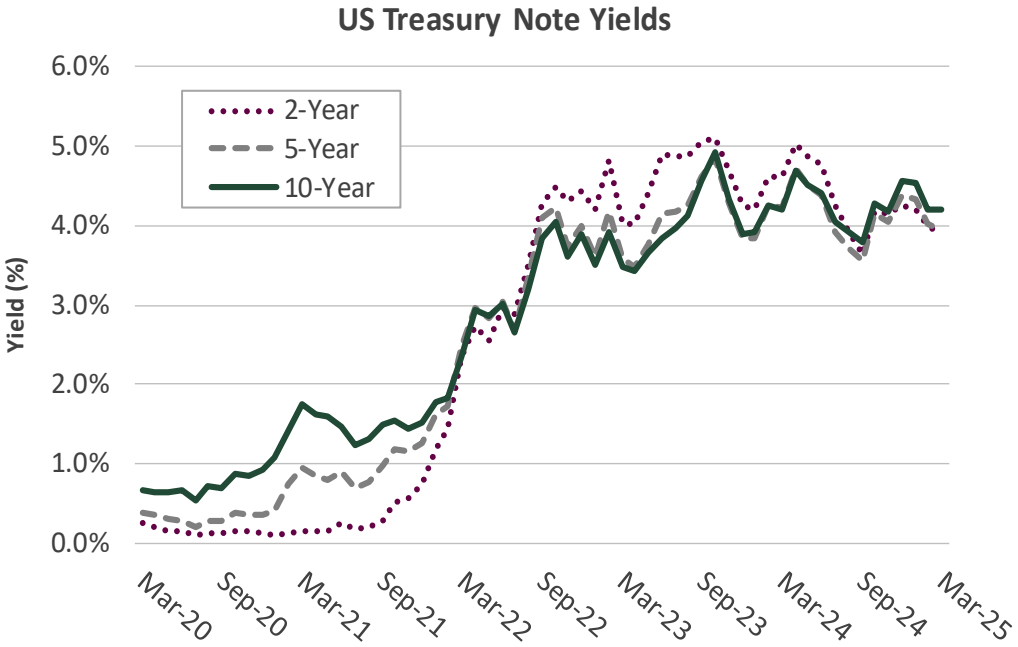
Source: Federal Reserve



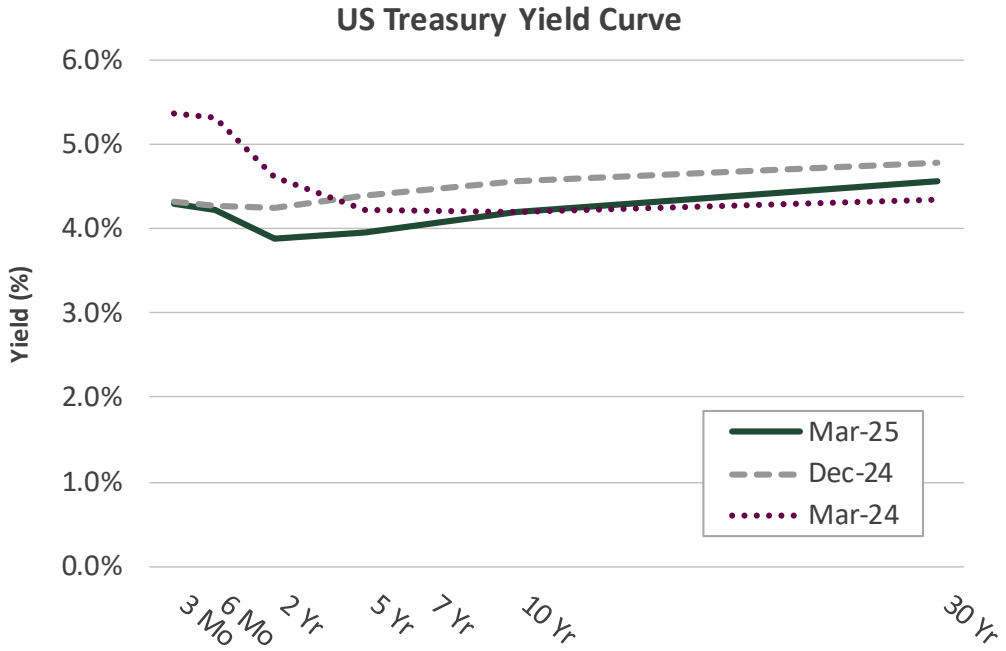
Source: Bloomberg

As broadly anticipated, the Federal Open Market Committee (FOMC) left the Federal Funds Rate unchanged at the range of 4.25 - 4.50% at the March meeting. Fed Chair Powell emphasized increased uncertainty around the economic outlook and the need for "greater clarity" before making changes to interest rate policy. He also acknowledged possible transitory inflationary impacts from tariffs. The summary of economic projections (SEP) indicated lower GDP growth, higher inflation, and higher unemployment estimates than December projections, along with roughly two 25-basis point rate cuts this year. The FOMC also announced a slowdown in the pace of balance sheet reduction. The monthly redemption cap on Treasuries will be reduced from $25 billion to $5 billion, while the cap on agencies and mortgage-backed securities will be maintained at $35 billion. Since the Fed began its Quantitative Tightening campaign in June 2022, securities holdings have declined by approximately $2.2 trillion to approximately $6.8 trillion.

BOND YIELDS



Source: Bloomberg



Source: Bloomberg

At the end of March, the 2-year Treasury yield was 74 basis points lower, and the 10-Year Treasury yield was 6 basis points higher, year-over-year. The spread between the 2-year and 10-year Treasury yield points on the curve widened to +32 basis points at March month-end versus +22 basis points at February month-end. The recent yield curve inversion which began in July 2022 was historically long. The average historical spread (since 2005) is about +99 basis points. The spread between the 3-month and 10-year Treasury yield points on the curve was -9 basis points in in March, unchanged from February.

CHANDLER ASSET MANAGEMENT

ACCOUNT PROFILE

Investment Objectives

Safety of principal is the foremost objective of the investment program. The investment portfolio shall remain sufficiently liquid to meet all requirements that may be reasonably anticipated. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and econmic cycles, taking into account the investment risk constraints and liquidity needs.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve this objective, the portfolio invests in high-quality fixed income securities that comply with the investment policy and all regulations governing the funds.

STATEMENT OF COMPLIANCE

CHANDLER ASSET MANAGEMENT

City of Stockton ConsAgg | Account #10021 | As of March 31, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
AGENCY MORTGAGE SECURITIES (CMOS)				
Max % (MV)	20.0	2.0	Compliant	
Max % Issuer (MV; Agencies & Agency CMOs)	20.0	7.9	Compliant	
Max Maturity (Years)	10.0	3.2	Compliant	
ASSET-BACKED SECURITIES (ABS)				
Max % (MV; Non Agency ABS & MBS)	20.0	9.2	Compliant	
Max % Issuer (MV)	5.0	1.3	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (AA by 1)	0.0	0.0	Compliant	
BANKERS' ACCEPTANCES				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	180	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CERTIFICATE OF DEPOSIT PLACEMENT SERVICE (CDARS)				
Max % (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	0.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
COMMERCIAL PAPER				
Max % (MV)	40.0	3.7	Compliant	
Max % Issuer (MV)	5.0	1.6	Compliant	
Max Maturity (Days)	270	162	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				
Max % (MV)	30.0	22.5	Compliant	
Max % Issuer (MV)	5.0	1.7	Compliant	

STATEMENT OF COMPLIANCE

CHANDLER ASSET MANAGEMENT

City of Stockton ConsAgg | Account #10021 | As of March 31, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
Max Maturity (Years)	5	4	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV)	100.0	21.8	Compliant	
Max % Issuer (MV; Agencies & Agency CMOs)	100.0	7.9	Compliant	
Max Callables (MV)	20.0	0.6	Compliant	
Max Maturity (Years)	10	9	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max Concentration (MV)	75.0	0.0	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	0.1	Compliant	
Max % Issuer (MV)	20.0	0.1	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
MORTGAGE-BACKED SECURITIES (NON-AGENCY)				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (AA by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, LOCAL AGENCY)				
Max % (MV)	30.0	0.5	Compliant	
Max % Issuer (MV)	5.0	0.3	Compliant	
Max Maturity (Years)	10	0.0	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, OTHER STATES)				
Max % (MV)	30.0	0.7	Compliant	
Max % Issuer (MV)	5.0	0.5	Compliant	

STATEMENT OF COMPLIANCE

CHANDLER ASSET MANAGEMENT

City of Stockton ConsAgg | Account #10021 | As of March 31, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
Max Maturity (Years)	10	0.0	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (MV)	30.0	0.5	Compliant	
Max % Issuer (MV)	5.0	0.5	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1 if > FDIC Limit)	0.0	0.0	Compliant	
REPURCHASE AGREEMENTS				
Max Maturity (Years)	1.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	10.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	39.0	Compliant	
Max Maturity (Years)	10	8	Compliant	

PORTFOLIO CHARACTERISTICS

CHANDLER ASSET MANAGEMENT

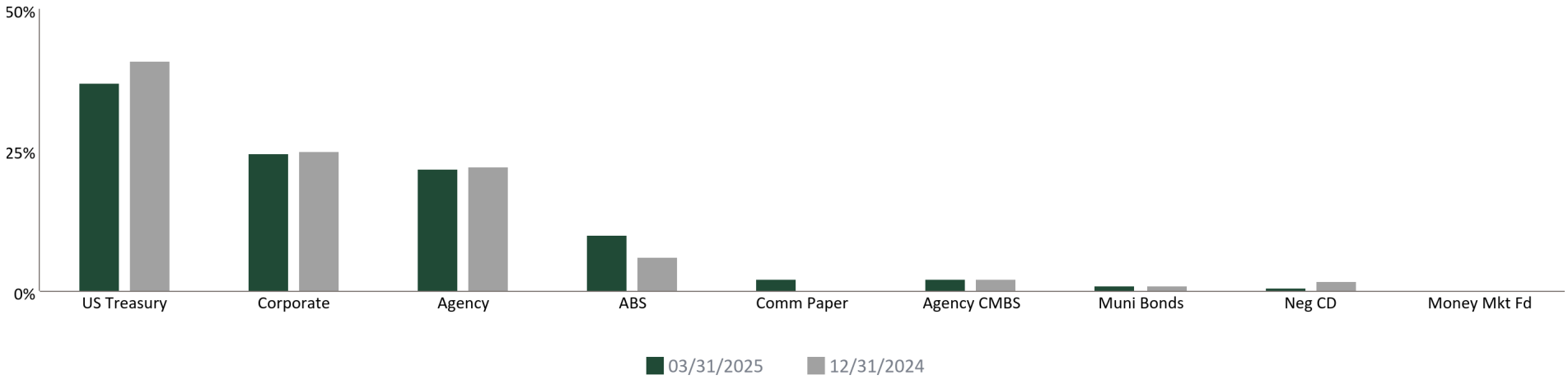
City of Stockton Reserve | Account #10020 | As of March 31, 2025

	Benchmark*	3/31/2025 Portfolio	12/31/2024 Portfolio
Average Maturity (yrs)	2.66	3.10	2.98
Average Modified Duration	2.48	2.56	2.51
Average Purchase Yield		3.32%	3.01%
Average Market Yield	4.00%	4.26%	4.49%
Average Quality**	AA+	AA+	AA+
Total Market Value		339,162,348	332,405,551

*Benchmark: ICE BofA 1-5 Year Gov/Corp A or better
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

City of Stockton Reserve | Account #10020 | As of March 31, 2025



Sector as a Percentage of Market Value

Sector	03/31/2025	12/31/2024
US Treasury	37.11%	41.19%
Corporate	24.62%	25.14%
Agency	21.80%	22.16%
ABS	10.05%	6.14%
Comm Paper	2.29%	--
Agency CMBS	2.23%	2.25%
Muni Bonds	1.22%	1.24%
Neg CD	0.59%	1.82%
Money Mkt Fd	0.07%	0.07%

ISSUERS

City of Stockton Reserve | Account #10020 | As of March 31, 2025

Issuer	Investment Type	% Portfolio
Government of The United States	US Treasury	37.11%
FNMA	Agency	8.70%
Farm Credit System	Agency	5.78%
Federal Home Loan Banks	Agency	4.81%
FHLMC	Agency CMBS	2.23%
State Street Corporation	Corporate	1.83%
Federal Home Loan Mortgage Corp	Agency	1.71%
American Express Credit Master Trust	ABS	1.48%
Chase Issuance Trust	ABS	1.47%
Bank of America Corporation	Corporate	1.31%
Walmart Inc.	Comm Paper	1.27%
BMW Vehicle Owner Trust	ABS	1.26%
John Deere Owner Trust	ABS	1.25%
Caterpillar Inc.	Corporate	1.21%
The Home Depot, Inc.	Corporate	1.20%
Morgan Stanley	Corporate	1.18%
Visa Inc.	Corporate	1.15%
UnitedHealth Group Incorporated	Corporate	1.15%
PACCAR Inc	Corporate	1.07%
New York Life Insurance Company	Corporate	1.04%
PepsiCo, Inc.	Comm Paper	1.02%
The Charles Schwab Corporation	Corporate	1.00%
Honda Auto Receivables Owner Trust	ABS	0.92%
Mastercard Incorporated	Corporate	0.91%
Cisco Systems, Inc.	Corporate	0.91%
National Rural Utilities Cooperative	Corporate	0.89%
Massachusetts Mutual Life Insurance	Corporate	0.89%
Hyundai Auto Receivables Trust	ABS	0.88%
Prologis, Inc.	Corporate	0.87%
JPMorgan Chase & Co.	Corporate	0.86%

ISSUERS

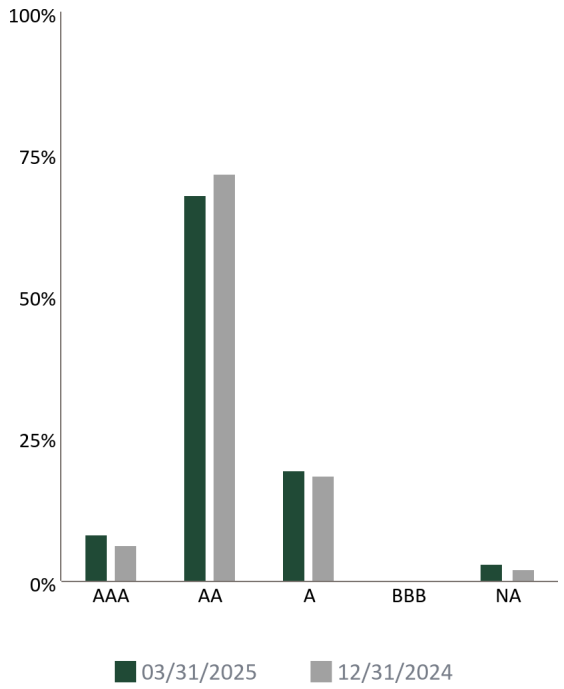
City of Stockton Reserve | Account #10020 | As of March 31, 2025

Issuer	Investment Type	% Portfolio
Tennessee Valley Authority	Agency	0.79%
Metropolitan Life Global Funding I	Corporate	0.79%
Amazon.com, Inc.	Corporate	0.76%
Toyota Motor Corporation	Corporate	0.75%
Verizon Master Trust, Series 2025-3	ABS	0.75%
Eli Lilly and Company	Corporate	0.68%
Northern Trust Corporation	Corporate	0.65%
Target Corporation	Corporate	0.61%
Deere & Company	Corporate	0.60%
Toyota Auto Receivables Owner Trust	ABS	0.59%
Westpac Banking Corporation	Neg CD	0.59%
Merck & Co., Inc.	Corporate	0.59%
Honeywell International Inc.	Corporate	0.59%
PepsiCo, Inc.	Corporate	0.58%
Florida Hurricane Catastrophe Fund F	Muni Bonds	0.55%
The Goldman Sachs Group, Inc.	Corporate	0.54%
WF Card Issuance Trust	ABS	0.54%
Bank of America Credit Card Trust	ABS	0.49%
GM Financial Automobile Leasing Trus	ABS	0.41%
Los Angeles Community College Distri	Muni Bonds	0.28%
University of California	Muni Bonds	0.22%
State of New Jersey	Muni Bonds	0.16%
Federated Hermes, Inc.	Money Mkt Fd	0.07%
Cash	Cash	0.00%
TOTAL		**100.00%**

QUALITY DISTRIBUTION

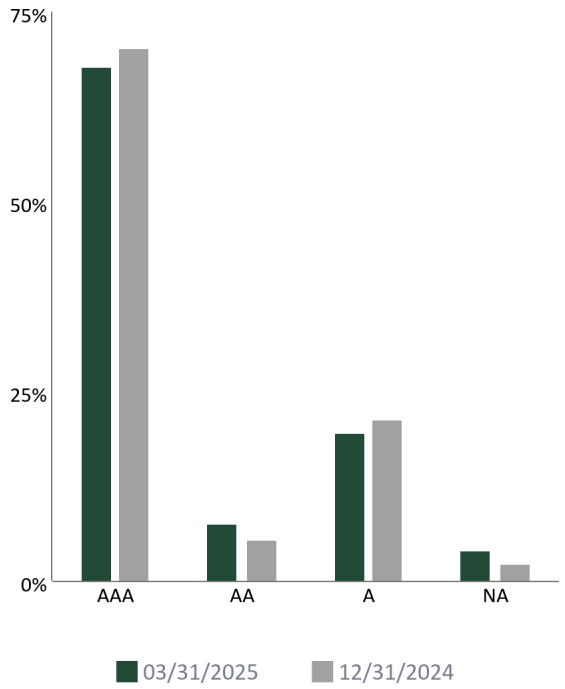
City of Stockton Reserve | Account #10020 | As of March 31, 2025

S&P Rating



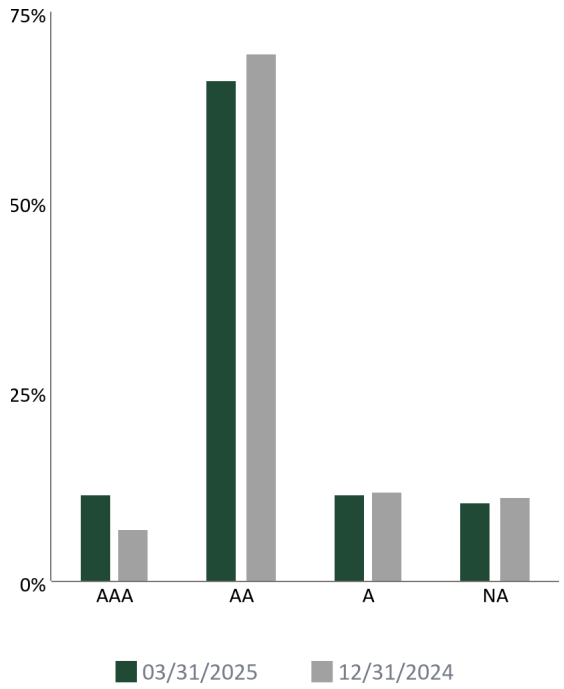
Rating	03/31/2025	12/31/2024
AAA	8.5%	6.7%
AA	67.9%	71.6%
A	19.6%	19.0%
BBB	0.5%	0.5%
NA	3.5%	2.2%

Moody's Rating



Rating	03/31/2025	12/31/2024
AAA	68.1%	70.4%
AA	7.6%	5.6%
A	19.9%	21.6%
NA	4.4%	2.4%

Fitch Rating



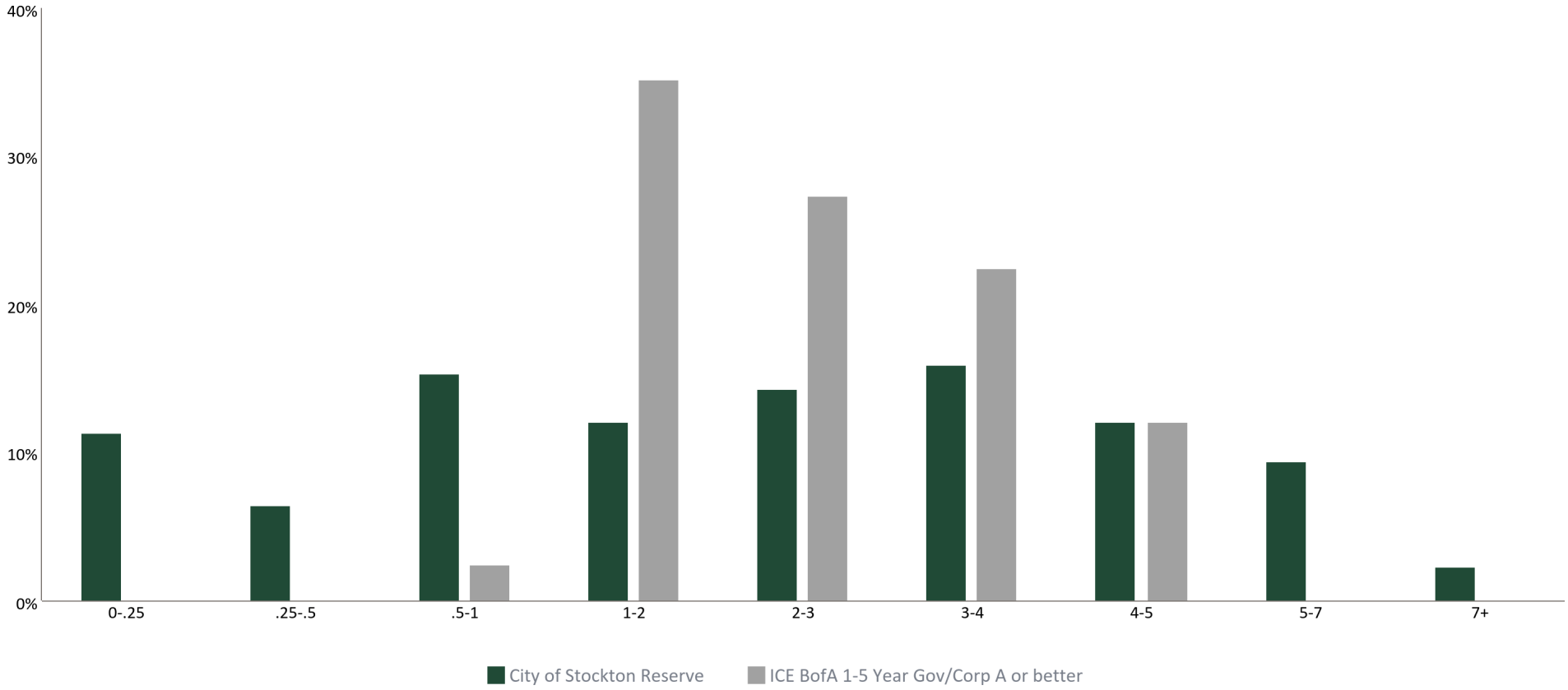
Rating	03/31/2025	12/31/2024
AAA	11.8%	6.9%
AA	66.1%	69.8%
A	11.6%	12.0%
NA	10.5%	11.4%

DURATION DISTRIBUTION

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of March 31, 2025

Portfolio Compared to the Benchmark



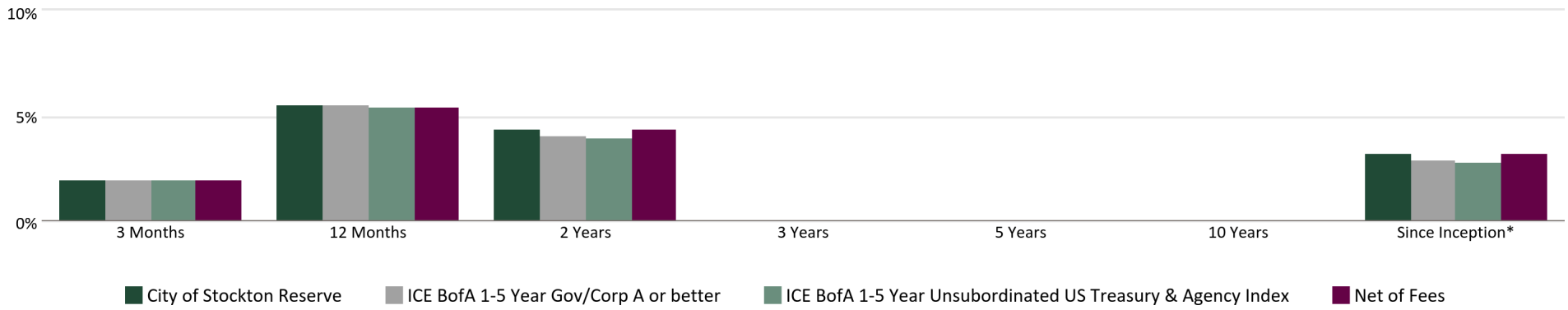
	0-.25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
Portfolio	11.5%	6.6%	15.4%	12.1%	14.4%	16.1%	12.1%	9.5%	2.4%
ICE BofA 1-5 Year Gov/Corp A or better	0.0%	0.0%	2.5%	35.3%	27.5%	22.6%	12.2%	0.0%	0.0%

INVESTMENT PERFORMANCE

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of March 31, 2025

Total and Realized Rate of Return : Inception | 08/01/2022



	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception*
MARKET VALUE BASIS EARNINGS							
Income Earned	2,318,385	8,975,234	14,887,471				17,396,354
Change in Market Value	4,458,954	8,953,449	13,543,176				10,818,567
TOTAL DOLLAR RETURN	**6,777,339**	**17,928,683**	**28,430,647**				**$28,214,922**

	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
TOTAL RATE OF RETURN							
City of Stockton Reserve	2.04%	5.56%	4.44%				3.31%
ICE BofA 1-5 Year Gov/Corp A or better	*1.99%*	*5.59%*	*4.12%*				2.99%
ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index	*2.00%*	*5.50%*	*3.96%*				2.87%
Basis Point Fee*	0.01%	0.04%	0.03%				0.02%
Net of Fees	2.04%	5.53%	4.41%				3.29%

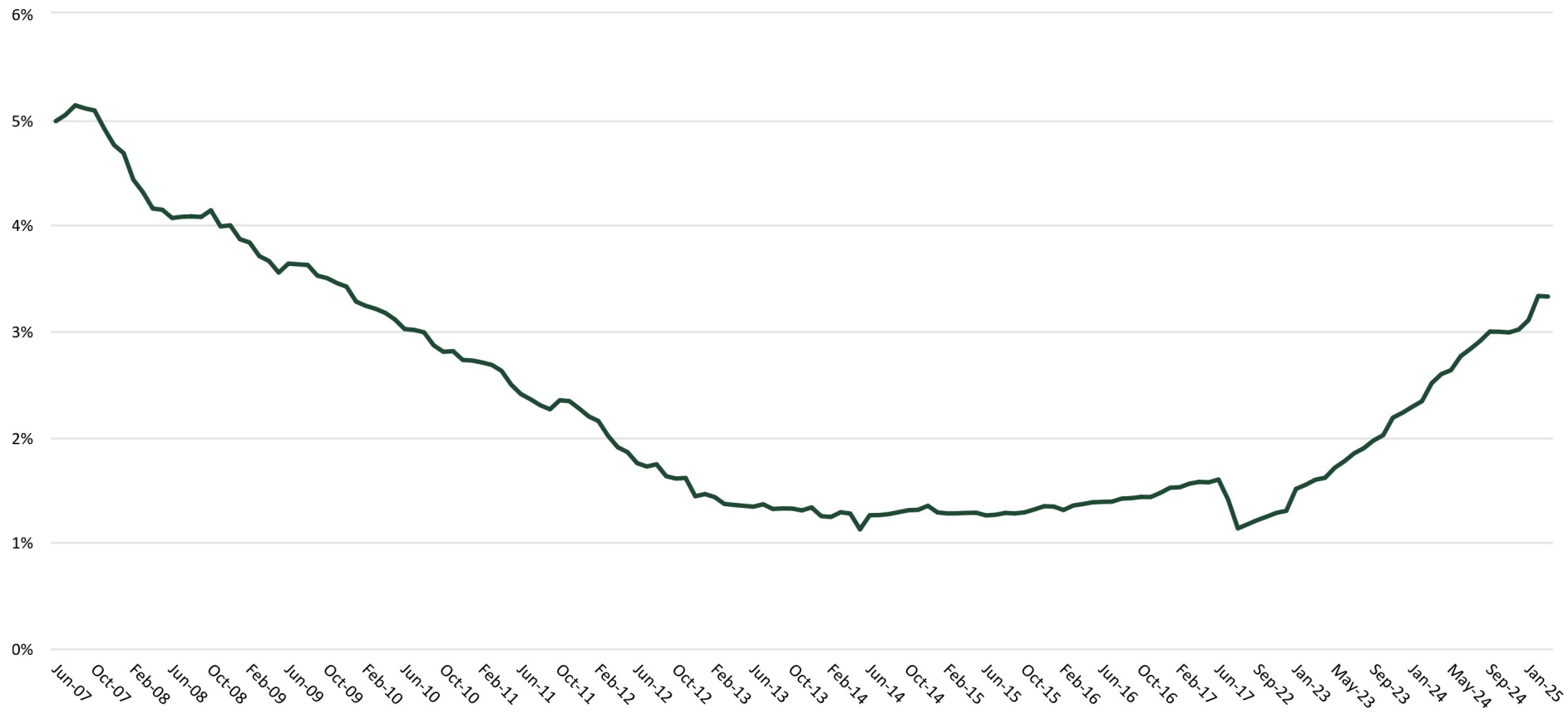
*Periods over 1 year are annualized.
Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio. Realized rate of return: A measure of a portfolio's return over time. It is the internal rate which equates the beginning book value of the portfolio with the ending book value; it includes interest earnings, realized gains and losses in the portfolio.

HISTORICAL AVERAGE PURCHASE YIELD

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of March 31, 2025

Purchase Yield as of 03/31/25 = 3.32%



PORTFOLIO CHARACTERISTICS

CHANDLER ASSET MANAGEMENT

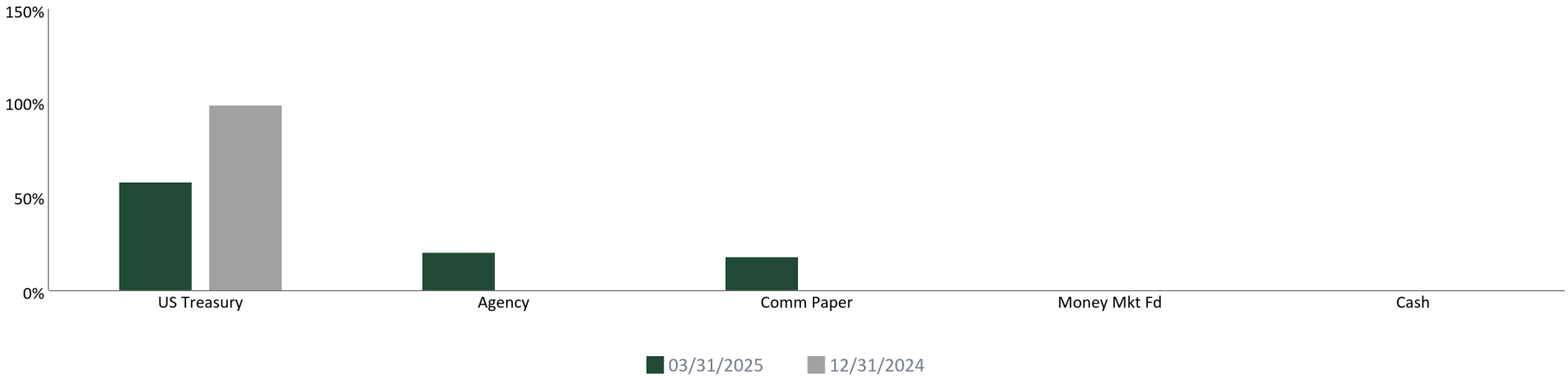
City of Stockton Enhanced Cash | Account #11194 | As of March 31, 2025

	Benchmark*	3/31/2025 Portfolio	12/31/2024 Portfolio
Average Maturity (yrs)	0.16	0.14	0.04
Average Modified Duration	0.16	0.14	0.04
Average Purchase Yield		4.33%	4.27%
Average Market Yield	4.28%	4.33%	4.29%
Average Quality**	AA+	AAA	AAA
Total Market Value		31,302,779	30,976,381

*Benchmark: ICE BofA 3-Month US Treasury Bill Index
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

City of Stockton Enhanced Cash | Account #11194 | As of March 31, 2025



Sector as a Percentage of Market Value

Sector	03/31/2025	12/31/2024
US Treasury	59.13%	99.59%
Agency	21.59%	--
Comm Paper	18.99%	--
Money Mkt Fd	0.25%	0.05%
Cash	0.04%	0.36%

ISSUERS

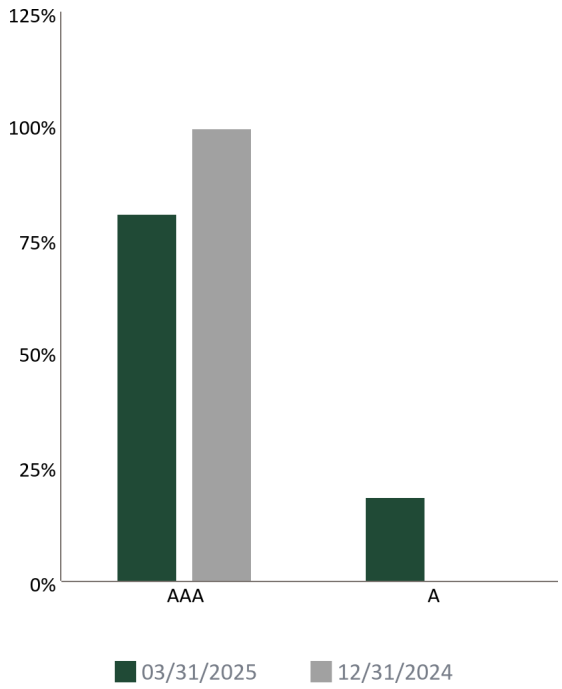
City of Stockton Enhanced Cash | Account #11194 | As of March 31, 2025

Issuer	Investment Type	% Portfolio
Government of The United States	US Treasury	59.13%
Federal Home Loan Banks	Agency	21.59%
Mitsubishi UFJ Financial Group, Inc.	Comm Paper	18.99%
Federated Hermes, Inc.	Money Mkt Fd	0.25%
Cash	Cash	0.04%
TOTAL		**100.00%**

QUALITY DISTRIBUTION

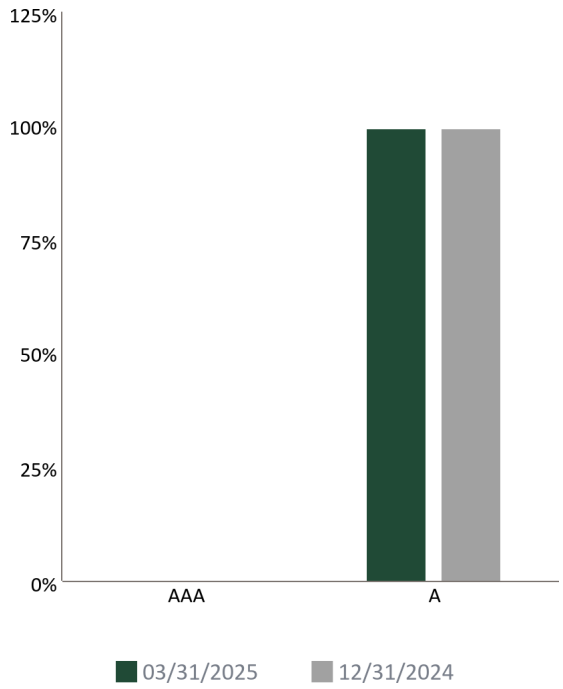
City of Stockton Enhanced Cash | Account #11194 | As of March 31, 2025

S&P Rating



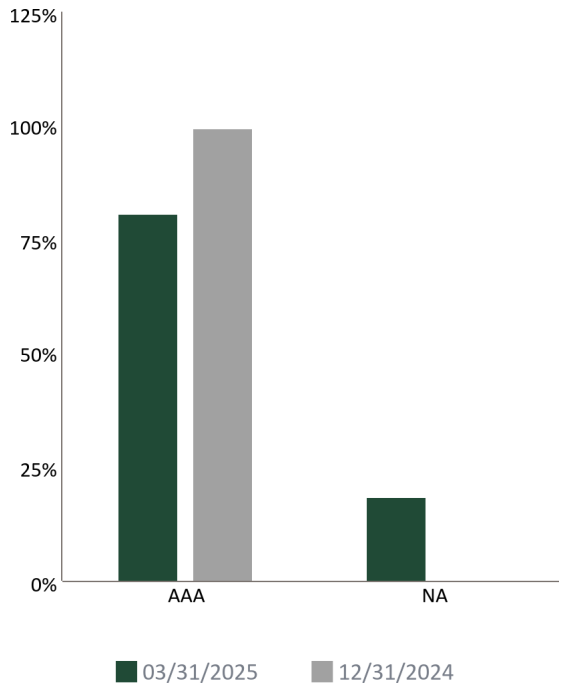
Rating	03/31/2025	12/31/2024
AAA	81.0%	100.0%
A	19.0%	--

Moody's Rating



Rating	03/31/2025	12/31/2024
AAA	0.3%	0.4%
A	99.7%	99.6%

Fitch Rating



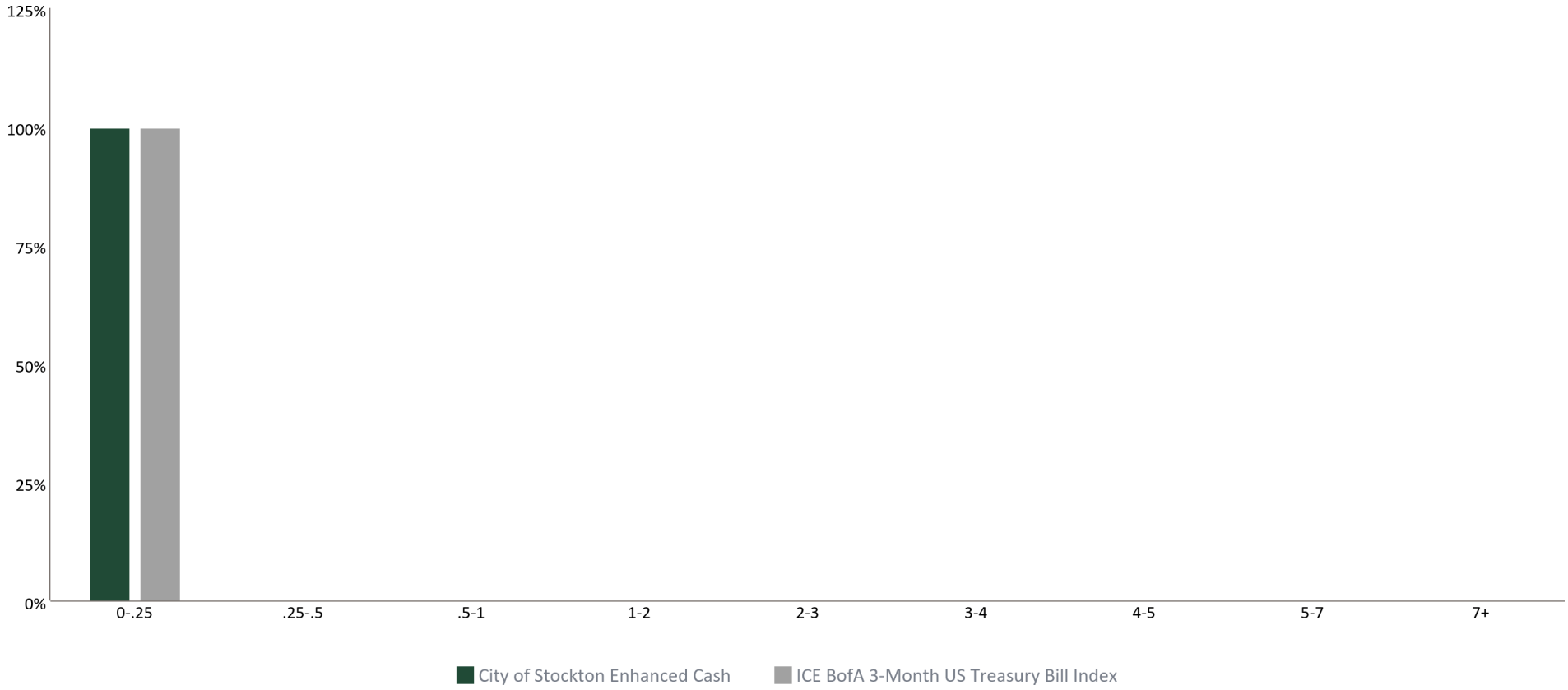
Rating	03/31/2025	12/31/2024
AAA	81.0%	100.0%
NA	19.0%	--

DURATION DISTRIBUTION

CHANDLER ASSET MANAGEMENT

City of Stockton Enhanced Cash | Account #11194 | As of March 31, 2025

Portfolio Compared to the Benchmark



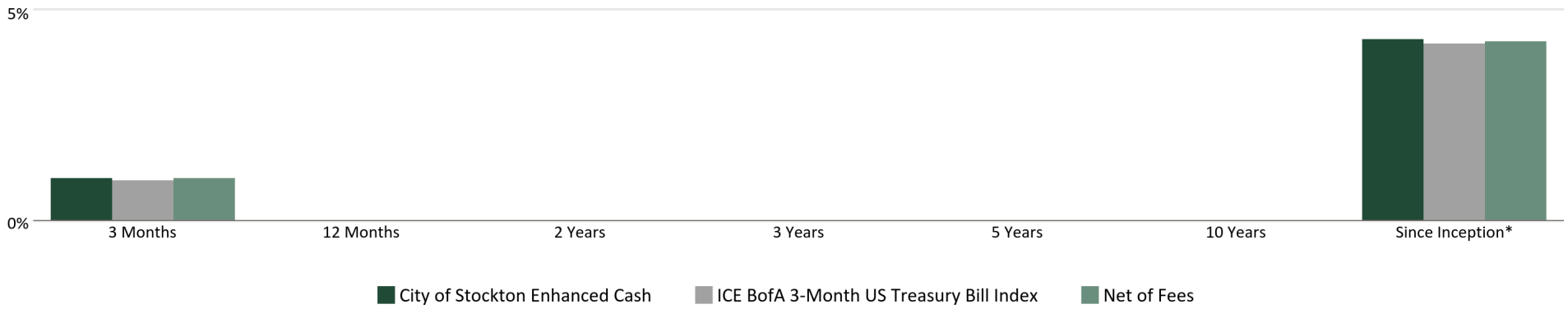
	0-.25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
Portfolio	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ICE BofA 3-Month US Treasury Bill Index	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

INVESTMENT PERFORMANCE

CHANDLER ASSET MANAGEMENT

City of Stockton Enhanced Cash | Account #11194 | As of March 31, 2025

Total and Realized Rate of Return : Inception | 05/17/2024



	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception*
MARKET VALUE BASIS EARNINGS							
Income Earned	429,830						1,291,631
Change in Market Value	(4,182)						(721)
TOTAL DOLLAR RETURN	**425,648**						**1,290,910**

	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
TOTAL RATE OF RETURN							
City of Stockton Enhanced Cash	1.05%						4.35%
ICE BofA 3-Month US Treasury Bill Index	*1.02%*						4.28%
Basis Point Fee*	0.01%						0.03%
Net of Fees	1.05%						4.31%

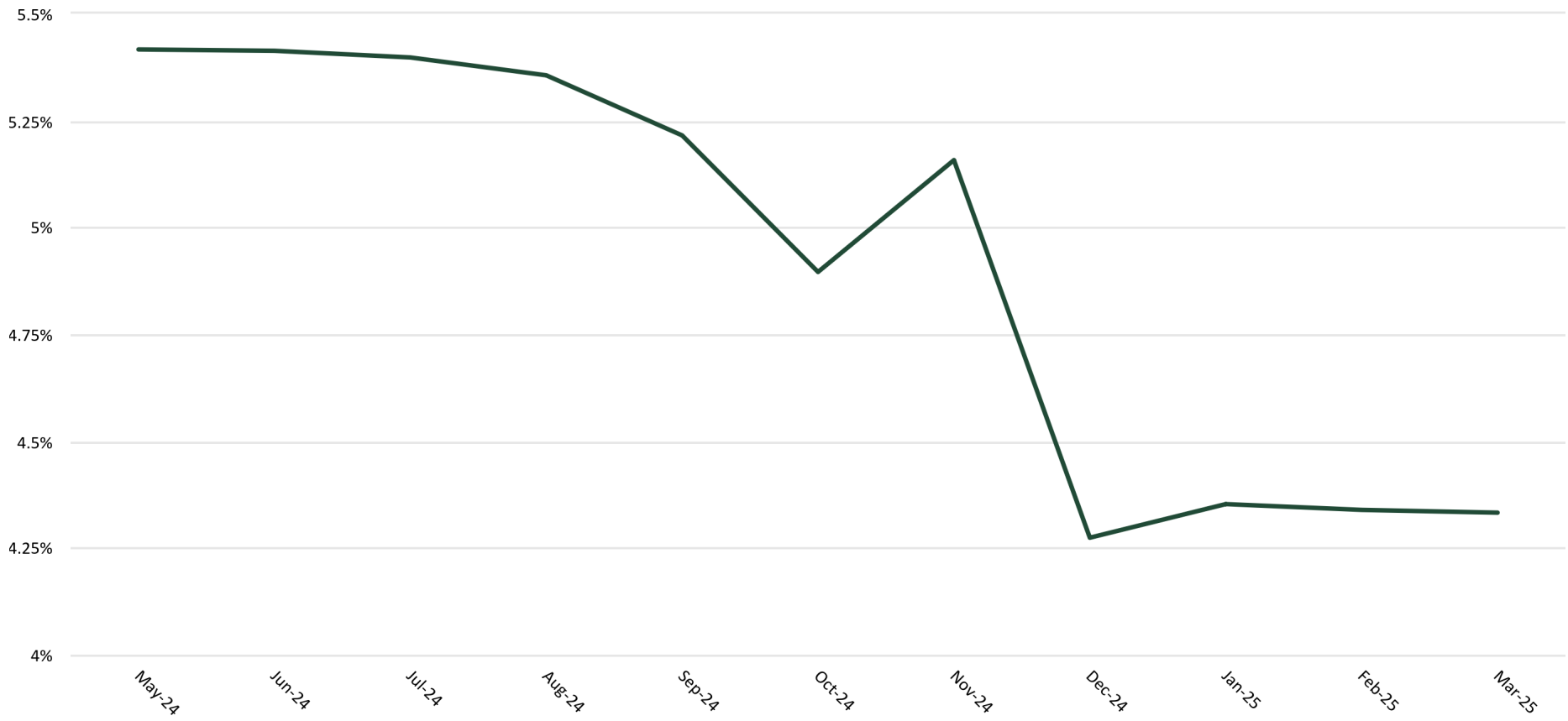
*Periods over 1 year are annualized.
Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio. Realized rate of return: A measure of a portfolio's return over time. It is the internal rate which equates the beginning book value of the portfolio with the ending book value; it includes interest earnings, realized gains and losses in the portfolio.

HISTORICAL AVERAGE PURCHASE YIELD

CHANDLER ASSET MANAGEMENT

City of Stockton Enhanced Cash | Account #11194 | As of March 31, 2025

Purchase Yield as of 03/31/25 = 4.33%



CHANDLER ASSET MANAGEMENT

CONSOLIDATED INFORMATION

PORTFOLIO CHARACTERISTICS

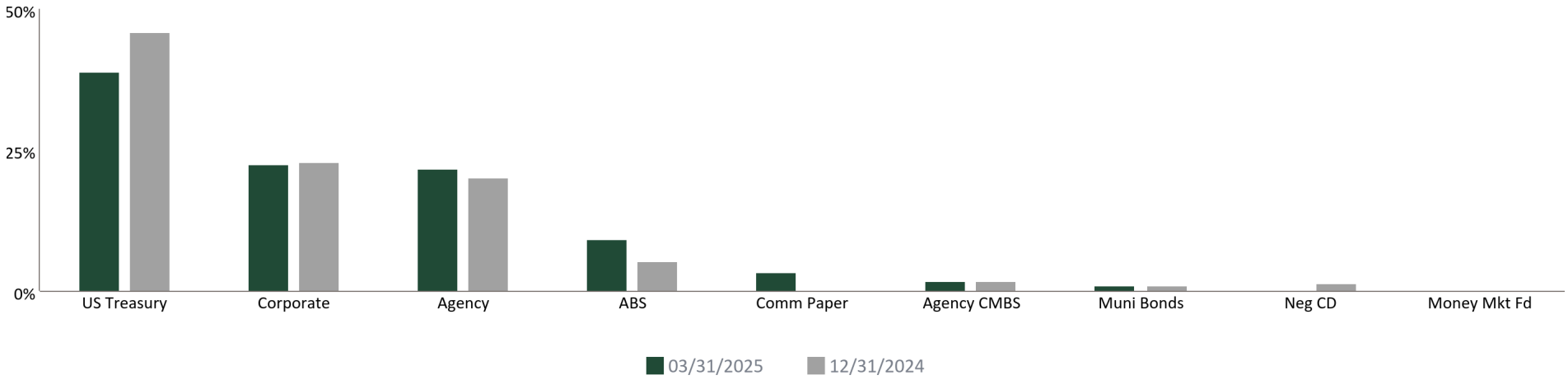
City of Stockton ConsAgg | Account #10021 | As of March 31, 2025

	3/31/2025 Portfolio	12/31/2024 Portfolio
Average Maturity (yrs)	2.85	2.72
Average Modified Duration	2.35	2.30
Average Purchase Yield	3.41%	3.12%
Average Market Yield	4.26%	4.47%
Average Quality**	AA+	AA+
Total Market Value	370,465,127	363,381,933

*Benchmark: NO BENCHMARK REQUIRED
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

City of Stockton ConsAgg | Account #10021 | As of March 31, 2025



Sector as a Percentage of Market Value

Sector	03/31/2025	12/31/2024
US Treasury	38.98%	46.20%
Corporate	22.53%	22.99%
Agency	21.78%	20.26%
ABS	9.20%	5.61%
Comm Paper	3.71%	--
Agency CMBS	2.04%	2.06%
Muni Bonds	1.12%	1.13%
Neg CD	0.54%	1.66%
Money Mkt Fd	0.09%	0.07%

CHANDLER ASSET MANAGEMENT

PORTFOLIO HOLDINGS

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
36271VAD9	GMALT 2025-1 A3 4.66 02/21/2028	1,390,000.00	02/05/2025 4.66%	1,389,835.98 1,389,843.11	100.46 4.43%	1,396,456.41 1,979.21	0.41% 6,613.30	NA/AAA AAA	2.90 1.66
05592XAD2	BMWOT 2023-A A3 5.47 02/25/2028	575,802.53	07/11/2023 5.47%	575,700.50 575,738.27	100.66 4.59%	579,598.73 524.94	0.17% 3,860.47	NA/AAA AAA	2.91 0.70
477920AC6	JDOT 2023-B A3 5.18 03/15/2028	1,085,000.00	06/21/2023 5.51%	1,084,819.02 1,084,886.60	100.59 4.58%	1,091,426.78 2,497.91	0.32% 6,540.18	AAA/NA AAA	2.96 0.90
02582JJZ4	AMXCA 2023-1 A 4.87 05/15/2026	1,270,000.00	06/07/2023 4.87%	1,269,887.35 1,269,944.18	100.55 4.40%	1,277,047.23 2,748.84	0.38% 7,103.05	NA/AAA AAA	1.12 1.07
47787CAC7	JDOT 2023-C A3 5.48 05/15/2028	3,105,000.00	09/12/2023 5.40%	3,104,786.69 3,104,856.96	100.96 4.57%	3,134,872.27 7,562.40	0.93% 30,015.32	AAA/NA AAA	3.12 0.99
438123AC5	HAROT 2023-4 A3 5.67 06/21/2028	1,050,000.00	11/01/2023 5.74%	1,049,815.10 1,049,871.00	101.20 4.66%	1,062,649.35 1,653.75	0.32% 12,778.35	AAA/NA AAA	3.22 1.11
161571HT4	CHAIT 2023-1 A 5.16 09/15/2028	4,915,000.00	-- 5.13%	4,920,147.11 4,917,536.41	101.13 4.39%	4,970,677.12 11,271.73	1.47% 53,140.71	NA/AAA AAA	3.46 1.37
096919AD7	BMWOT 2024-A A3 5.18 02/26/2029	1,445,000.00	06/04/2024 5.24%	1,444,780.51 1,444,818.01	101.24 4.40%	1,462,883.46 1,247.52	0.43% 18,065.46	AAA/AAA NA	3.91 1.47
44934QAD3	HART 2024-B A3 4.84 03/15/2029	910,000.00	07/16/2024 4.90%	909,862.68 909,883.01	100.72 4.48%	916,596.59 1,957.51	0.27% 6,713.58	NA/AAA AAA	3.96 1.77
43813YAC6	HAROT 2024-3 A3 4.57 03/21/2029	2,040,000.00	08/09/2024 4.68%	2,039,679.52 2,039,722.24	100.42 4.36%	2,048,508.84 2,589.67	0.61% 8,786.60	AAA/NA AAA	3.97 1.65
05522RDJ4	BACCT 2024-1 A 4.93 05/15/2029	1,635,000.00	06/06/2024 4.93%	1,634,908.28 1,634,923.47	101.31 4.32%	1,656,400.02 3,582.47	0.49% 21,476.56	AAA/AAA NA	4.12 1.97
89240JAD3	TAOT 25A A3 4.64 08/15/2029	1,990,000.00	01/22/2025 4.69%	1,989,920.20 1,989,923.18	100.79 4.29%	2,005,667.67 4,103.82	0.59% 15,744.49	AAA/NA AAA	4.38 2.00
096924AD7	BMWOT 2025-A A3 4.56 09/25/2029	2,185,000.00	02/04/2025 4.56%	2,184,784.78 2,184,790.91	100.47 4.37%	2,195,228.20 1,660.60	0.65% 10,437.30	AAA/AAA NA	4.49 2.02
92970QAE5	WFCIT 2024-2 A 4.29 10/15/2029	1,815,000.00	10/17/2024 4.58%	1,814,730.29 1,814,753.89	99.98 4.34%	1,814,608.32 3,460.60	0.54% (145.57)	AAA/AAA NA	4.54 2.35
44935CAD3	HART 2025-A A3 4.32 10/15/2029	2,045,000.00	03/04/2025 4.84%	2,044,698.36 2,044,701.96	99.88 4.42%	2,042,578.31 4,662.60	0.61% (2,123.64)	NA/AAA AAA	4.54 2.06
02582JKM1	AMXCA 2025-1 A 4.56 12/17/2029	3,685,000.00	02/04/2025 4.57%	3,684,181.56 3,684,204.22	100.76 4.30%	3,713,168.51 7,468.27	1.10% 28,964.29	NA/AAA AAA	4.71 2.49

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
92348KDY6	VERIZON MASTER TRUST, SERIES 2025-3 4.51 03/20/2030	2,525,000.00	03/25/2025 4.51%	2,524,891.43 2,524,891.49	100.00 4.59%	2,524,891.43 316.33	0.75% (0.06)	AAA/NA NA	4.97 1.85
Total ABS		**33,665,802.53**	**4.91%**	**33,667,429.36** **33,665,288.89**	**100.68** **4.42%**	**33,893,259.26** **59,288.16**	**10.05%** **227,970.37**		**3.87** **1.69**
AGENCY									
3130AJHU6	FEDERAL HOME LOAN BANKS 0.5 04/14/2025	1,560,000.00	04/15/2020 0.60%	1,552,262.40 1,559,944.85	99.87 4.21%	1,557,909.82 3,618.33	0.46% (2,035.03)	AAA/AA AA	0.04 0.04
3135G03U5	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.625 04/22/2025	10,880,000.00	-- 0.63%	10,879,060.80 10,879,991.01	99.78 4.36%	10,856,283.56 30,033.33	3.22% (23,707.45)	AAA/AA AA	0.06 0.06
3135G04Z3	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 06/17/2025	6,642,500.00	06/17/2020 0.54%	6,628,750.02 6,641,920.18	99.18 4.41%	6,588,078.93 9,594.72	1.95% (53,841.25)	AAA/AA AA	0.21 0.21
3137EAEU9	FEDERAL HOME LOAN MORTGAGE CORP 0.375 07/21/2025	2,310,000.00	07/21/2020 0.48%	2,298,496.20 2,309,299.93	98.82 4.29%	2,282,718.14 1,684.38	0.68% (26,581.80)	AAA/AA AA	0.31 0.30
3135G05X7	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.375 08/25/2025	3,995,000.00	08/25/2020 0.47%	3,976,303.40 3,993,505.09	98.46 4.28%	3,933,598.29 1,498.13	1.17% (59,906.80)	AAA/AA AA	0.40 0.39
3137EAEX3	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	3,545,000.00	09/23/2020 0.44%	3,534,329.55 3,543,976.24	98.14 4.35%	3,479,076.54 295.42	1.03% (64,899.70)	AAA/AA AA	0.48 0.47
3133EMBH4	FEDERAL FARM CREDIT BANKS FUNDING CORP 0.53 09/29/2025	2,265,000.00	10/07/2020 0.57%	2,261,036.25 2,264,604.94	98.18 4.30%	2,223,704.04 66.69	0.66% (40,900.89)	AAA/AA AA	0.50 0.48
3135G06G3	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 11/07/2025	8,145,000.00	-- 0.54%	8,127,104.90 8,142,840.71	97.73 4.37%	7,960,151.59 16,290.00	2.36% (182,689.12)	AAA/AA AA	0.61 0.59
3130ATS57	FEDERAL HOME LOAN BANKS 4.5 03/10/2028	4,100,000.00	03/28/2023 3.89%	4,211,028.00 4,165,953.58	101.62 3.91%	4,166,405.08 10,762.50	1.24% 451.50	AAA/AA AA	2.94 2.73
3133ERDH1	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.75 04/30/2029	2,500,000.00	04/29/2024 4.70%	2,505,075.00 2,504,141.16	102.67 4.03%	2,566,858.15 49,809.03	0.76% 62,716.99	AAA/AA AA	4.08 3.62
3130B1BC0	FEDERAL HOME LOAN BANKS 4.625 06/08/2029	1,900,000.00	07/30/2024 4.10%	1,943,358.00 1,937,391.08	102.46 3.98%	1,946,810.74 27,582.99	0.58% 9,419.66	AAA/AA AA	4.19 3.73
3133EN7B0	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.75 01/25/2030	3,000,000.00	01/20/2023 3.83%	2,985,090.00 2,989,737.35	98.60 4.07%	2,958,108.63 20,625.00	0.88% (31,628.72)	AAA/AA AA	4.82 4.33
3133EN4V9	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.125 09/23/2030	2,100,000.00	12/22/2022 4.22%	2,087,505.00 2,091,155.82	100.04 4.12%	2,100,795.65 1,925.00	0.62% 9,639.82	AAA/AA AA	5.48 4.85

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3133ENQ45	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.25 09/30/2030	875,000.00	11/30/2022 4.40%	866,250.00 868,858.79	100.73 4.10%	881,374.54 103.30	0.26% 12,515.75	AAA/AA AA	5.50 4.86
880591EX6	TENNESSEE VALLEY AUTHORITY 1.5 09/15/2031	1,003,000.00	01/23/2023 4.03%	818,959.53 865,494.48	84.73 4.23%	849,882.46 668.67	0.25% (15,612.02)	AAA/AA AA	6.46 6.01
3133ENFQ8	FEDERAL FARM CREDIT BANKS FUNDING CORP 1.81 12/01/2031	2,303,000.00	01/25/2023 3.94%	1,939,056.91 2,028,719.15	85.94 4.25%	1,979,235.44 13,894.77	0.59% (49,483.71)	AAA/AA AA	6.67 6.10
3133ENGS3	FEDERAL FARM CREDIT BANKS FUNDING CORP 1.625 12/09/2031	4,500,000.00	02/24/2023 4.35%	3,613,410.00 3,824,621.34	85.39 4.15%	3,842,719.02 22,750.00	1.14% 18,097.68	AAA/AA AA	6.69 6.17
3133EN6M7	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.0 01/19/2033	3,000,000.00	01/18/2023 3.93%	3,017,490.00 3,013,645.36	97.99 4.31%	2,939,598.45 24,000.00	0.87% (74,046.91)	AAA/AA AA	7.80 6.57
3130AV4X7	FEDERAL HOME LOAN BANKS 4.375 03/11/2033	2,500,000.00	05/12/2023 4.04%	2,568,175.00 2,555,121.43	100.16 4.35%	2,503,950.65 6,076.39	0.74% (51,170.78)	AAA/AA AA	7.94 6.64
3130AVWG3	FEDERAL HOME LOAN BANKS 4.0 06/10/2033	6,195,000.00	-- 4.40%	5,998,322.75 6,032,211.21	97.58 4.35%	6,044,997.93 76,405.00	1.79% 12,786.71	AAA/AA AA	8.19 6.81
880591FB3	TENNESSEE VALLEY AUTHORITY 4.375 08/01/2034	1,845,000.00	08/08/2024 4.49%	1,828,561.05 1,829,604.29	99.04 4.50%	1,827,354.20 13,453.13	0.54% (2,250.09)	AAA/AA AA	9.34 7.53
Total Agency		**75,163,500.00**	**2.26%**	**73,639,624.76** **74,042,738.01**	**97.97** **4.27%**	**73,489,611.83** **331,136.76**	**21.80%** **(553,126.17)**		**3.09** **2.70**
AGENCY CMBS									
3137F2LJ3	FHMS K-066 A2 3.117 06/25/2027	2,400,000.00	10/20/2022 4.80%	2,234,343.75 2,322,003.52	97.72 4.20%	2,345,374.32 6,234.00	0.70% 23,370.80	AAA/AA AAA	2.24 1.97
3137FG6X8	FHMS K-077 A2 3.85 05/25/2028	5,245,000.00	05/24/2023 4.24%	5,148,705.08 5,184,695.17	98.77 4.23%	5,180,456.60 16,827.71	1.54% (4,238.57)	AAA/AA AAA	3.15 2.84
Total Agency CMBS		**7,645,000.00**	**4.42%**	**7,383,048.83** **7,506,698.69**	**98.44** **4.22%**	**7,525,830.92** **23,061.71**	**2.23%** **19,132.23**		**2.87** **2.57**
CASH									
CCYUSD	Receivable	14,270.06	-- 0.00%	14,270.06 14,270.06	1.00 0.00%	14,270.06 0.00	0.00% 0.00	AAA/AAA AAA	0.00 0.00
Total Cash		**14,270.06**	**0.00%**	**14,270.06** **14,270.06**	**1.00** **0.00%**	**14,270.06** **0.00**	**0.00%** **0.00**		**0.00** **0.00**

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
COMMERCIAL PAPER									
93114ERU3	Walmart Inc. 04/28/2025	4,300,000.00	03/28/2025 4.32%	4,284,078.06 4,286,132.50	99.66 4.49%	4,285,582.10 0.00	1.27% (550.40)	A/AAA AAA	0.08 0.08
71344TW99	PepsiCo, Inc. 09/09/2025	3,500,000.00	02/27/2025 4.35%	3,419,840.28 3,433,475.70	98.17 4.16%	3,436,086.50 0.00	1.02% 2,610.80	A/A A	0.44 0.44
Total Commercial Paper		**7,800,000.00**	**4.33%**	**7,703,918.34 7,719,608.20**	**99.00 4.34%**	**7,721,668.60 0.00**	**2.29% 2,060.40**		**0.24 0.24**
CORPORATE									
023135CE4	AMAZON.COM INC 3.0 04/13/2025	2,567,500.00	04/11/2022 3.05%	2,563,417.67 2,567,455.30	99.95 4.52%	2,566,144.90 35,945.00	0.76% (1,310.40)	A/AA AA	0.04 0.03
38148LAE6	GOLDMAN SACHS GROUP INC 3.75 05/22/2025	1,817,500.00	02/12/2021 0.80%	2,030,474.65 1,817,500.00	99.87 4.61%	1,815,136.94 24,422.66	0.54% (2,363.06)	A/BBB A	0.14 0.14
438516CB0	HONEYWELL INTERNATIONAL INC 1.35 06/01/2025	2,000,000.00	09/03/2021 0.81%	2,039,160.00 2,000,882.64	99.42 4.82%	1,988,444.56 9,000.00	0.59% (12,438.08)	A/A A	0.17 0.17
63743HFF4	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 5.45 10/30/2025	3,000,000.00	10/31/2022 5.26%	3,015,750.00 3,003,054.89	100.56 4.45%	3,016,929.60 68,579.17	0.89% 13,874.71	A/A A	0.58 0.56
06051GKM0	BANK OF AMERICA CORP 3.384 04/02/2026	1,875,000.00	03/17/2022 3.38%	1,875,000.00 1,875,000.00	99.99 5.11%	1,874,905.67 31,548.75	0.56% (94.33)	A/A AA	1.01 0.00
6174468Q5	MORGAN STANLEY 2.188 04/28/2026	2,200,000.00	08/24/2022 4.62%	2,072,268.00 2,196,279.25	99.80 6.27%	2,195,649.02 20,457.80	0.65% (630.24)	A/A A	1.08 0.07
91324PEC2	UNITEDHEALTH GROUP INC 1.15 05/15/2026	4,000,000.00	09/19/2022 4.16%	3,592,560.00 3,874,892.67	96.56 4.32%	3,862,560.56 17,377.78	1.15% (12,332.11)	A/A A	1.12 1.09
87612EBM7	TARGET CORP 1.95 01/15/2027	2,140,000.00	-- 1.97%	2,137,844.40 2,139,224.94	96.25 4.14%	2,059,759.54 8,809.67	0.61% (79,465.40)	A/A A	1.79 1.72
808513BY0	CHARLES SCHWAB CORP 2.45 03/03/2027	3,500,000.00	01/23/2023 4.35%	3,251,955.00 3,383,925.54	96.48 4.38%	3,376,808.82 6,669.44	1.00% (7,116.72)	A/A A	1.92 1.85
665859AW4	NORTHERN TRUST CORP 4.0 05/10/2027	2,200,000.00	08/24/2022 3.93%	2,206,402.00 2,202,802.77	99.55 4.23%	2,190,016.16 34,466.67	0.65% (12,786.61)	A/A A	2.11 1.97
92826CAH5	VISA INC 2.75 09/15/2027	4,000,000.00	03/27/2024 4.57%	3,769,760.00 3,836,867.87	96.82 4.12%	3,872,841.60 4,888.89	1.15% 35,973.73	AA/AA NA	2.46 2.34

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
74340XBV2	PROLOGIS LP 3.375 12/15/2027	3,000,000.00	01/25/2023 4.28%	2,881,530.00 2,934,353.13	97.47 4.38%	2,924,028.15 29,812.50	0.87% (10,324.98)	A/A NA	2.71 2.53
24422EWR6	JOHN DEERE CAPITAL CORP 4.75 01/20/2028	2,000,000.00	01/20/2023 4.35%	2,035,920.00 2,020,187.75	101.44 4.20%	2,028,732.70 18,736.11	0.60% 8,544.95	A/A A	2.81 2.58
713448FL7	PEPSICO INC 3.6 02/18/2028	2,000,000.00	04/27/2023 4.00%	1,964,920.00 1,978,975.96	98.59 4.12%	1,971,772.42 8,600.00	0.58% (7,203.54)	A/A NA	2.89 2.69
857477CU5	STATE STREET CORP 4.536 02/28/2028	4,155,000.00	02/25/2025 4.51%	4,155,000.00 4,155,000.00	100.47 4.36%	4,174,574.21 17,276.49	1.24% 19,574.21	AA/A AA	2.91 2.62
57636QAW4	MASTERCARD INC 4.875 03/09/2028	3,000,000.00	06/13/2024 4.50%	3,037,110.00 3,029,086.22	101.87 4.19%	3,056,000.85 8,937.50	0.91% 26,914.63	AA/A NA	2.94 2.64
61747YER2	MORGAN STANLEY 4.21 04/20/2028	1,800,000.00	07/31/2023 5.39%	1,729,026.00 1,760,883.35	99.28 5.02%	1,786,959.34 33,890.50	0.53% 26,075.99	A/A A	3.05 1.91
58933YBH7	MERCK & CO INC 4.05 05/17/2028	2,000,000.00	-- 4.03%	2,001,621.20 2,000,998.63	99.71 4.15%	1,994,119.88 30,150.00	0.59% (6,878.75)	AA/A NA	3.13 2.87
46647PAM8	JPMORGAN CHASE & CO 3.509 01/23/2029	3,000,000.00	02/27/2024 5.19%	2,823,480.00 2,872,692.39	97.19 4.82%	2,915,834.64 19,884.33	0.86% 43,142.25	A/A AA	3.82 2.62
69371RS80	PACCAR FINANCIAL CORP 4.6 01/31/2029	3,600,000.00	01/29/2024 4.52%	3,612,132.00 3,609,303.19	100.66 4.41%	3,623,835.31 28,060.00	1.07% 14,532.12	A/A NA	3.84 3.45
857477CN1	STATE STREET CORP 4.53 02/20/2029	2,000,000.00	08/14/2024 4.53%	2,000,000.00 2,000,000.00	100.06 4.72%	2,001,112.30 10,318.33	0.59% 1,112.30	AA/A AA	3.89 2.66
17275RBR2	CISCO SYSTEMS INC 4.85 02/26/2029	3,000,000.00	02/27/2024 4.84%	3,001,560.00 3,001,214.59	101.78 4.35%	3,053,534.73 14,145.83	0.91% 52,320.14	A/AA NA	3.91 3.44
14913UAJ9	CATERPILLAR FINANCIAL SERVICES CORP 4.85 02/27/2029	4,000,000.00	04/29/2024 5.08%	3,960,640.00 3,968,137.14	101.60 4.40%	4,063,846.12 18,322.22	1.21% 95,708.98	A/A A	3.91 3.52
06051GLG2	BANK OF AMERICA CORP 5.202 04/25/2029	2,500,000.00	05/28/2024 5.38%	2,484,025.00 2,487,461.81	101.59 4.95%	2,539,868.58 56,355.00	0.75% 52,406.77	A/A AA	4.07 2.75
89236TMF9	TOYOTA MOTOR CREDIT CORP 5.05 05/16/2029	2,500,000.00	05/28/2024 5.09%	2,495,600.00 2,496,345.06	101.80 4.57%	2,544,966.70 47,343.75	0.75% 48,621.64	A/A A	4.13 3.63
57629W4T4	MASSMUTUAL GLOBAL FUNDING II 5.15 05/30/2029	2,950,000.00	05/22/2024 5.17%	2,947,551.50 2,947,961.82	102.27 4.54%	3,016,914.94 51,063.68	0.89% 68,953.12	AA/AA AA	4.16 3.66
437076DC3	HOME DEPOT INC 4.75 06/25/2029	4,000,000.00	07/30/2024 4.58%	4,028,360.00 4,024,426.04	101.23 4.43%	4,049,038.20 50,666.67	1.20% 24,612.16	A/A A	4.24 3.69
532457CQ9	ELI LILLY AND CO 4.2 08/14/2029	2,290,000.00	08/12/2024 4.25%	2,284,984.90 2,285,616.59	99.42 4.35%	2,276,652.62 12,556.83	0.68% (8,963.97)	AA/A NA	4.37 3.93

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
64952WFK4	NEW YORK LIFE GLOBAL FUNDING 4.6 12/05/2029	3,500,000.00	02/27/2025 4.58%	3,502,135.00 3,502,095.76	100.39 4.51%	3,513,558.48 51,877.78	1.04% 11,462.72	AAA/AA AAA	4.68 4.11
59217GFT1	METROPOLITAN LIFE GLOBAL FUNDING I 4.9 01/09/2030	2,645,000.00	01/02/2025 4.95%	2,639,551.30 2,639,795.98	100.85 4.70%	2,667,437.32 29,521.14	0.79% 27,641.34	AA/AA AA	4.78 4.17
Total Corporate		**83,240,000.00**	**4.33%**	**82,139,738.62** **82,612,421.30**	**99.77** **4.50%**	**83,021,984.85** **799,684.49**	**24.62%** **409,563.55**		**2.87** **2.44**
MONEY MARKET FUND									
60934N104	FEDERATED HRMS GV O INST	242,995.60	-- 4.21%	242,995.60 242,995.60	1.00 4.21%	242,995.60 0.00	0.07% 0.00	AAA/AAA AAA	0.00 0.00
Total Money Market Fund		**242,995.60**	**4.21%**	**242,995.60** **242,995.60**	**1.00** **4.21%**	**242,995.60** **0.00**	**0.07%** **0.00**		**0.00** **0.00**
MUNICIPAL BONDS									
91412HGE7	UNIVERSITY CALIF REVS 0.883 05/15/2025	760,000.00	07/10/2020 0.88%	760,000.00 760,000.00	99.57 4.41%	756,732.00 2,535.19	0.22% (3,268.00)	AA/AA AA	0.12 0.12
341271AD6	FLORIDA ST BRD ADMIN FIN CORP REV 1.258 07/01/2025	1,875,000.00	09/03/2020 1.17%	1,882,423.50 1,875,383.39	99.18 4.57%	1,859,568.75 5,896.88	0.55% (15,814.64)	AA/AA AA	0.25 0.25
54438CYK2	LOS ANGELES CALIF CMNTY COLLEGE DIST 0.773 08/01/2025	965,000.00	10/30/2020 0.77%	965,000.00 965,000.00	98.84 4.30%	953,796.35 1,243.24	0.28% (11,203.65)	AAA/AA NA	0.34 0.33
646140DP5	NEW JERSEY ST TPK AUTH TPK REV 1.047 01/01/2026	557,500.00	01/22/2021 1.05%	557,500.00 557,500.00	97.60 4.33%	544,120.00 1,459.26	0.16% (13,380.00)	A/AA A	0.76 0.73
Total Municipal Bonds		**4,157,500.00**	**1.01%**	**4,164,923.50** **4,157,883.39**	**98.96** **4.45%**	**4,114,217.10** **11,134.56**	**1.22%** **(43,666.29)**		**0.31** **0.31**
NEGOTIABLE CD									
96130AWW4	Westpac Banking Corporation - New York Branch 5.52 04/17/2025	2,000,000.00	02/25/2025 4.37%	2,002,594.26 2,000,830.17	100.04 4.29%	2,000,888.00 106,720.00	0.59% 57.83	A/AAA NA	0.05 0.04
Total Negotiable CD		**2,000,000.00**	**4.37%**	**2,002,594.26** **2,000,830.17**	**100.04** **4.29%**	**2,000,888.00** **106,720.00**	**0.59%** **57.83**		**0.05** **0.04**

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
US TREASURY									
91282CAJ0	UNITED STATES TREASURY 0.25 08/31/2025	6,000,000.00	-- 0.56%	5,925,343.67 5,992,353.16	98.37 4.25%	5,902,453.14 1,304.35	1.75% (89,900.02)	AAA/AA AA	0.42 0.41
91282CAZ4	UNITED STATES TREASURY 0.375 11/30/2025	6,772,500.00	-- 0.93%	6,619,508.79 6,747,718.41	97.54 4.17%	6,605,568.44 8,512.14	1.96% (142,149.97)	AAA/AA AA	0.67 0.65
91282CBH3	UNITED STATES TREASURY 0.375 01/31/2026	17,305,000.00	-- 0.79%	16,971,456.65 17,246,050.08	96.96 4.12%	16,778,549.37 10,755.87	4.98% (467,500.72)	AAA/AA AA	0.84 0.82
91282CBQ3	UNITED STATES TREASURY 0.5 02/28/2026	12,670,000.00	-- 0.94%	12,437,181.06 12,620,661.10	96.79 4.12%	12,263,570.09 5,508.70	3.64% (357,091.01)	AAA/AA AA	0.91 0.89
91282CCF6	UNITED STATES TREASURY 0.75 05/31/2026	8,320,000.00	-- 0.80%	8,301,545.71 8,315,695.34	96.30 4.04%	8,011,900.00 20,914.29	2.38% (303,795.34)	AAA/AA AA	1.17 1.14
91282CCY5	UNITED STATES TREASURY 1.25 09/30/2028	3,325,000.00	-- 3.32%	3,058,576.17 3,101,953.35	91.37 3.92%	3,037,959.00 113.56	0.90% (63,994.35)	AAA/AA AA	3.50 3.36
91282CJW2	UNITED STATES TREASURY 4.0 01/31/2029	7,000,000.00	03/27/2024 4.20%	6,940,117.19 6,952,601.23	100.27 3.92%	7,019,140.66 46,408.84	2.08% 66,539.43	AAA/AA AA	3.84 3.50
9128286B1	UNITED STATES TREASURY 2.625 02/15/2029	7,000,000.00	-- 4.06%	6,525,214.84 6,655,650.56	95.39 3.92%	6,677,343.75 22,841.85	1.98% 21,693.19	AAA/AA AA	3.88 3.62
91282CKT7	UNITED STATES TREASURY 4.5 05/31/2029	6,500,000.00	06/13/2024 4.25%	6,572,617.19 6,561,056.24	102.17 3.93%	6,640,917.99 98,035.71	1.97% 79,861.74	AAA/AA AA	4.17 3.72
91282CLC3	UNITED STATES TREASURY 4.0 07/31/2029	3,450,000.00	12/23/2024 4.30%	3,390,164.06 3,393,654.49	100.26 3.93%	3,459,029.31 22,872.93	1.03% 65,374.82	AAA/AA AA	4.33 3.92
912828YB0	UNITED STATES TREASURY 1.625 08/15/2029	7,600,000.00	-- 3.42%	6,985,504.69 7,055,874.19	90.91 3.91%	6,908,878.80 15,352.21	2.05% (146,995.39)	AAA/AA AA	4.38 4.14
91282CLR0	UNITED STATES TREASURY 4.125 10/31/2029	6,500,000.00	11/26/2024 4.38%	6,475,371.10 6,477,082.39	100.73 3.95%	6,547,734.38 112,582.87	1.94% 70,651.98	AAA/AA AA	4.59 4.07
91282CFY2	UNITED STATES TREASURY 3.875 11/30/2029	8,000,000.00	01/30/2025 4.32%	7,847,187.50 7,852,385.20	99.70 3.95%	7,975,624.96 103,901.10	2.37% 123,239.76	AAA/AA AA	4.67 4.18
91282CGJ4	UNITED STATES TREASURY 3.5 01/31/2030	6,700,000.00	-- 4.02%	6,511,839.85 6,555,788.49	98.02 3.95%	6,567,570.35 38,867.40	1.95% 11,781.86	AAA/AA AA	4.84 4.37
912828Z94	UNITED STATES TREASURY 1.5 02/15/2030	542,500.00	04/06/2022 2.65%	498,040.43 514,881.41	89.21 3.96%	483,948.14 1,011.57	0.14% (30,933.27)	AAA/AA AA	4.88 4.61
91282CAE1	UNITED STATES TREASURY 0.625 08/15/2030	587,500.00	04/06/2022 2.63%	498,755.37 530,375.01	83.88 3.99%	492,788.57 456.45	0.15% (37,586.44)	AAA/AA AA	5.38 5.18

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CBL4	UNITED STATES TREASURY 1.125 02/15/2031	565,000.00	04/06/2022 2.62%	498,104.88 520,582.63	85.12 3.99%	480,912.11 790.14	0.14% (39,670.52)	AAA/AA AA	5.88 5.56
912810FP8	UNITED STATES TREASURY 5.375 02/15/2031	6,000,000.00	-- 4.27%	6,403,066.41 6,333,505.09	107.04 4.02%	6,422,578.14 40,089.78	1.90% 89,073.05	AAA/AA AA	5.88 5.01
91282CCS8	UNITED STATES TREASURY 1.25 08/15/2031	562,500.00	04/06/2022 2.62%	498,515.62 518,875.14	84.36 4.06%	474,543.46 874.05	0.14% (44,331.68)	AAA/AA AA	6.38 5.99
91282CFV8	UNITED STATES TREASURY 4.125 11/15/2032	6,000,000.00	-- 3.72%	6,197,734.38 6,153,688.68	100.15 4.10%	6,008,906.28 93,667.13	1.78% (144,782.40)	AAA/AA AA	7.63 6.39
91282CHT1	UNITED STATES TREASURY 3.875 08/15/2033	6,500,000.00	-- 4.73%	6,069,570.31 6,131,982.26	98.01 4.16%	6,370,507.78 31,310.43	1.89% 238,525.52	AAA/AA AA	8.38 7.04
Total US Treasury		**127,900,000.00**	**2.78%**	**125,225,415.87** **126,232,414.48**	**97.97** **4.03%**	**125,130,424.71** **676,171.36**	**37.11%** **(1,101,989.77)**		**3.39** **3.04**
Total Portfolio		**341,829,068.19**	**3.32%**	**336,183,959.19** **338,195,148.78**	**98.67** **4.26%**	**337,155,150.93** **2,007,197.04**	**100.00%** **(1,039,997.85)**		**3.10** **2.56**
Total Market Value + Accrued						**339,162,347.96**			

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CHANDLER ASSET MANAGEMENT

City of Stockton Enhanced Cash | Account #11194 | As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
AGENCY									
313385FY7	FEDERAL HOME LOAN BANKS 05/23/2025	6,800,000.00	03/28/2025 4.32%	6,755,203.11 6,758,402.89	99.39 4.31%	6,758,453.90 0.00	21.59% 51.02	A/AAA AAA	0.15 0.14
Total Agency		**6,800,000.00**	**4.32%**	**6,755,203.11** **6,758,402.89**	**99.39** **4.31%**	**6,758,453.90** **0.00**	**21.59%** **51.02**		**0.15** **0.14**
CASH									
CCYUSD	Receivable	12,786.35	-- 0.00%	12,786.35 12,786.35	1.00 0.00%	12,786.35 0.00	0.04% 0.00	AAA/AAA AAA	0.00 0.00
Total Cash		**12,786.35**	**0.00%**	**12,786.35** **12,786.35**	**1.00** **0.00%**	**12,786.35** **0.00**	**0.04%** **0.00**		**0.00** **0.00**
COMMERCIAL PAPER									
62479LTG0	MUFG Bank, Ltd. - New York Branch 06/16/2025	6,000,000.00	01/30/2025 4.46%	5,900,218.33 5,944,646.66	99.07 4.45%	5,944,134.00 0.00	18.99% (512.66)	A/A NA	0.21 0.21
Total Commercial Paper		**6,000,000.00**	**4.46%**	**5,900,218.33** **5,944,646.66**	**99.07** **4.45%**	**5,944,134.00** **0.00**	**18.99%** **(512.66)**		**0.21** **0.21**
MONEY MARKET FUND									
60934N104	FEDERATED HRMS GV O INST	77,065.81	-- 4.21%	77,065.81 77,065.81	1.00 4.21%	77,065.81 0.00	0.25% 0.00	AAA/AAA AAA	0.00 0.00
Total Money Market Fund		**77,065.81**	**4.21%**	**77,065.81** **77,065.81**	**1.00** **4.21%**	**77,065.81** **0.00**	**0.25%** **0.00**		**0.00** **0.00**
US TREASURY									
912797MV6	UNITED STATES TREASURY 04/03/2025	6,000,000.00	01/30/2025 4.29%	5,955,858.00 5,998,598.67	99.98 4.30%	5,998,585.44 0.00	19.16% (13.23)	A/AAA AAA	0.01 0.01
912797PJ0	UNITED STATES TREASURY 05/20/2025	6,000,000.00	01/30/2025 4.31%	5,923,831.71 5,965,759.21	99.42 4.31%	5,965,458.00 0.00	19.06% (301.21)	A/AAA AAA	0.14 0.13

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Enhanced Cash | Account #11194 | As of March 31, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
912797PR2	UNITED STATES TREASURY 06/10/2025	6,600,000.00	02/24/2025 4.30%	6,519,361.75 6,546,241.17	99.19 4.28%	6,546,295.80 0.00	20.91% 54.63	A/AAA AAA	0.19 0.19
Total US Treasury		**18,600,000.00**	**4.30%**	**18,399,051.46 18,510,599.04**	**99.52 4.30%**	**18,510,339.24 0.00**	**59.13% (259.80)**		**0.12 0.11**
Total Portfolio		**31,489,852.16**	**4.33%**	**31,144,325.06 31,303,500.76**	**99.12 4.33%**	**31,302,779.30 0.00**	**100.00% (721.45)**		**0.14 0.14**
Total Market Value + Accrued						**31,302,779.30**			

CHANDLER ASSET MANAGEMENT

TRANSACTIONS

TRANSACTION LEDGER

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020|01/01/2025 Through 03/31/2025|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	01/09/2025	59217GFT1	2,645,000.00	METROPOLITAN LIFE GLOBAL FUNDING I 4.9 01/09/2030	99.794	4.95%	(2,639,551.30)	0.00	(2,639,551.30)	0.00
Purchase	01/29/2025	89240JAD3	1,990,000.00	TAOT 25A A3 4.64 08/15/2029	99.996	4.69%	(1,989,920.20)	0.00	(1,989,920.20)	0.00
Purchase	01/31/2025	91282CFY2	8,000,000.00	UNITED STATES TREASURY 3.875 11/30/2029	98.090	4.32%	(7,847,187.50)	(52,802.20)	(7,899,989.70)	0.00
Purchase	02/11/2025	02582JKM1	3,685,000.00	AMXCA 2025-1 A 4.56 12/17/2029	99.978	4.57%	(3,684,181.56)	0.00	(3,684,181.56)	0.00
Purchase	02/12/2025	096924AD7	2,185,000.00	BMWOT 2025-A A3 4.56 09/25/2029	99.990	4.56%	(2,184,784.78)	0.00	(2,184,784.78)	0.00
Purchase	02/12/2025	36271VAD9	1,390,000.00	GMALT 2025-1 A3 4.66 02/21/2028	99.988	4.66%	(1,389,835.98)	0.00	(1,389,835.98)	0.00
Purchase	02/26/2025	96130AWW4	2,000,000.00	Westpac Banking Corporation - New York Branch 5.52 04/17/2025	100.130	4.37%	(2,002,594.26)	(96,293.33)	(2,098,887.59)	0.00
Purchase	02/27/2025	71344TW99	3,500,000.00	PepsiCo, Inc. 09/09/2025	97.710	4.35%	(3,419,840.28)	0.00	(3,419,840.28)	0.00
Purchase	02/28/2025	857477CU5	4,155,000.00	STATE STREET CORP 4.536 02/28/2028	100.000	4.51%	(4,155,000.00)	0.00	(4,155,000.00)	0.00
Purchase	02/28/2025	64952WFK4	3,500,000.00	NEW YORK LIFE GLOBAL FUNDING 4.6 12/05/2029	100.061	4.58%	(3,502,135.00)	(37,119.44)	(3,539,254.44)	0.00
Purchase	03/12/2025	44935CAD3	2,045,000.00	HART 2025-A A3 4.32 10/15/2029	99.985	4.84%	(2,044,698.36)	0.00	(2,044,698.36)	0.00
Purchase	03/28/2025	93114ERU3	4,300,000.00	Walmart Inc. 04/28/2025	99.630	4.32%	(4,284,078.06)	0.00	(4,284,078.06)	0.00
Purchase	03/31/2025	92348KDY6	2,525,000.00	VERIZON MASTER TRUST, SERIES 2025-3 4.51 03/20/2030	99.996	4.51%	(2,524,891.43)	0.00	(2,524,891.43)	0.00
Total Purchase			**41,920,000.00**				**(41,668,698.71)**		**(41,854,913.68)**	**0.00**
TOTAL ACQUISITIONS			**41,920,000.00**				**(41,668,698.71)**		**(41,854,913.68)**	**0.00**
DISPOSITIONS										
Call Redemption	02/06/2025	857477BR3	(437,500.00)	STATE STREET CORP 1.746 02/06/2026	100.000	1.75%	437,500.00	0.00	437,500.00	0.00

TRANSACTION LEDGER

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020|01/01/2025 Through 03/31/2025|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Total Call Redemption			**(437,500.00)**				**437,500.00**	**0.00**	**437,500.00**	**0.00**
Maturity	01/10/2025	24422EVY2	(2,357,500.00)	JOHN DEERE CAPITAL CORP 1.25 01/10/2025	100.000	2.16%	2,357,500.00	0.00	2,357,500.00	0.00
Maturity	02/12/2025	594918BB9	(2,675,000.00)	MICROSOFT CORP 2.7 02/12/2025	100.000	0.77%	2,675,000.00	0.00	2,675,000.00	0.00
Maturity	02/13/2025	89236TGT6	(1,887,500.00)	TOYOTA MOTOR CREDIT CORP 1.8 02/13/2025	100.000	1.59%	1,887,500.00	0.00	1,887,500.00	0.00
Maturity	02/14/2025	66989HAP3	(3,680,000.00)	NOVARTIS CAPITAL CORP 1.75 02/14/2025	100.000	0.99%	3,680,000.00	0.00	3,680,000.00	0.00
Maturity	02/28/2025	912828ZC7	(4,472,500.00)	UNITED STATES TREASURY 1.125 02/28/2025	100.000	0.53%	4,472,500.00	0.00	4,472,500.00	0.00
Maturity	03/14/2025	96130AWR5	(6,000,000.00)	Westpac Banking Corporation - New York Branch 5.32 03/14/2025	100.000	5.30%	6,000,000.00	0.00	6,000,000.00	0.00
Total Maturity			**(21,072,500.00)**				**21,072,500.00**	**0.00**	**21,072,500.00**	**0.00**
Sale	01/07/2025	912828V98	(2,650,000.00)	UNITED STATES TREASURY 2.25 02/15/2027	95.953	4.06%	2,542,757.81	23,493.55	2,566,251.36	(14,993.72)
Sale	01/31/2025	91282CBC4	(2,100,000.00)	UNITED STATES TREASURY 0.375 12/31/2025	96.578	0.49%	2,028,140.63	674.38	2,028,815.01	(69,640.32)
Sale	01/31/2025	9128286A3	(1,707,500.00)	UNITED STATES TREASURY 2.625 01/31/2026	98.422	0.46%	1,680,553.52	22,410.94	1,702,964.46	(63,517.75)
Sale	01/31/2025	91282CCZ2	(3,700,000.00)	UNITED STATES TREASURY 0.875 09/30/2026	94.695	2.75%	3,503,726.56	10,939.90	3,514,666.46	(87,534.82)
Sale	02/10/2025	91282CAJ0	(1,600,000.00)	UNITED STATES TREASURY 0.25 08/31/2025	97.781	0.56%	1,564,500.00	1,801.10	1,566,301.10	(32,790.07)
Sale	02/10/2025	912828ZL7	(2,997,500.00)	UNITED STATES TREASURY 0.375 04/30/2025	99.145	0.70%	2,971,857.32	3,167.25	2,975,024.57	(23,560.79)
Sale	02/10/2025	912828ZW3	(1,597,500.00)	UNITED STATES TREASURY 0.25 06/30/2025	98.469	0.70%	1,573,038.28	452.33	1,573,490.61	(21,750.45)
Sale	02/10/2025	91282CBJ9	(540,000.00)	UNITED STATES TREASURY 0.75 01/31/2028	90.195	2.14%	487,054.69	111.88	487,166.57	(31,923.20)
Sale	03/07/2025	3130AJHU6	(900,000.00)	FEDERAL HOME LOAN BANKS 0.5 04/14/2025	99.600	0.60%	896,400.00	1,787.50	898,187.50	(3,507.00)
Total Sale			**(17,792,500.00)**				**17,248,028.81**	**64,838.83**	**17,312,867.64**	**(349,218.11)**

TRANSACTION LEDGER

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020|01/01/2025 Through 03/31/2025|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
TOTAL DISPOSITIONS			**(39,302,500.00)**				**38,758,028.81**	**64,838.83**	**38,822,867.64**	**(349,218.11)**

TRANSACTION LEDGER

CHANDLER ASSET MANAGEMENT

City of Stockton Enhanced Cash | Account #11194|01/01/2025 Through 03/31/2025|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	01/30/2025	69372AQ39	750,000.00	PACCAR Financial Corp. 03/03/2025	99.616	4.38%	(747,120.00)	0.00	(747,120.00)	0.00
Purchase	01/30/2025	62479LTG0	6,000,000.00	MUFG Bank, Ltd. - New York Branch 06/16/2025	98.337	4.46%	(5,900,218.33)	0.00	(5,900,218.33)	0.00
Purchase	01/30/2025	912797MT1	6,000,000.00	UNITED STATES TREASURY 03/13/2025	99.504	4.33%	(5,970,243.00)	0.00	(5,970,243.00)	0.00
Purchase	01/30/2025	912797MV6	6,000,000.00	UNITED STATES TREASURY 04/03/2025	99.264	4.29%	(5,955,858.00)	0.00	(5,955,858.00)	0.00
Purchase	01/31/2025	912797PJ0	6,000,000.00	UNITED STATES TREASURY 05/20/2025	98.731	4.31%	(5,923,831.71)	0.00	(5,923,831.71)	0.00
Purchase	01/31/2025	912797KA4	6,000,000.00	UNITED STATES TREASURY 02/20/2025	99.764	4.34%	(5,985,816.67)	0.00	(5,985,816.67)	0.00
Purchase	02/25/2025	912797PR2	6,600,000.00	UNITED STATES TREASURY 06/10/2025	98.778	4.30%	(6,519,361.75)	0.00	(6,519,361.75)	0.00
Purchase	03/28/2025	313385FY7	6,800,000.00	FEDERAL HOME LOAN BANKS 05/23/2025	99.341	4.32%	(6,755,203.11)	0.00	(6,755,203.11)	0.00
Total Purchase			**44,150,000.00**				**(43,757,652.57)**	**0.00**	**(43,757,652.57)**	**0.00**
TOTAL ACQUISITIONS			**44,150,000.00**				**(43,757,652.57)**	**0.00**	**(43,757,652.57)**	**0.00**
DISPOSITIONS										
Maturity	01/16/2025	912797LY1	(30,900,000.00)	UNITED STATES TREASURY 01/16/2025	100.000	4.29%	30,900,000.00	0.00	30,900,000.00	0.00
Maturity	02/20/2025	912797KA4	(6,000,000.00)	UNITED STATES TREASURY 02/20/2025	100.000	4.34%	6,000,000.00	0.00	6,000,000.00	0.00
Maturity	03/03/2025	69372AQ39	(750,000.00)	PACCAR Financial Corp. 03/03/2025	100.000	4.38%	750,000.00	0.00	750,000.00	0.00
Maturity	03/13/2025	912797MT1	(6,000,000.00)	UNITED STATES TREASURY 03/13/2025	100.000	4.33%	6,000,000.00	0.00	6,000,000.00	0.00
Total Maturity			**(43,650,000.00)**				**43,650,000.00**	**0.00**	**43,650,000.00**	**0.00**
TOTAL DISPOSITIONS			**(43,650,000.00)**				**43,650,000.00**	**0.00**	**43,650,000.00**	**0.00**

IMPORTANT DISCLOSURES

City of Stockton | As of March 31, 2025

2025 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc ("IDS"), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Source ICE Data Indices, LLC ("ICE"), used with permission. ICE permits use of the ICE indices and related data on an "as is" basis; ICE, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE data, its affiliates or their respective third party providers guarantee the quality, adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an "as is" basis and licensee's use it at licensee's own risk. ICE data, its affiliates and their respective third party do not sponsor, endorse, or recommend chandler asset management, or any of its products or services.

This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

BENCHMARK DISCLOSURES

City of Stockton | As of March 31, 2025

Benchmark	Disclosure
ICE BofA 3-Month US Treasury Bill Index	The ICE BofA US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date.
ICE BofA 1-5 Year Gov/Corp A or better	The ICE BofA US Issuers 1-5 Year AAA-A US Corporate & Government Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasury, US agency, foreign government, supranational, and corporate securities. Qualifying securities must be issued from US issuers and be rated AAA through A3 (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to final maturity at point of issuance, a fixed coupon schedule, and a minimum amount outstanding of $1 billion for US Treasuries and $250 million for all other securities.
ICE BofA 1-5 Yr US Treasury & Agency Index	The ICE BofA 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of $1 billion for sovereigns and $250 million for agencies.

CITY OF STOCKTON

ADMINISTRATIVE SERVICES
City Hall • 425 N. El Dorado Street • Stockton, CA 95202-1997 • 209 / 937-8460 • Fax 209 / 937-8844
www.stocktongov.com

May 6, 2025

SUBJECT **CERTIFICATION OF QUARTERLY INVESTMENT REPORT FOR QUARTER ENDED March 31, 2025**

I hereby certify:

1) Confirmation received from vendors affirms that all investment actions executed since the last quarterly report have been made in full compliance with California Government Code (CGC) 53601; and

2) That the City of Stockton will meet its expenditure obligations for the next six months, as described in CGC 53646(b)(2) and (3) respectively.

Rosemary Rivas
DEPUTY CITY MANAGER

RR:LS

INVESTMENT POLICY 17.01.030

SUBJECT: INVESTMENT POLICY	**NUMBER:** 17.01.030
RESPONSIBLE OFFICER: City Manager	**EFFECTIVE DATE:** 6/20/2023
POLICY OWNER: Administrative Services Department	**LAST UPDATED:** 10/30/2017
POLICY CONTACT: CFO, Administrative Department, City Treasurer	**APPROVED:** City Manager Harry Black

POLICY

It is the policy of the City of Stockton to invest funds in a manner which will provide foremost for the safety of principal while meeting the short and long-term cash flow demands of the City and conforming to all statutes governing the investment of City funds.

I. Scope

This Investment Policy applies to all cash, operating, and surplus funds included within the City's audited financial statements and held directly by the City.

Bond proceeds shall be invested in accordance with the governing bond documents (e.g. official statement and trust indenture). Proceeds of City bonds or other debt issues in possession of a trustee or fiscal agent are not considered to be part of the financial assets covered by these Investment Policy guidelines.

Also excluded from this Policy are any deferred compensation, retirement, Section 115 Trust, and Other Post Employment Benefit Plans. Investments related to these plans are not subject to this policy since third-party administrators or trustees manage the funds, and, either the individual plan participants or outside investment managers or trustees direct investment selections under the guidelines established by the plan documents.

II. Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Investments shall be made in accordance with the "Prudent Investor" standard, as described in California Government Code Section 53600.3, which states: "Except as provided in subdivision (a) of Section 27000.3, all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not

of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

III. Objectives

Within the overriding requirement of compliance with all Federal, State and local laws governing the investment of moneys under the control of the Treasurer, and as specified in the California Government Code Section 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

1. Safety. Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio.
2. Liquidity. The investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.
3. Return on Investment. The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow requirements.

IV. Delegation of Authority

California Government Code Section 53607 allows for the delegation of investment activities to the Treasurer of the City for periods of one year. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials, and their procedures in the absence of the Treasurer. The delegation, subject to review, is renewable on an annual basis and is to be included as part of the adoption of the annual budget to have the authority in place at July 1 of each year.

The Treasurer may delegate the day-to-day execution of investments to a Securities and Exchange Commission (SEC)-registered investment advisor, via written agreement approved by City Council. The Advisor, in coordination with the Treasurer, will manage the City's investment portfolio in accordance with this Investment Policy, the stated investment objectives of the City, and any such other written instructions provided by the Treasurer. The Advisor will also assist in security settlement.

V. Ethics and Conflicts of Interest

The Treasurer and any designated employees are prohibited from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions, or which could give the appearance thereof. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business to the Treasurer. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Furthermore, these same individuals are prohibited from undertaking personal investment transactions with any individual with whom business is conducted on behalf of the City. The State of California Fair Political Practices Commission Statement of Economic Interests, Form 700, shall be completed on an annual basis by the Treasurer and any designee of the Treasurer.

VI. Internal Controls

The Treasurer is responsible for establishing and maintaining a control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. Internal controls shall separate transaction authority from accounting and record keeping, safekeep assets, and maintain written records for all investments and wire transfers.

A. Objectives of Internal Control

Internal control is the plan of the organization and all the related systems established by management's objective of ensuring, as far as practicable:

- Orderly and efficiently conduct of its business, including adherence to management policies.
- Safeguarding of assets.
- Prevention and detection of errors and fraud.
- Accuracy and completeness of the accounting records; and
- Timely preparation of reliable financial information.

An internal control system, however elaborate, can provide only reasonable assurance that the objectives are met. Internal controls are reviewed periodically to ensure effectiveness.

VII. Reporting

A. Monthly: As described in California Government Code Section 53607, a report of investment transactions will be made to the City Council every month.

B. A report shall be rendered to the City Manager, City Council, and City Auditor at least four times per fiscal year and shall include:

- A complete description of the portfolio, the type of investments, the issuers, maturity dates, par and dollar amounts invested on all securities, the current market values of each component of the portfolio, the source of the portfolio valuation, investments, and monies held by the City.
- A description of any of the City's funds, investments, or programs under the management of contracted parties, including lending programs.
- The following certifications:
  - All investment actions executed since the last report have been made in full compliance with the Investment Policy.
  - The City of Stockton will meet its expenditure obligations for the next six months as described in California Government Code Section 53646(b)(3).

C. Both monthly and quarterly reports shall be made publicly available in the City Clerk's Office, on the City Website, or other appropriate means.

VIII. Authorized and Suitable Investments

The City's investments are governed by California Government Code, Sections 53600, et seq. Within the assets permitted by the Code; the City seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and the Code, the more restrictive parameters will take precedence. All percentage holding limits and rating

requirements listed in this section apply at the time the security is purchased. A security purchased in accordance with this section shall not have a forward settlement date exceeding 45 days from the time of investment.

Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity, and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers.

Securities with term to maturity greater than 5 years shall not exceed 30% of total portfolio value.

A. Municipal Securities including Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.

   Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

   Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

   - The securities are rated in a rating category of "A" or the equivalent or higher by at least one nationally recognized statistical rating organization ("NRSRO").
   - No more than 5% of the portfolio may be invested in any single issuer.
   - No more than 30% of the portfolio may be in Municipal Securities.
   - The maximum maturity does not exceed ten (10) years.

B. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.
   - There are no limits on the maturity, dollar amount or percentage that the City may invest in U.S. Treasuries

C. Federal Agencies or United States Government-Sponsored Enterprise (GSE) obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
   - Includes agency-backed mortgage-backed securities, mortgage pass-through securities, and collateralized mortgage obligations.
   - There are no limits on the maturity, dollar amount, or percentage that the City may invest in Federal Agency or Government-Sponsored Enterprises (GSEs), provided that:
   - No more than 20% of the portfolio may be invested in a federal agency or GSE issued mortgage-backed securities, mortgage pass-through securities, and collateralized mortgage obligations.

D. Banker's Acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank.
   - Issued by institutions which have short-term debt obligations rated "A-1" or higher by at least one NRSRO; or long-term debt obligations which are rated in a rating category of "A" or the equivalent or higher by at least one NRSRO, provided that:
   - No more than 40% of the portfolio may be invested in Banker's Acceptances.
   - No more than 5% of the portfolio may be invested in any single issuer.
   - The maximum maturity does not exceed 180 days.

E. Commercial Paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2):
   (1) The entity meets the following criteria:
      (A) Is organized and operating in the United States as a general corporation.
      (B) Has total assets in excess of five hundred million dollars ($500,000,000).
      (C) Has debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by an NRSRO.
   (2) The entity meets the following criteria:
      (A) Is organized within the United States as a special purpose corporation, trust, or limited liability company.
      (B) Has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.
      (C) Has commercial paper that is rated "A-1" or higher, or the equivalent, by an NRSRO.

   Commercial paper that meets the above requirements is permitted, provided that:
   - The securities are rated "A-1" or higher by at least one NRSRO.
   - No more than 40% of the portfolio may be invested in commercial paper.
   - No more than 5% of the portfolio may be invested in any single issuer.
   - The maximum maturity does not exceed 270 days.

F. Negotiable Certificates of Deposit (NCDs), issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank, provided that:
   - The amount of the NCD insured up to the FDIC limit does not require any credit ratings.
   - Any amount above the FDIC insured limit must be issued by institutions which have short-term debt obligations rated "A-1" or higher by at least one NRSRO; or long-term obligations rated in a rating category of "A" or the equivalent or higher by at least one NRSRO.
   - No more than 30% of the total portfolio may be invested in NCDs.
   - No more than 5% of the portfolio may be invested in any single issuer.
   - The maximum maturity does not exceed five (5) years.

G. Federally Insured Time Deposits (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions, provided that:
   - The amount per institution is limited to the maximum covered under federal insurance.
   - No more than 20% of the portfolio will be invested in a combination of federally insured time deposits, collateralized time deposits and Certificate of Deposit Account Registry Service (CDARS).
   - The maximum maturity does not exceed five (5) years.

H. Collateralized Time Deposits (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with California law, provided that:

- No more than 20% of the portfolio will be invested in a combination of federally insured time deposits, collateralized time deposits, and CDARS.
- The maximum maturity does not exceed five (5) years.

I. Certificate of Deposit Placement Service (CDARS), provided that:

- No more than 20% of the total portfolio may be invested in a combination of federally insured time deposits, collateralized time deposits, and CDARS.
- The maximum maturity does not exceed five (5) years.

J. Collateralized Bank Deposits. City's deposits with financial institutions will be collateralized with pledged securities per California Government Code, Section 53651.

K. Repurchase Agreements collateralized with securities authorized under California Government Code, maintained at a level of at least 102% of the market value of the Repurchase Agreement. There are no limits on the dollar amount or percentage that the City may invest, provided that:

- Securities used as collateral for Repurchase Agreements will be delivered to an acceptable third party custodian.
- Repurchase Agreements are subject to a Master Repurchase Agreement between the City and the provider of the repurchase agreement. The Master Repurchase Agreement will be substantially in the form developed by the Securities Industry and Financial Markets Association.
- The maximum maturity does not exceed one (1) year.

L. State of California Local Agency Investment Fund (LAIF).
- The City may invest up to the maximum amount permitted by LAIF.
- LAIF's investments in instruments prohibited by or not specified in the City's policy do not exclude the investment in LAIF itself from the City's list of allowable investments, provided LAIF's reports allow the Treasurer to adequately judge the risk inherent in LAIF's portfolio.

M. California Asset Management Program

N. Medium Term Notes (MTNs) defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States, provided that:

- The securities are rated in a rating category of "A" or the equivalent or higher by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in MTNs.
- No more than 5% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

O. A pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum remaining maturity of five years' or less, provided that:

- The securities are rated in a rating category of "AA" or the equivalent or higher by a NRSRO.
- No more than 20% of the total portfolio may be invested in these securities.
- No more than 5% of the portfolio may be invested in any single Asset-Backed security issuer.
- The maximum legal final maturity does not exceed five (5) years.

P. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.). Money market funds eligible under this paragraph are restricted to those which invest solely in US Government and Agency securities, provided that:

- Such Funds meet either of the following criteria:
  A. Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
  B. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of $500 million.
- No more than 20% of the total portfolio may be invested in Money Market Funds.

Q. Supranational, provided that:

- Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- The securities are rated in a rating category of "AA" or the equivalent or higher by a NRSRO.
- No more than 30% of the total portfolio may be invested in these securities.
- No more than 10% of the portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

IX. Review of Investment Portfolio

All securities purchased by the City must be in compliance with Section VIII Authorized and Suitable Investments at the time of purchase. Because some securities may not comply with Section VIII Authorized and Suitable Investments subsequent to the date of purchase, the Treasurer shall at least annually review the portfolio to identify those securities that do not comply. Any investment currently held that becomes non-compliant due to a change of the policy after its acquisition will not have to be sold immediately. As long as investments are compliant at the time of purchase, they are acceptable to hold to maturity if that is the Treasurer's decision. It is not, however, acceptable to reinvest the proceeds of those maturities in any investment that does not meet the most current Investment Policy guidelines. The Treasurer shall establish procedures to report to the City Council and to its oversight committee, should one exist, any incidences of noncompliance identified through the review of the portfolio.

X. Investment Pools/Mutual Funds

A thorough investigation of any permitted pool/fund is required prior to investing, along with periodic due diligence reviews at least annually. The prospectus, program guide or offering statement shall be reviewed to ensure compliance with the following criteria:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. Are reserves, retained earnings, etc. utilized by the pool/fund?
7. A fee schedule, and when and how is it assessed.
8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

XI. Collateral Requirements

California Government Code Sections 53652 and 53667 require depositories to post certain types and levels of collateral for public funds on deposit above the FDIC insurance amounts. The collateral requirements apply to bank deposits, both active (checking and savings accounts) and inactive (non-negotiable time certificates of deposit), and to repurchase agreements.

The City chooses to limit collateral to the following: U.S. Treasuries and Federal Agency Obligations. Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained. The right of collateral substitution may be granted.

XII. Authorized Financial Institutions and Dealers

A. For brokers/dealers of government securities and other investments, the Treasurer shall select only brokers/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, and/or Financial Industry Regulatory Authority, Inc. (FINRA). Before engaging in investment transactions with a broker/dealer, the Treasurer shall obtain a signed verification form that attests the individual reviewed the City's Investment Policy, and intends to present only those investment recommendations and transactions to the City that is appropriate under the terms and conditions of the Investment Policy.

B. The City may engage the services of one or more external managers to assist in the management of the City's investment portfolio. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. External managers may use their own list of approved broker-dealers. Such managers must be registered under the Investment Advisers Act of 1940.

C. Public deposits shall be made only in qualified public depositories within the State of California as established by State law. Deposits shall be insured by the Federal Deposit Insurance Corporation (FDIC), or, to the extent the amount exceeds the insured maximum, shall be collateralized with securities in accordance with State law.

D. The Administrative Services Department shall verify investment trades against the bank transactions and broker confirmation tickets to ensure accuracy. On a monthly basis, the custodial asset statement shall be reconciled with the month end portfolio holdings.

XIII. Maximum Allowable Maturity of Investments

The investment program may include investments with maturities beyond five years, if in the judgment of the Treasurer, such investments should result in a more favorable rate of return for the

City. Per California Government Code Section 37354, donated securities are not subject to maturity limits. Investments maturing beyond a five-year horizon should not exceed 30% of the total portfolio value at any given time. Investments of greater than five years shall be permitted for US Treasury, US Agency or GSE obligations, and municipal securities, as described in Section VIII Authorized and Suitable Investments, paragraphs A, B and C. Additionally, investments in City Variable Rate obligations, with maturities greater than five years, may be made when IRS and SEC guidelines permit. For purposes of compliance with this Policy, an investment's term or remaining maturity shall be measured from the settlement date to final maturity.

XIV. Mitigating Risk in the Portfolio

A. Credit Risk
   - The City will diversify its investments to diminish the credit risk resulting from concentrations in any one non-governmental issuer.
   - If a security owned by the City is downgraded to a level below the quality required for purchase by this Policy, the Treasurer shall review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.

B. Market Risk. While the City recognizes that longer term portfolios achieve higher returns, longer term portfolios also have higher volatility of market values and total return. The City will limit market risk by limiting the concentrations, volume and duration of its longer term investments, as well as limiting them to funds which are not needed for current year cash flow purposes.
   - Maturities selected shall provide for stability of income and liquidity.
   - Portfolio maturities shall be managed to avoid undue concentration in any specific maturity.
   - The City may sell a security prior to its maturity (recording a gain or loss) to diminish the portfolio's exposure to market risk.

C. Diversification is required that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

D. The City may sell a security prior to its maturity (recording a gain or loss) to adjust the portfolio duration or improve the risk structure, liquidity or yield of the portfolio in response to market condition or City needs.

XV. Safekeeping and Delivery

A. To protect against fraud, embezzlement, or losses caused by collapse of individual securities dealers, all securities owned by the City shall be held in safekeeping by the City's custodial bank, a third-party bank trust department, acting as agent for the City under the terms of a custody agreement.

B. All security transactions entered into by the City shall be conducted on a standard delivery-versus-payment basis, which ensures that securities are deposited with the third-party custodian prior to the release of funds. All securities purchased or acquired shall be delivered to the City by book entry, physical delivery or by third-party custodial agreement as required by California Government Code Section 53601. Investments in the State Pool, California Asset Management Program, or money market mutual funds are undeliverable and are not subject to third-party safekeeping requirements.

XVI. Diversification

The City's investments shall be diversified by:

- Limiting investments to avoid over concentration in securities from a specific issuer or

business sector (excluding U.S. Treasury securities).

- Limiting investment in securities that have higher credit risks.
- Investing in securities with varying maturities.
- Continuously investing a portion of the portfolio in readily available funds such as money market funds to ensure that appropriate liquidity is maintained to meet ongoing obligations.

XVII. Performance Evaluation and Operations Audit

Investment of City funds is governed by the California Government Code Section 53600, et seq. Within the context of those limitations, the analysis and selection of investments includes prudent investment principals, review of investment performance, current and expected interest rate yields (economic and interest rate trends), diversification, and structured maturity composition to meet necessary cash flow requirements.

The investment performance objective for the portfolio shall be to earn a total rate of return over a market cycle which is approximately equal to the return on a market benchmark which reflects the City's investment objectives and risk preferences.

The Treasurer shall ensure that the City's annual process of independent review by an external auditor will include a review to assure full compliance with this investment policy and a review of acceptable internal controls.

XVII. Investment Policy Adoption

As stated in California Government Code Section 53646(2)(b), the Treasurer may annually render to the City Council a statement of Investment Policy, and any changes thereto, for consideration at a public meeting.

Glossary

AGENCIES: Federal agency securities and/or government-sponsored enterprises (GSEs).

ASK PRICE: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A `market index used as a comparative base for measuring the relative performance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER/DEALER: A person or firm in the business of buying and selling securities from/to customers.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report of a public body. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: Delivery of securities with a simultaneous exchange of money for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity value when quoted at lower than face value.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued a discount and redeemed at maturity for full face value *(e.g., U.S. Treasury Bills.)* The difference between the discounted purchase price and the maturity value represents the interest earnings on the investment.

DIVERSIFICATION: Dividing investment funds among a variety of sectors, securities, or maturities that offer independent returns.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to $250,000 per entity.

FEDERAL FUNDS RATE: The interest rate at which depository institutions lend reserve balances to other depository institutions overnight. This rate is pegged by the Federal Reserve.

FEDERAL HOME LOAN BANK (FHLB) SYSTEM: A system of 11 regional banks from which local lending institutions across the U.S. borrow funds to finance housing, economic development, infrastructure and jobs. There are approximately 7,100 FHLB System members, including commercial banks, thrifts, credit unions, and insurance companies. Each member is a shareholder in one of the regional FHLBs; each regional Bank is an individual corporate entity, which must meet strict management and capitalization criteria befitting its status as a government-sponsored enterprise.

FEDERAL NATIONAL MORTGAGE ASSOCIATION **(FNMA or Fannie Mae)**: Fannie Mae is a government-sponsored enterprise ("GSE") chartered by Congress. It serves as a stable source of liquidity for purchases of homes and financing of multifamily rental housing, as well as for refinancing existing mortgages. It also supports the liquidity and stability of the U.S. mortgage market primarily by securitizing mortgage loans originated by lenders into Fannie Mae mortgage-backed securities that it guarantees, which are referred to as Fannie Mae MBS.

FEDERAL OPEN MARKET COMMITTEE (FOMC): A committee within the Federal Reserve System (the Fed), that is charged under U.S. law with overseeing the nation's open market operations (i.e., the Fed's buying and selling of United States Treasury securities. It consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents, who serve on a rotating basis. The Committee meets about 8 times per year to set Federal Reserve monetary policy, including establishing the target for the fed funds rate.

FEDERAL RESERVE SYSTEM: The central bank of the United States. It was created by Congress and consists of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 7,000 commercial banks that are members of the system. Its role is to conduct the nation's monetary policy, maintain the stability of the financial system, supervise and regulate financial institutions, foster payment and settlement system safety and efficiency, and promote consumer protection and community development.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes. LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all transactions between the parties to a repurchase or reverse repurchase agreement. It establishes each party's rights in the transactions, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALERS: Banks and securities broker-dealers designated by the Federal Reserve Bank of New York that permit them to trade in U.S. Government securities directly with the Fed in its implementation of monetary policy. They are also expected to make markets for the New York Fed on behalf of its official accountholders as needed, and to bid on a pro-rata basis in all Treasury auctions at reasonably competitive prices.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

RATE OF RETURN: The actual realized return on an investment or portfolio of investments over a specified period of time.

REPURCHASE AGREEMENT (REPO): A transaction in which an investor purchases securities from a counterparty with a simultaneous agreement to sell them back at a fixed price on a fixed date in the future. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate for this by paying an implied rate of interest for the term of the repo.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): The opposite transaction to a repo. A reverse-repurchase agreement (reverse repo) involves a counterparty borrowing cash from a financial institution in exchange for a temporary sale of securities used as collateral. The borrower agrees to repurchase the securities at a specified date for an agreed upon price, which includes interest. While a repo is a straightforward investment of funds, the reverse repo is a borrowing which can be used to fund a temporary cash shortage, or to create leverage.

SAFEKEEPING: A fee-based service provided by banks to hold and safeguard customer assets and investments.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: An independent, federal government agency responsible for protecting investors, maintaining fair and orderly functioning of securities markets, and facilitating capital formation. It is also the responsibility of the Commission to interpret and enforce federal securities laws, issue new rules and amend existing rules, oversee the inspection of securities firms, brokers, investment advisers, and ratings agencies, oversee private regulatory organizations in the securities, accounting, and auditing fields, and coordinate U.S. securities regulation with federal, state, and foreign authorities.

SEC RULE 15(C)3-1: See Uniform Net Capital Rule.

STRUCTURED NOTES: Complex notes typically issued by Government Sponsored Enterprises (FHLB, FNMA, etc.) and corporations, which have imbedded options or other complications (e.g., variable coupons, derivative-based returns) that can significantly affect their performance.

TREASURY BILLS: A non-interest bearing short-term discount security issued by the U.S. Treasury to finance the national debt. Most T-bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

RESPONSIBILITIES

City Treasurer for implementation of this policy.

RELEVANT AUTHORITY

Article XII, Section 1201, of the City of Stockton Charter

California Government Code Section 53607 allows for the delegation of investment activities to the Treasurer of the City for periods of one year. That delegation, subject to review, is renewable on an annual basis and is to be included as part of the adoption of the annual budget to have the authority in place at July 1 of each year.

Chapter 2.20.050 of the City of Stockton Municipal Code (SMC) defines "Treasurer" as the Director of Administrative Services. Chapter 2.20.060 of the SMC provides that management responsibility for the investment program is delegated to the Administrative Services Director. Under the provision of California Government Code Section 53600.3, the Treasurer is a trustee and therefore a fiduciary subject to the prudent investor standard outlined in the section below.

The City may engage the services of an external investment manager to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. Such an external manager may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such managers must be registered under the Investment Advisers Act of 1940.

RELATED CITY POLICIES

FAIR POLITICAL PRACTICES COMMISSION

RELATED CITY PROCEDURES

N/A

RELATED FORMS, DOCUMENTS, OR LINKS

FAIR POLITICAL PRACTICES COMMISSION

FREQUENTLY ASKED QUESTIONS

N/A

UPDATE HISTORY

N/A

File #: 25-0776, **Version:** 1

ACCEPTANCE OF THE QUARTERLY INVESTMENT REPORT FOR QUARTER ENDED JUNE 30, 2025

RECOMMENDATION

It is recommended that the City Council, by motion, accept the Quarterly Investment Report for the quarter ending on June 30, 2025

Summary

Pursuant to California Government Code section 53646 and the City's Investment Policy No. 17.01.030 (Attachment D), the City Treasurer (Chief Financial Officer) is required to provide a quarterly report and certification to the City Council, City Manager, and City Auditor.

Due to the specialized services and expertise required to assist the City with the varied investment options available, effective July 1, 2022, the City moved to have two portfolio managers manage separate portions of the City's Reserve portfolio. The Quarterly Investment Reports for PFM Asset Management (PFMAM) (Attachment A), Chandler Asset Management (Attachment B), and the Certification for the quarter ending June 30, 2025 (Attachment C), are being provided as required.

The City's consolidated investment portfolio was $1,060,775,169 as of June 30, 2025, which represents an increase of $33 million from the prior market value for the quarter ending on March 31,2025. This consolidated investment portfolio includes the City's liquidity position, short-term investments, and the reserve portfolios. (Attachment A- PFMAM Investment Report, page 18).

Total Program Breakdown:

- Reserve Portfolio - $815,359,573
- Short Term Portfolio - $31,638,658
- BMO Main Account - $117,219,682
- California Asset Management Program (CAMP) - $95,688,874
- Local Agency Investment Fund (LAIF) - $868,382

DISCUSSION

Background

To comply with state law and City policy, the City is required to present quarterly certification and investment reports detailing the City's investment portfolio to the City Council, City Manager, and City Auditor. The City also posts monthly transaction reports to the City's website. The Quarterly Investment Report shall include a complete description of the portfolio, the types of investments, the

issuers, maturity dates, par value, and dollar amounts invested in all securities, investments, or programs that are under the management of contracted parties, including lending programs. The certification must provide assurances that investments were made consistent with the City's Investment Policy and that the City will meet its obligations for the next six months.

The authority of the Council to invest, reinvest funds, sell, or exchange securities is delegated to the City's Chief Financial Officer, who also serves as City Treasurer (Resolution No. 2024-06-18-1603). Pursuant to the Investment Policy, the City Treasurer may and does delegate fiduciary responsibility to external investment managers. An investment manager's fiduciary responsibility is a legal requirement related to registration with the Securities and Exchange Commission under the Investment Advisor Act of 1940.

Present Situation

The City divides its investment portfolio into Reserve and Liquid portions. The Reserve portion represents the long-term assets managed by PFMAM and Chandler Asset Management, and the Liquid portion represents funds invested in several short-term investment vehicles including State of California LAIF, CAMP, and Dreyfus Treasury Money Market, to maintain adequate liquidity and optimize returns.

City staff work closely with both PFMAM and Chandler Asset Management to monitor the status of the City's investment portfolios and their returns. Details on these returns are reflected in Attachment A, page 25 (PFMAM Investment Report) and on Attachment B, page 25 (Chandler Investment Report). The quarterly return valuation includes funds from all activities, restricted and unrestricted, and includes changes in fair market value (unrealized gains/losses).

The City's investment portfolio complies with California Government Code section 53601. It is invested solely in fixed-income securities (no stock holdings) that, while earning certain rates of interest, gain in market value when interest rates fall and lose market value when interest rates rise.

FINANCIAL SUMMARY

There is no financial impact related to the presentation and acceptance of these reports.

Attachment A - PFMAM Investment Report
Attachment B - Chandler Investment Report
Attachment C - Certification of Quarterly Investment Report

pfm asset management

CITY OF STOCKTON

Investment Performance Review
For the Quarter Ended June 30, 2025

Client Management Team

Monique Spyke, Managing Director
Allison Kaune, Relationship Manager
Joseph Creason, Portfolio Manager
Rachael Miller, Client Consultant

PFM Asset Management
A division of U.S. Bancorp Asset Management, Inc

1 California Street Ste. 1000
San Francisco, CA 94111-5411
415-393-7270

213 Market Street
Harrisburg, PA 17101-2141
717-232-2723

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Agenda

- Market Update
- Account Summary
- Portfolio Review

Market Update

Current Market Themes

- U.S. economy is resilient but showing signs of cooling
  - Headline employment data belies underlying weakening
  - Inflation remained rangebound but does not yet reflect the full impact of tariffs
  - Fiscal policy uncertainty and volatile tariff rollouts weigh on consumer sentiment

- Fed remains on hold but may cut rates later this year
  - The Fed's June "dot plot" implies 50 bps of cuts in the back half of 2025 but members are split between 0 and 2 cuts this year
  - Fed Chair Powell stated the effect, size, and duration of tariffs are all highly uncertain making staying on hold the appropriate thing to do as they wait to learn more

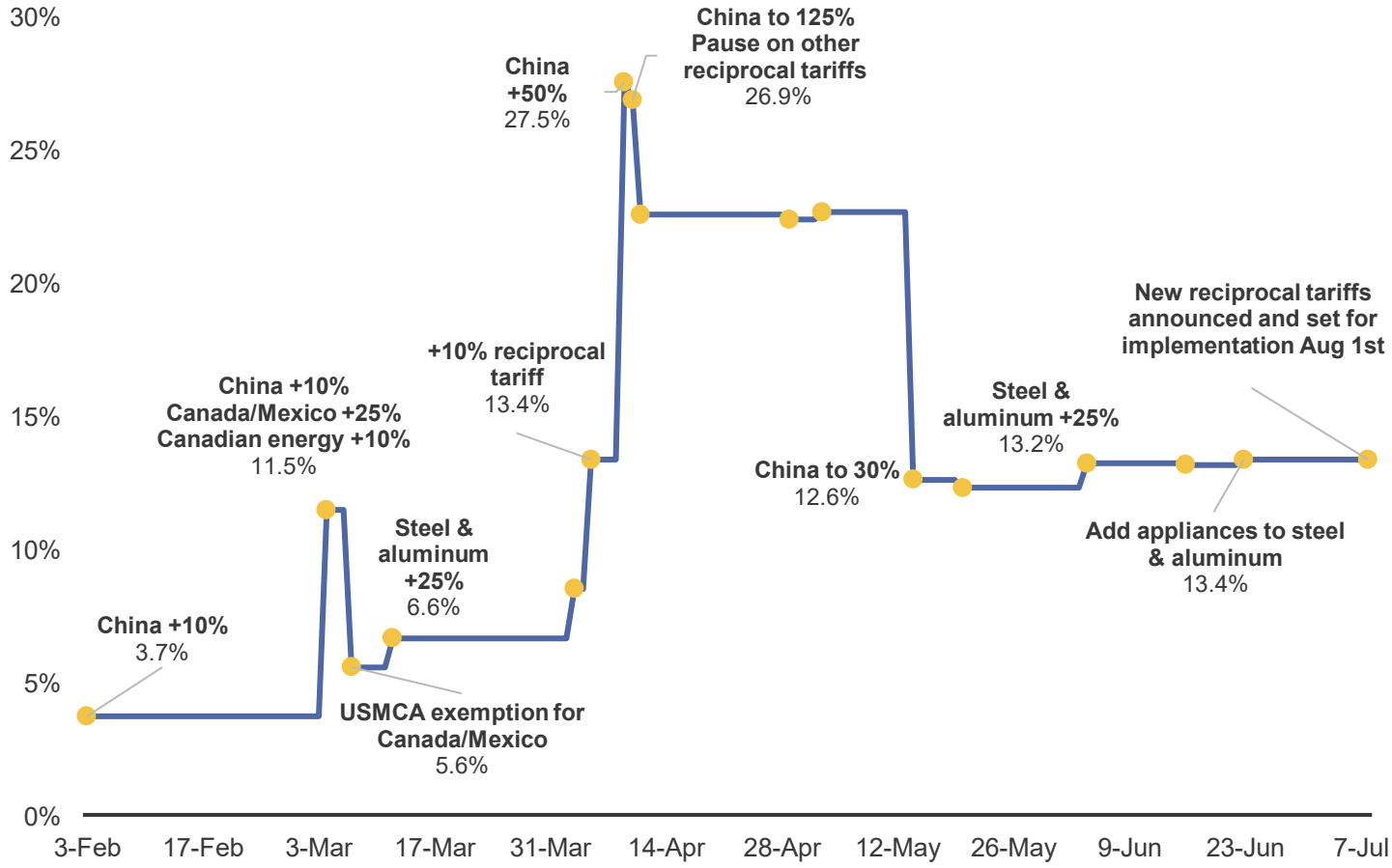
- Treasury yields whipsawed by tariff announcements in Q2
  - Concerns over the budget bill, debt ceiling, and monetary policy added to volatility
  - The yield curve continued to steepen between 2 years and 10 years
  - Credit spreads widened sharply following tariff fears but tightened to levels near historic tights by quarter end

Source: Details on market themes and economic indicators provided throughout the body of the presentation. Bloomberg Finance L.P., as of June 30, 2025.

Uncertainty Remains Exceptionally High

Effective Tariff Rate

Select Activity from February 3, 2025 to July 8, 2025



Source: Bloomberg Finance L.P. as of July 8, 2025. Yellow dots represent activity impacting effective tariff rate.

Fiscal Policy Adds to Uncertainty

- **Budget/Spending**
- **Tax Reform**
- **Funding Freezes**
- **Debt Ceiling**

Impacts of Reconciliation Bill

Congressional Budget Office (CBO)

Select Sectors FY 2025 - FY 2034

TCJA & Tax Cuts
Increase deficit by $4.6 trillion

Armed Services
Increase deficit by $149 billion

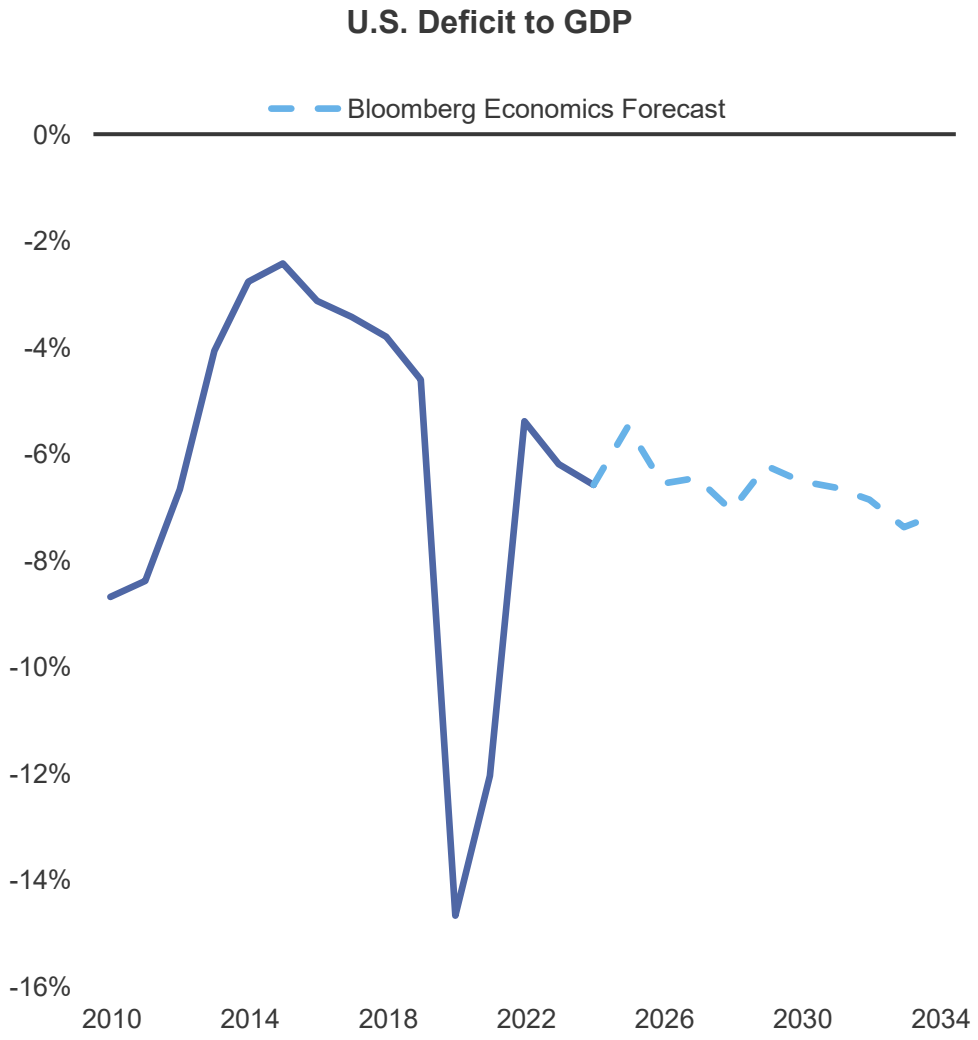
Homeland Security
Increase deficit by $129 billion

Medicare & Medicaid
Decrease deficit by $1.1 trillion

Agriculture, Nutrition, and Forestry
Decrease deficit by $120 billion

Other Spending Cuts
Decrease deficit by $371 billion

Total Deficit Impact: -$3.3 trillion



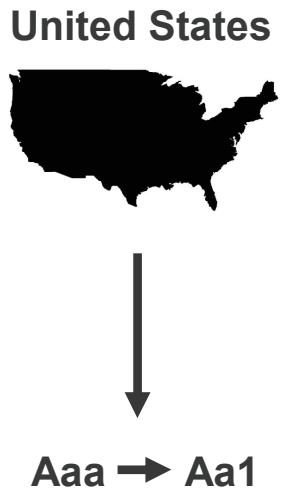
Source: CBO: Estimated Budgetary Effects of an Amendment in the Nature of a Substitute to H.R. 1, the One Big Beautiful Bill Act, Relative to CBO's January 2025 Baseline | Congressional Budget Office. and Bloomberg Finance L.P., as of July 1, 2025.

Moody's Downgrades United States to Aa1

- **Rationale for downgrade**
  - Large fiscal deficits which have led to increases in government debt and interest payment ratios to levels significantly above those of Aaa-rated peers
  - High deficit-to-GDP and debt-to-GDP ratios that are expected to rise further due to increased interest payments on debt, rising entitlement spending, and relatively low new revenue generation

- **Rationale for stable outlook**
  - Exceptional credit strengths such as the size, resilience and dynamism of its economy and the role of the US dollar as the global reserve currency

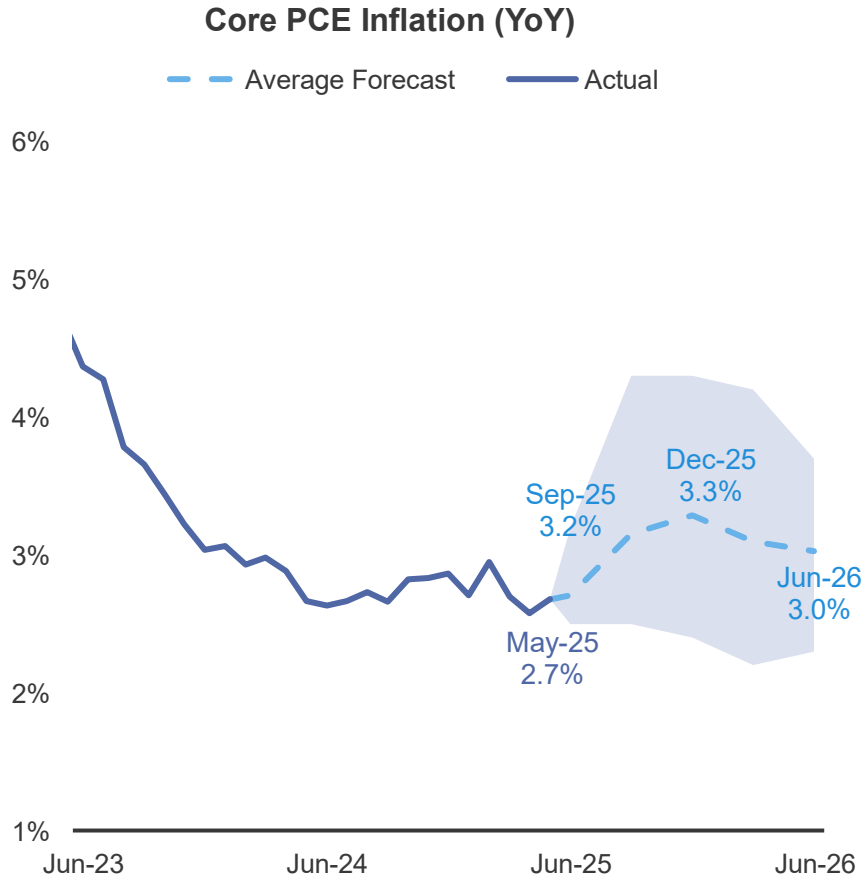
- **The downgrade is generally expected to have a minimal impact on markets**
  - S&P and Fitch previously downgraded the United States in 2011 and 2023, respectively
  - United States has been on credit watch negative by Moody's since November of 2023
  - The dollar remains the world's reserve currency and Treasuries remain highly liquid
  - Moody's also downgraded the U.S. government sponsored enterprises, and several banks and insurance companies whose rating was tied to the US government

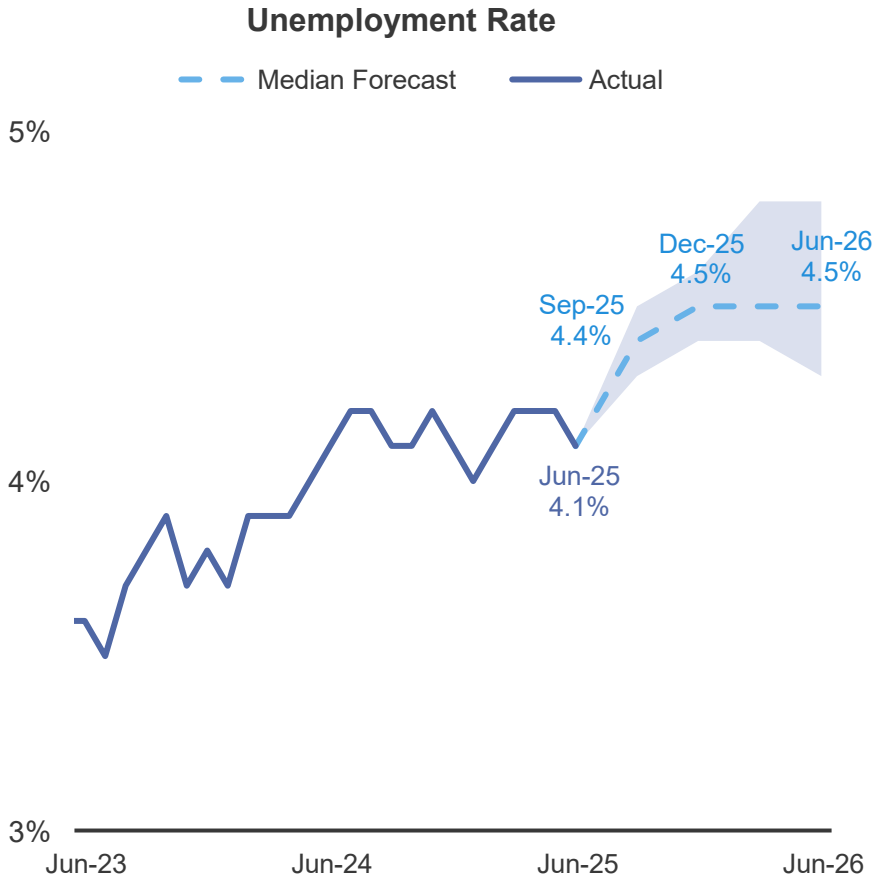


Source: Moody's Ratings, as of May 2025.

The Fed's Dual Mandate Gets More Complicated

Fed Chair Powell : "We may find ourselves in the challenging scenario in which our dual mandate goals are in tension. If that were to occur, we would consider how far the economy is from each goal and the potentially different time horizons over which those respective gaps would be anticipated to close."

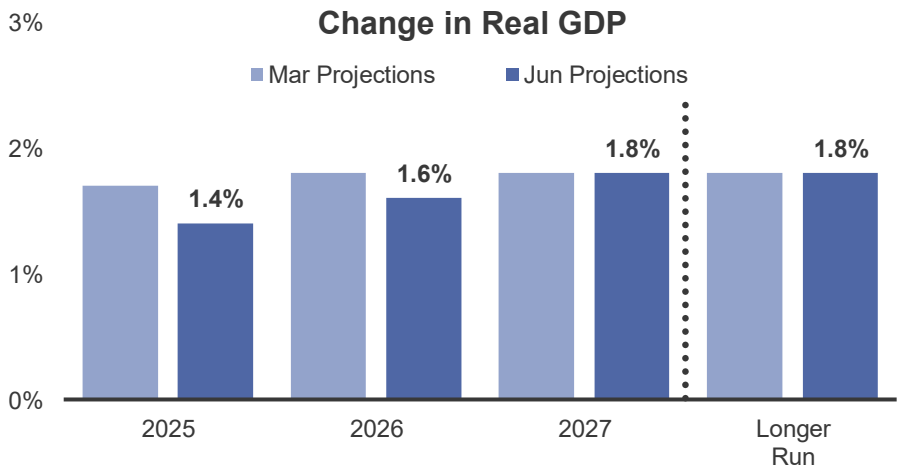


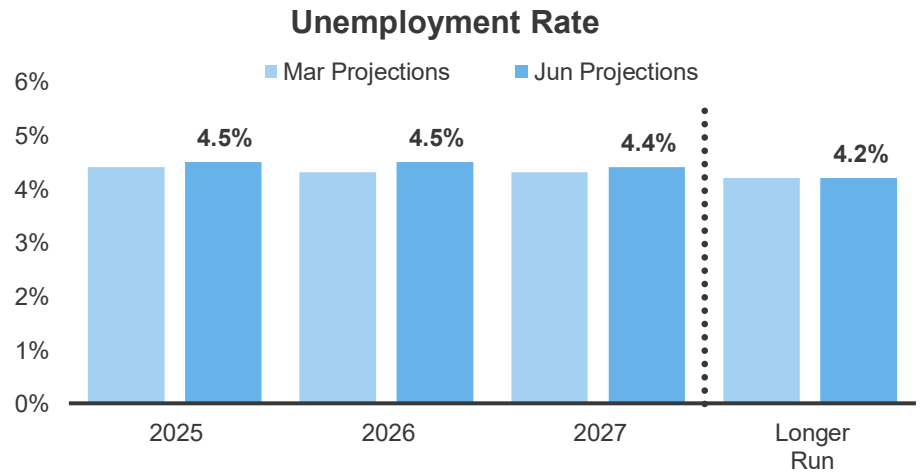


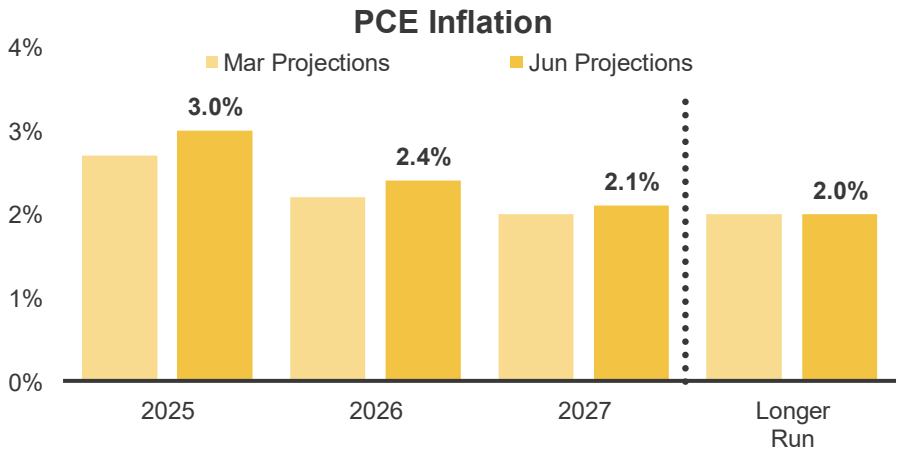
Source: FOMC Chair Jerome Powell Press Conference, June 18, 2025. Bureau of Economic Analysis, and Bloomberg Finance L.P., as of May 2025 (left). Bureau of Labor Statistics, and Bloomberg Finance L.P., as of June 2025 (right). Data is seasonally adjusted. Survey responses after June 27, 2025, included in median and forecast range. Forecast range shown is the 75th and 25th percentile of responses.

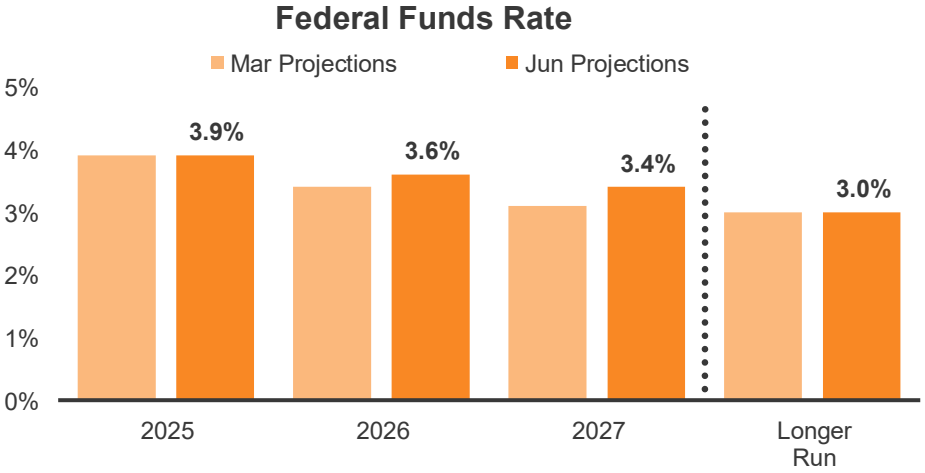
Fed's Updated Summary of Economic Projections

Fed Chair Powell : "[T]hink of it as the least unlikely path in a situation like this where uncertainty is very high."







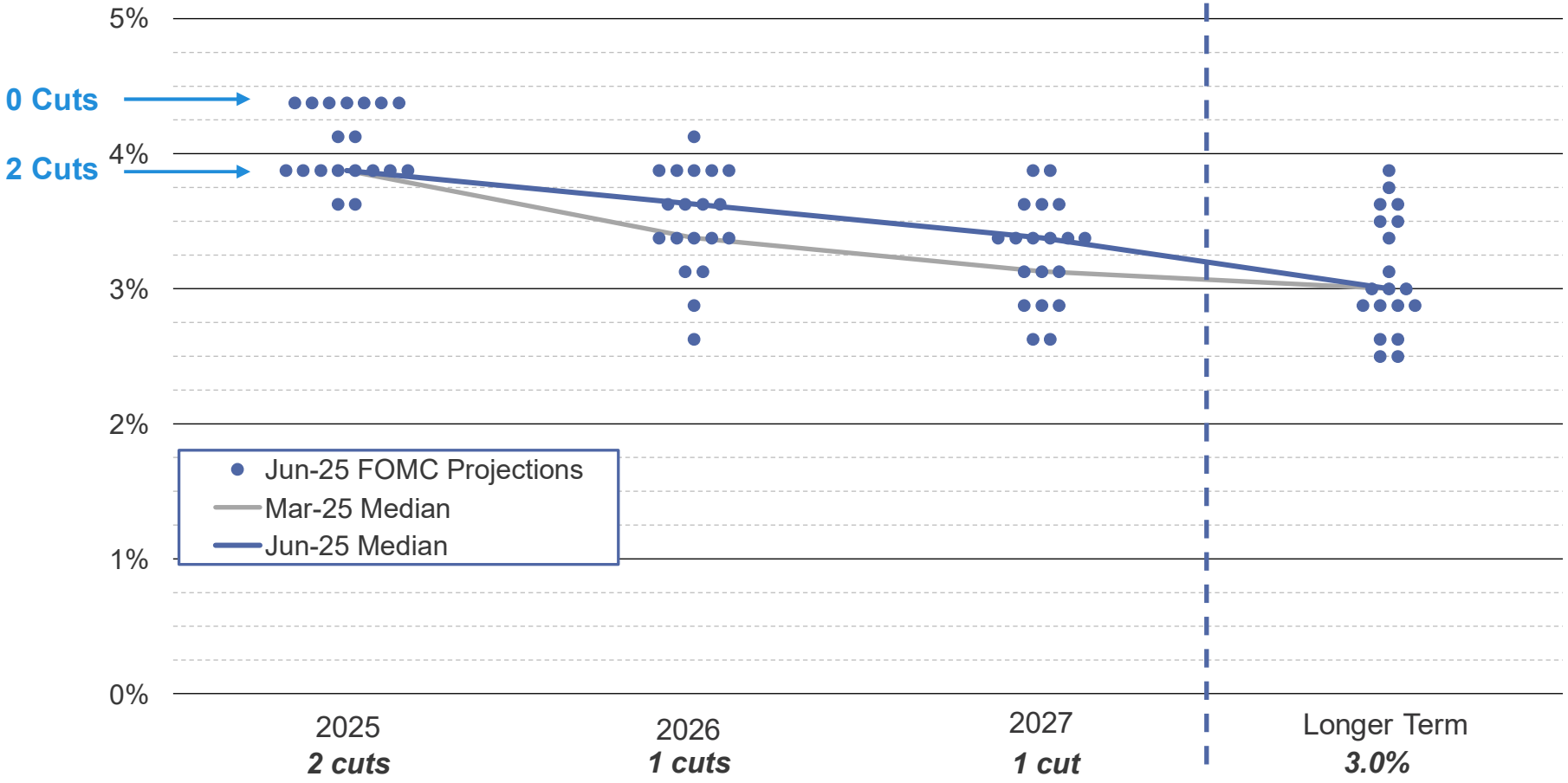


Source: FOMC Chair Jerome Powell Press Conference, June 18, 2025. Federal Reserve, latest median economic projections as of June 2025.

Fed's Latest "Dot Plot" Shows Divergent Views

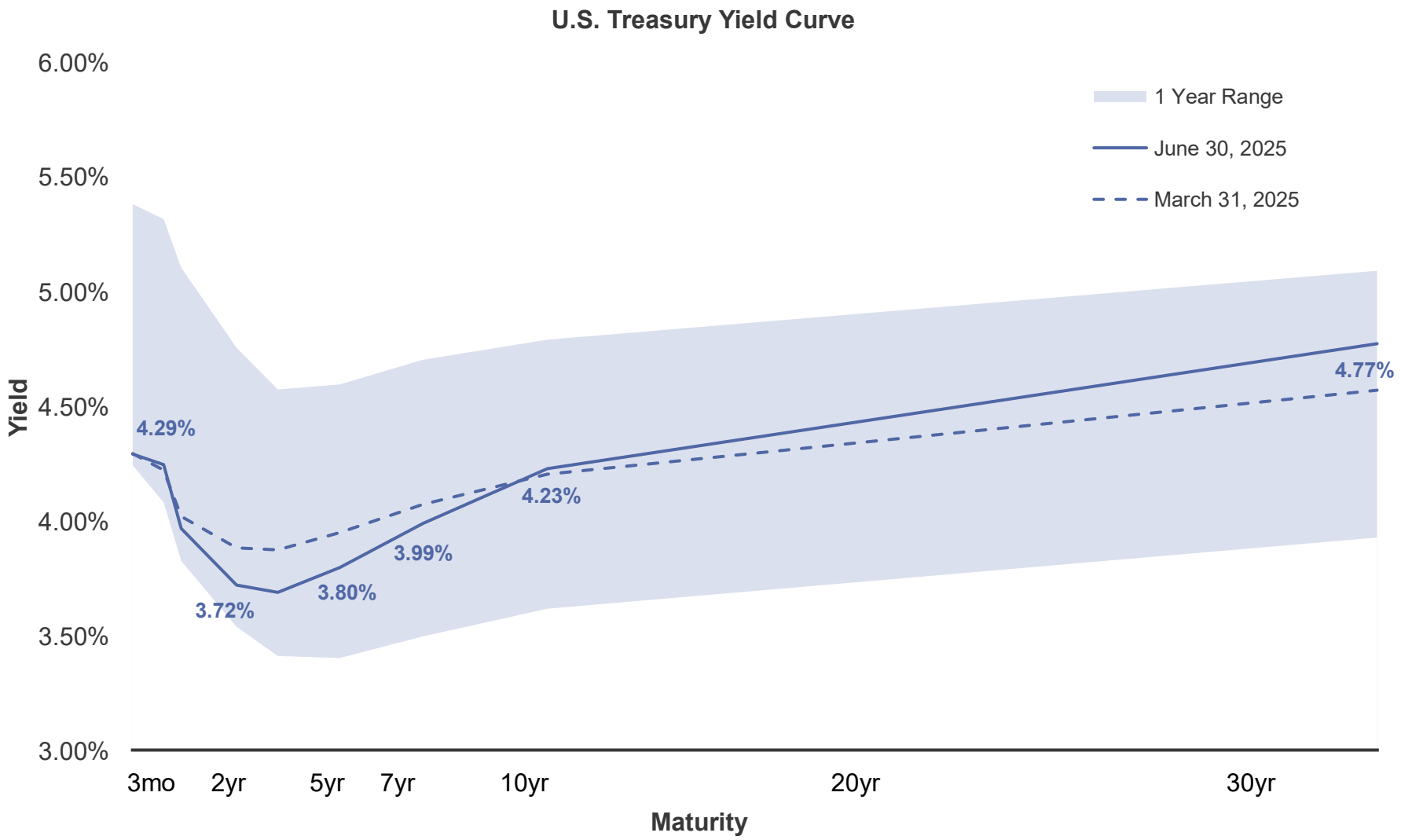
Fed Chair Powell : "[W]ith uncertainty as elevated as it is, no one holds these rate paths with a lot of conviction."

Fed Participants' Assessments of 'Appropriate' Monetary Policy



Source: FOMC Chair Jerome Powell Press Conference, June 18, 2025. Federal Reserve; Bloomberg Finance L.P. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. As of June 2025.

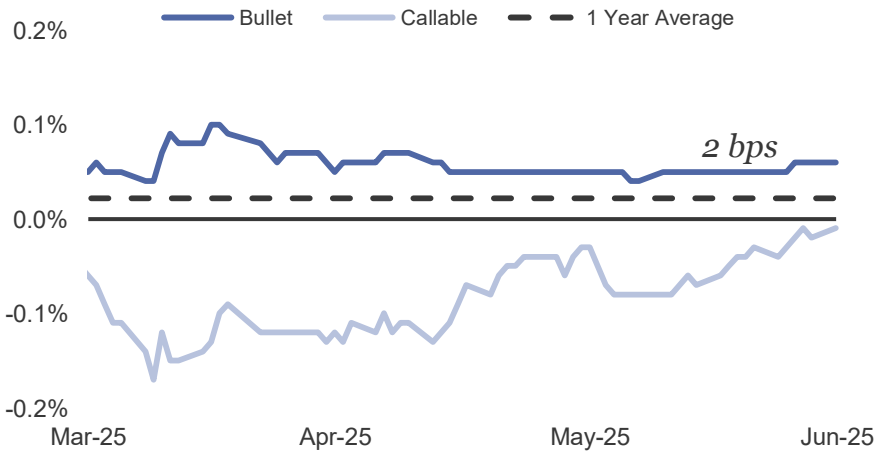
U.S. Treasury Yield Curve Steepens



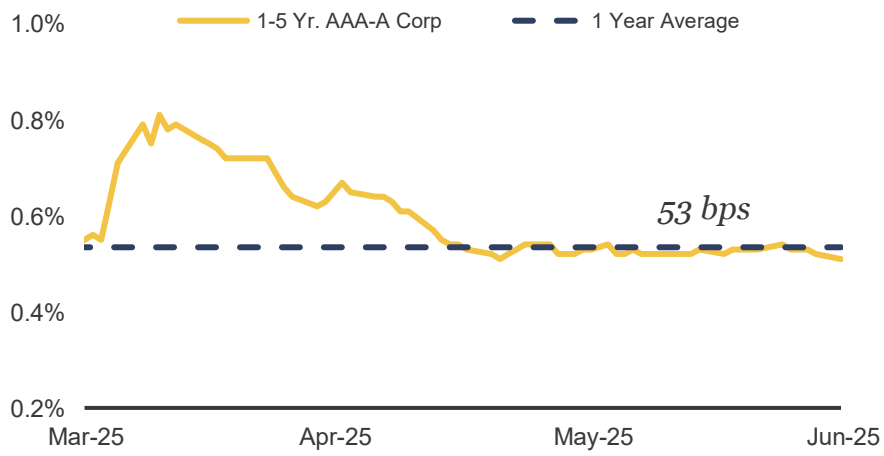
Source: Bloomberg Finance L.P., as of June 30, 2025.

Sector Yield Spreads

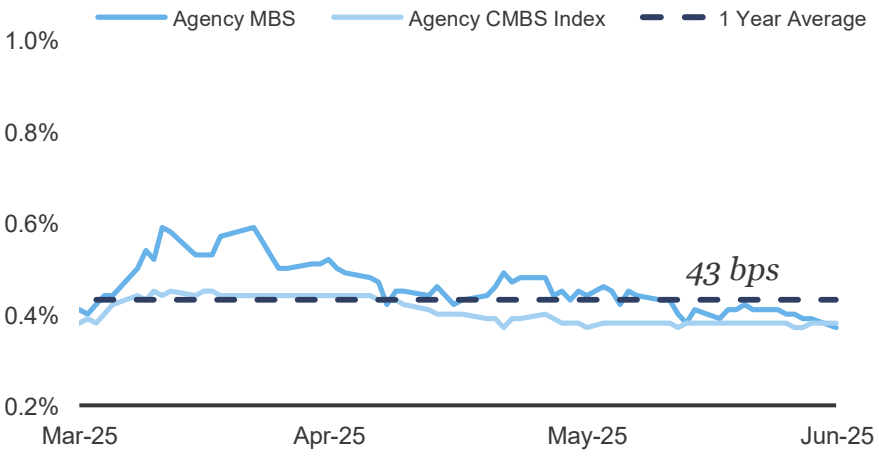
Federal Agency Yield Spreads



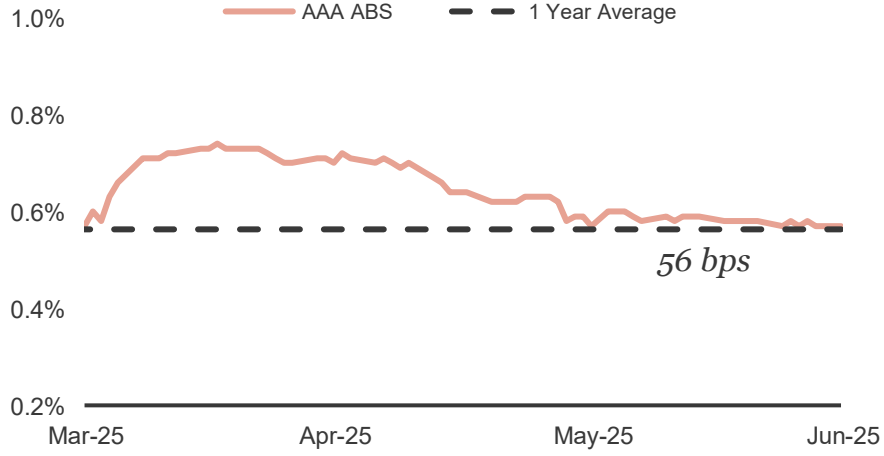
Corporate Notes A-AAA Yield Spreads



Mortgage-Backed Securities Yield Spreads



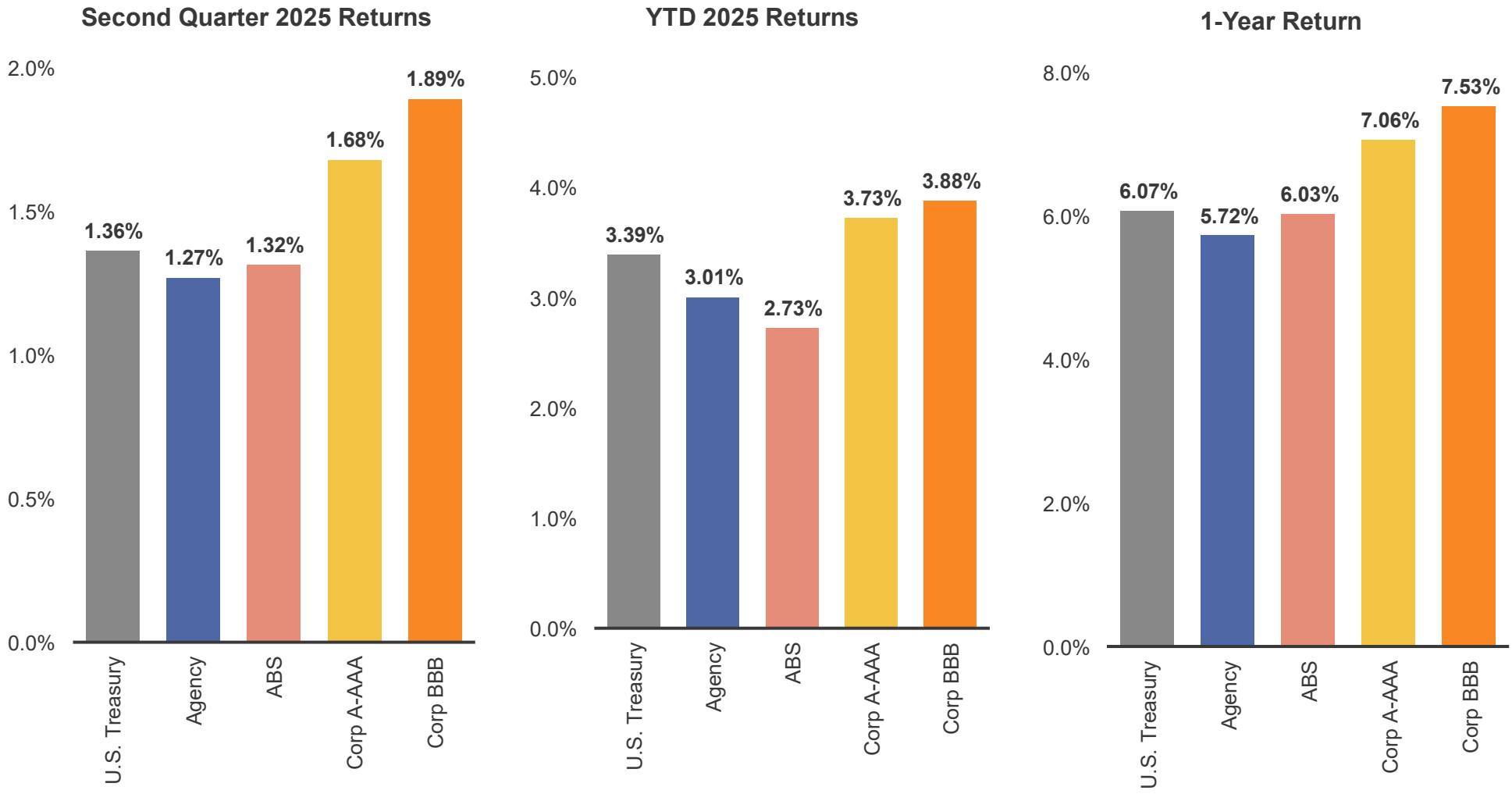
Asset-Backed Securities AAA Yield Spreads



Source: ICE BofA 1-5 year Indices via Bloomberg Finance L.P. and PFMAM as of June 30, 2025. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries.
CMBS is Commercial Mortgage-Backed Securities and represented by the ICE BofA Agency CMBS Index.

Fixed-Income Index Total Returns in 2Q 2025

1-5 Year Indices



Source: ICE BofA Indices. ABS indices are 0-5 year, based on weighted average life. As of June 30, 2025.

Fixed-Income Sector Commentary – 2Q 2025

- The **Federal Open Market Committee (FOMC)** maintained the target range for the federal funds rate at 4.25-4.5% during both meetings in Q2, citing resilience in the labor market and marginal improvements in an otherwise sticky inflation picture.
- **U.S. Treasury** yields in the intermediate-term (2-7 years) moved lower over the quarter. The change in yields reflected ongoing market sensitivity to domestic policy uncertainty, with a continued focus on the potential impacts of taxes, tariffs, immigration, and deregulation. However, progress on trade negotiations and lower recession probabilities kept the declines in check. As a result of the Treasury rally, total returns were strong for the quarter.
- **Federal Agency & supranational** spreads remained low throughout Q2. Both sectors produced slightly positive excess returns for the quarter. Issuance remained light and the incremental income from the sectors is near zero.
- **Investment-Grade (IG) corporate bond** spreads spiked early in the quarter on tariff announcements, but as external stressors eased much of the widening retraced. Demand for new issuance remains strong while net issuance is predicted to decrease over the balance of the year. Lower-quality issuers outperformed as did banks and other financials.
- **Asset-Backed Securities** spreads retraced over quarter, but to a lesser degree than most other sectors. ABS showed the impact of the slower decrease in spreads by posting more modest excess returns over the quarter. We expect the sector to continue generating value from carry going forward.
- **Mortgage-Backed Securities** performance was strong across all structures and coupons as rate volatility moderated over the quarter. Likewise, **Agency-backed commercial MBS (CMBS)** also posted strong performance for the quarter and saw positive excess returns.
- **Short-term credit** (commercial paper and negotiable bank CDs) yields on the front end of the yield curve rose slightly in response to the approaching Treasury "X-Date" (estimated date for Treasury to exhaust funds under the debt ceiling) while yields fell modestly on the long end as demand shifted into longer-term Treasury notes. Yield spreads tightened over the quarter in response to moderated issuance and strong demand.

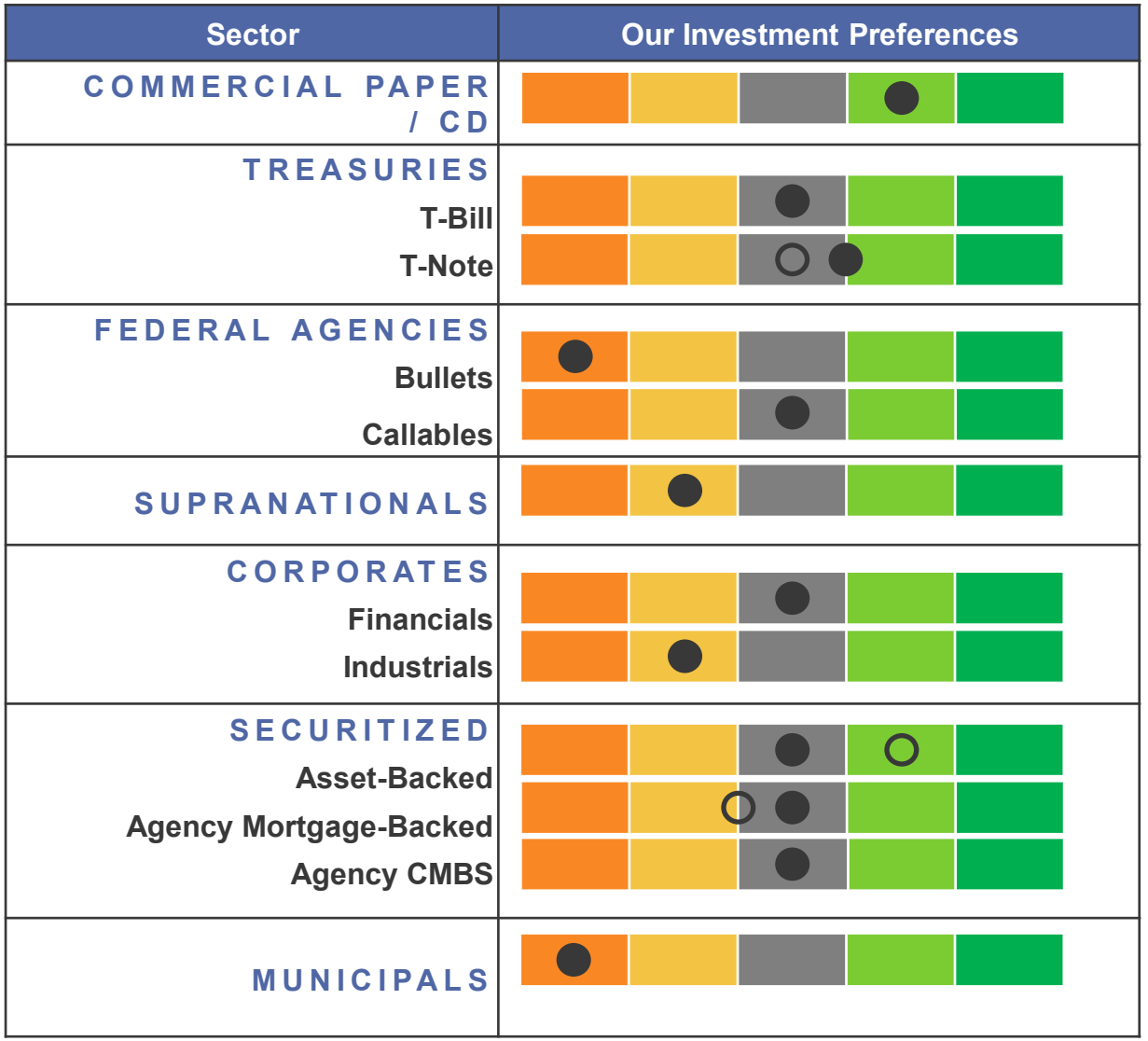
The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (06/30/2025) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

Fixed-Income Sector Outlook – 3Q 2025

- **U.S. Treasury** volatility is expected to continue given both fiscal and monetary policy uncertainty. The potential impact of further policy changes on economic growth, inflation, and labor markets are unknown. We expect to see an ongoing steepening of the yield curve given the expectation for future Fed rate cuts.
- **Federal Agency & Supranational** spreads are likely to remain at tight levels. Government-heavy accounts may find occasional value on an issue-by-issue basis.
- **Taxable Municipals** continue to see little activity due to an ongoing lack of supply and strong demand which continues to suppress yields in both the new issue and secondary markets. We expect few opportunities in the near term.
- **Investment-Grade Corporate** bond fundamentals and valuations weakened while technicals have moved to modestly favorable. Progress on trade negotiations and lower recession odds should provide upward pressure on fundamentals moving forward. We will selectively evaluate opportunities with a focus on industry and credit quality while analyzing rich holdings to tactically reduce allocations in the sector for accounts where it makes sense.
- **Asset-Backed Securities** fundamentals remain intact and credit metrics have normalized. Consumer credit trends will depend on the labor market and the consumer's response to monetary policy easing, which tends to work on a lag. We expect spreads to stabilize heading into Q3 as issuance quiets over the summer, but overall heightened volatility presents an opportunity to add allocations at more attractive levels.
- **Mortgage-Backed Securities** are expected to underperform over the short term, while rich current valuations will keep returns over the year positive. We may use any meaningful spread widening to add at more attractive levels.
- **Short-term credit** (commercial paper and negotiable bank CDs) spreads in Q3 will continue to be subject to ongoing debt ceiling dynamics or the Fed's decision to slow the pace of quantitative tightening. Given the positively sloped shape of the money market yield curve, we favor a mix of floating rate in the front end with fixed rate in longer maturities.

The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (06/30/2025) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

Fixed – Income Sector Outlook – 3Q 2025



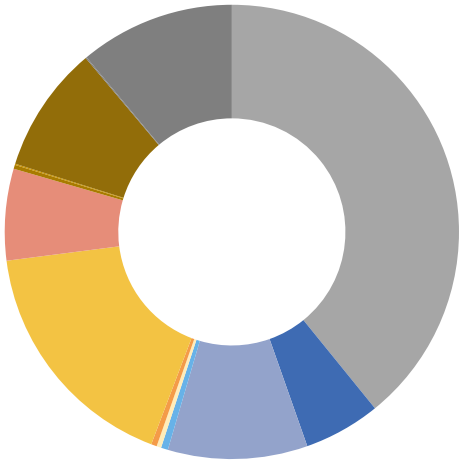
Account Summary

Consolidated Summary

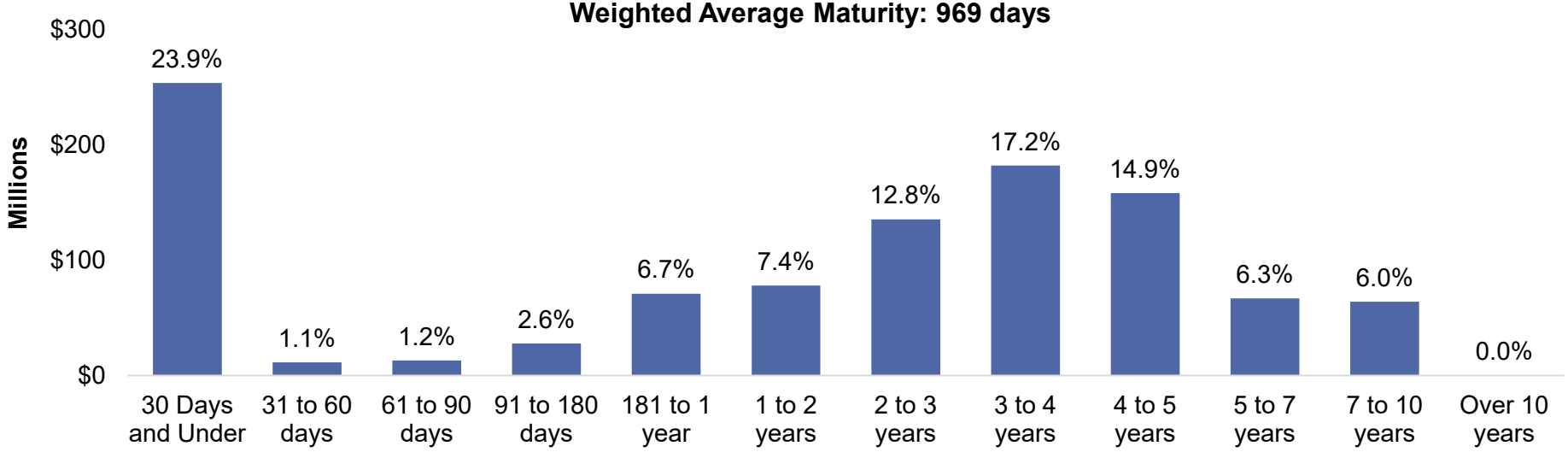
Account Summary

Reserve Portfolio[1]	$815,359,573
Short Term Portfolio[1]	$31,638,658
BMO Main Account	$117,219,682
CAMP Pool	$95,688,874
Local Agency Investment Fund	$868,382
Total Program	**$1,060,775,169**

Sector Allocation



Maturity Distribution
Weighted Average Maturity: 969 days



1. Reserve Portfolio includes both the PFMAM Reserve portfolio assets and Chandler Asset Management assets. Short-Term Portfolio comprises assets managed by Chandler Asset Management. Portfolio figures include cash in portfolios' sweep accounts and excludes accrued interest.

Portfolio Review:
CITY OF STOCKTON RESERVE PORTFOLIO

Certificate of Compliance

During the reporting period for the quarter ended June 30, 2025, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc.*

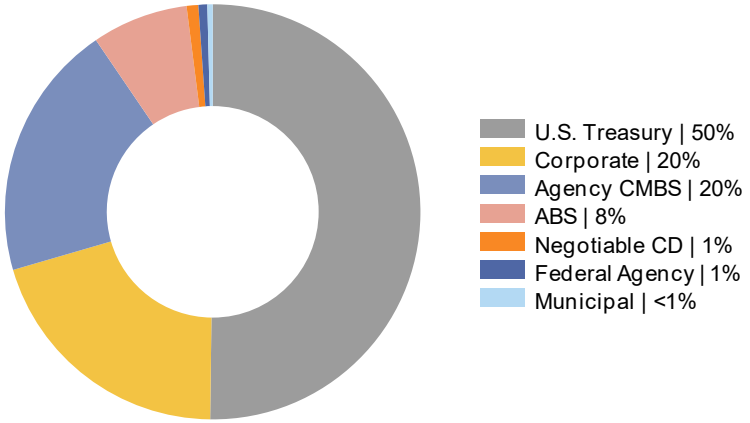
Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Financial LP Asset and Investment Management ("AIM").

Portfolio Snapshot - CITY OF STOCKTON RESERVE PORTFOLIO[1]

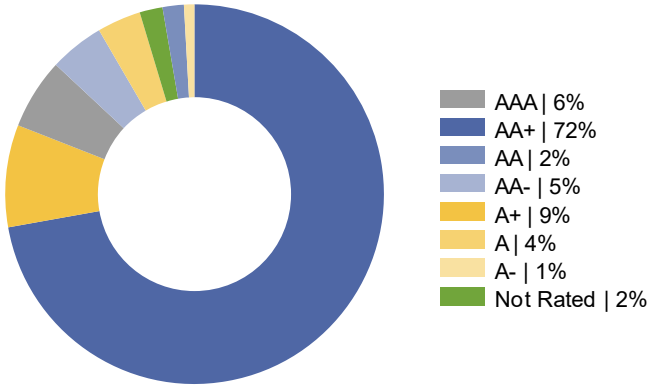
Portfolio Statistics

Total Market Value	$476,893,453.64
Securities Sub-Total	*$472,902,362.15*
Accrued Interest	*$3,283,439.33*
Cash	*$707,652.16*
Portfolio Effective Duration	3.16 years
Benchmark Effective Duration	3.22 years
Yield At Cost	4.15%
Yield At Market	4.05%
Portfolio Credit Quality	AA

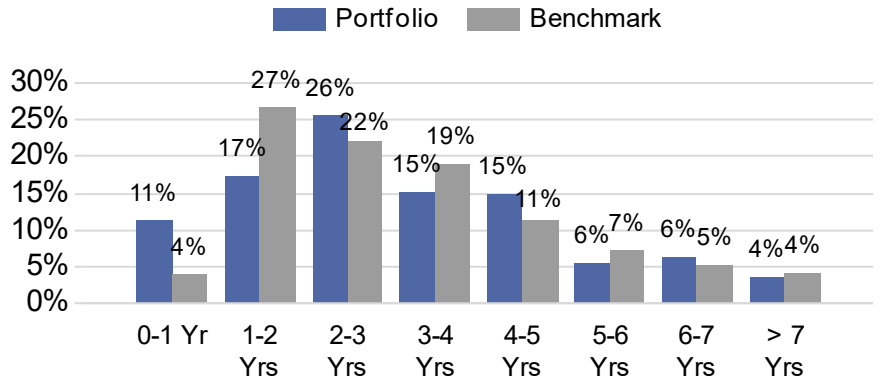
Sector Allocation



Credit Quality - S&P



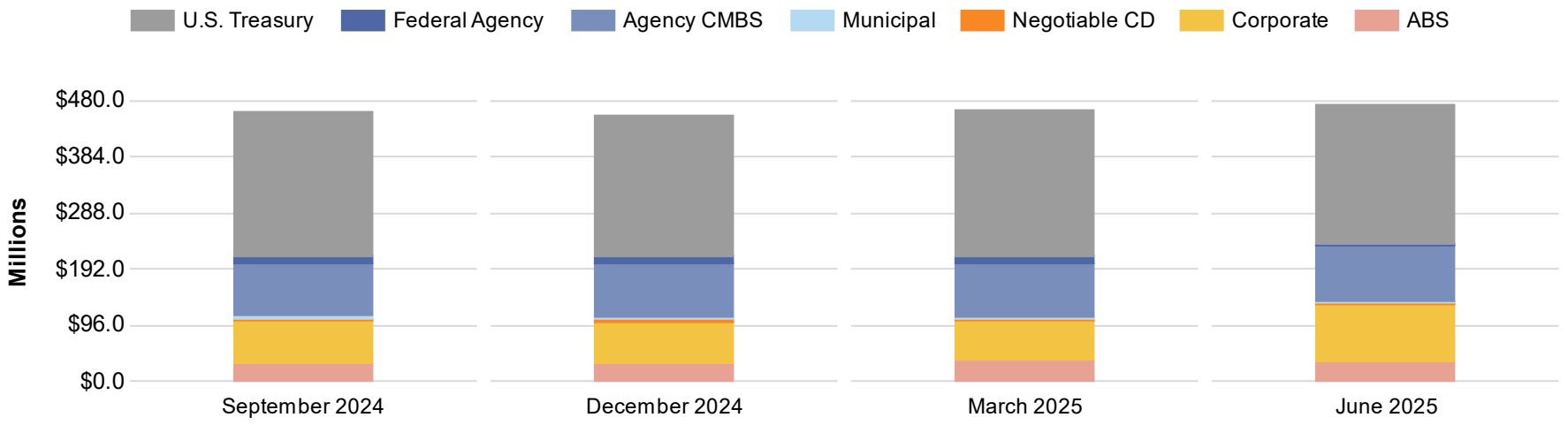
Duration Distribution



1. *Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest.*
The portfolio's benchmark is Ccurrently 80% ICE BofA 1-5 Year AAA-A US Corporate & Government Index and 20% ICE BofA 5-10 Year US Treasury Index. Prior to 3/31/23 it was the ICE BofA 1-5 Year AAA-A US Corporate & Government Index. Source: Bloomberg Financial LP.
An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

Sector Allocation Review - CITY OF STOCKTON RESERVE PORTFOLIO

Security Type	Sep-24	% of Total	Dec-24	% of Total	Mar-25	% of Total	Jun-25	% of Total
U.S. Treasury	$244.8	53.2%	$240.8	52.8%	$251.9	54.0%	$237.7	50.2%
Federal Agency	$14.3	3.1%	$14.4	3.2%	$11.0	2.4%	$3.1	0.7%
Agency CMBS	$88.8	19.3%	$90.8	19.9%	$91.7	19.7%	$94.5	20.0%
Municipal	$3.8	0.8%	$3.1	0.7%	$3.2	0.7%	$1.9	0.4%
Negotiable CD	$4.3	0.9%	$4.3	0.9%	$4.3	0.9%	$4.3	0.9%
Corporate	$72.0	15.7%	$70.7	15.5%	$67.8	14.6%	$95.9	20.3%
ABS	$32.3	7.0%	$31.8	7.0%	$36.1	7.7%	$35.5	7.5%
Total	**$460.3**	**100.0%**	**$455.8**	**100.0%**	**$465.8**	**100.0%**	**$472.9**	**100.0%**

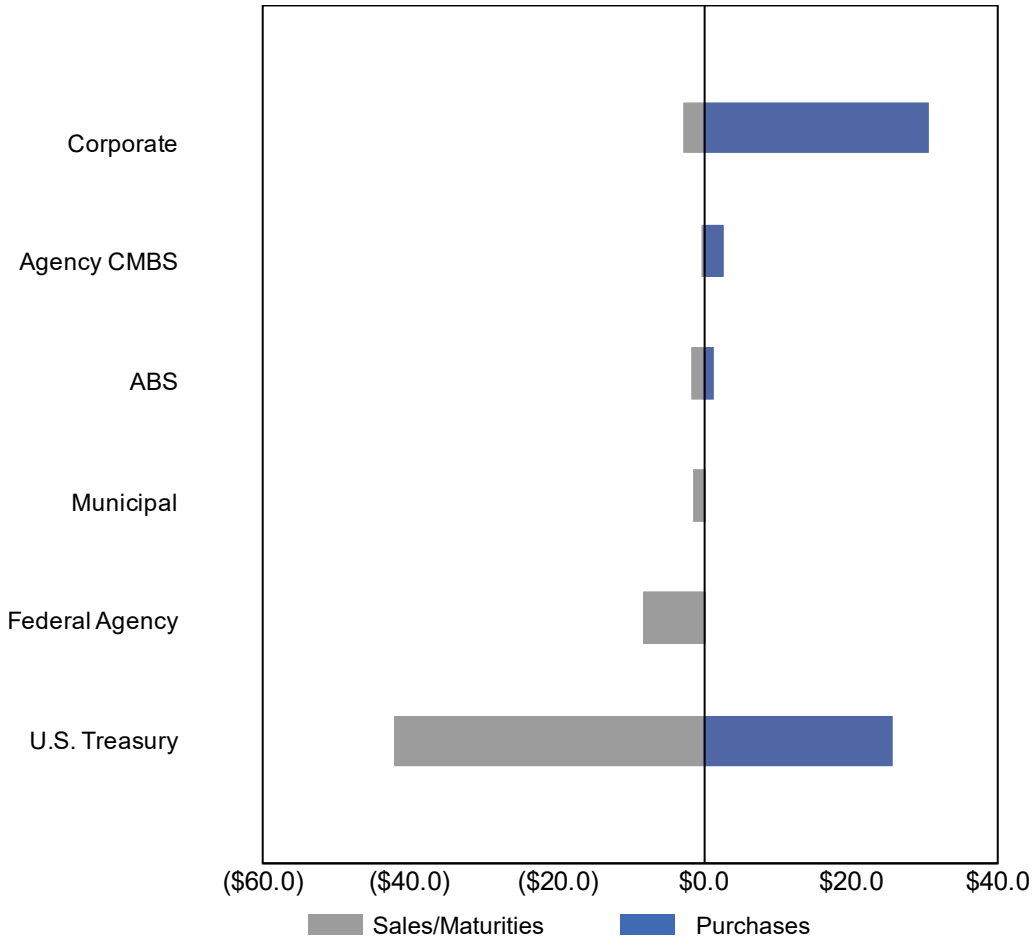


Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

Portfolio Activity - CITY OF STOCKTON RESERVE PORTFOLIO

Net Activity by Sector

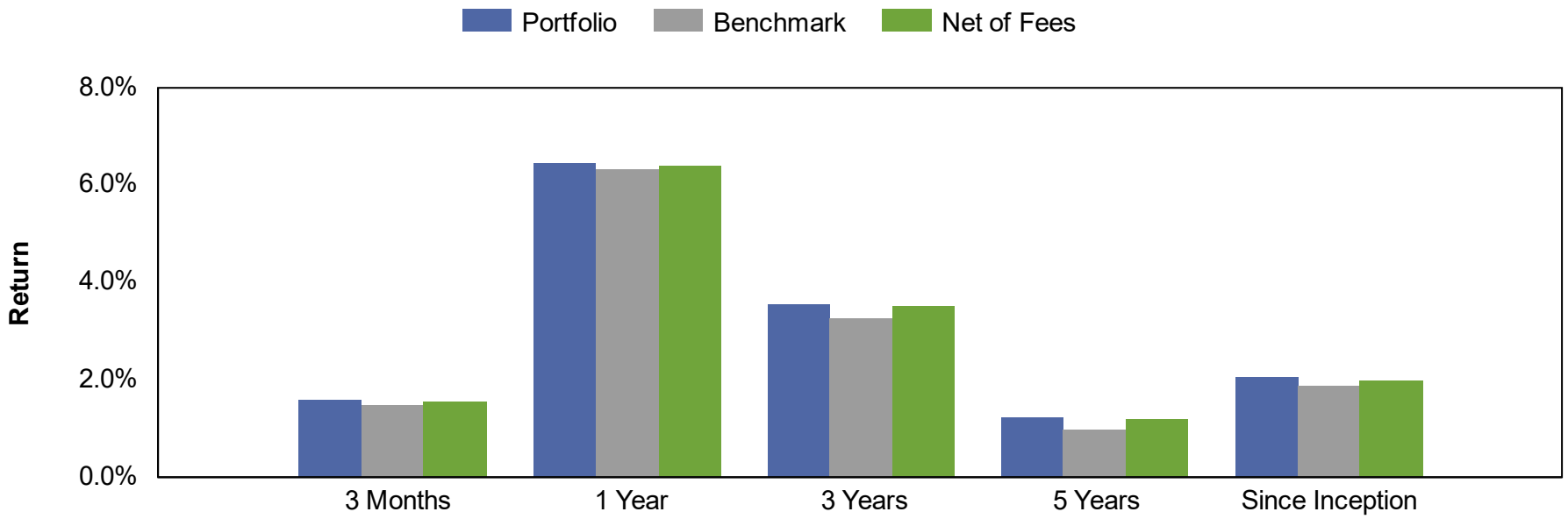
($ millions)



Sector	Net Activity
Corporate	$27,741,669
Agency CMBS	$2,369,972
ABS	($546,015)
Municipal	($1,309,257)
Federal Agency	($7,999,437)
U.S. Treasury	($16,433,440)
Total Net Activity	**$3,823,492**

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

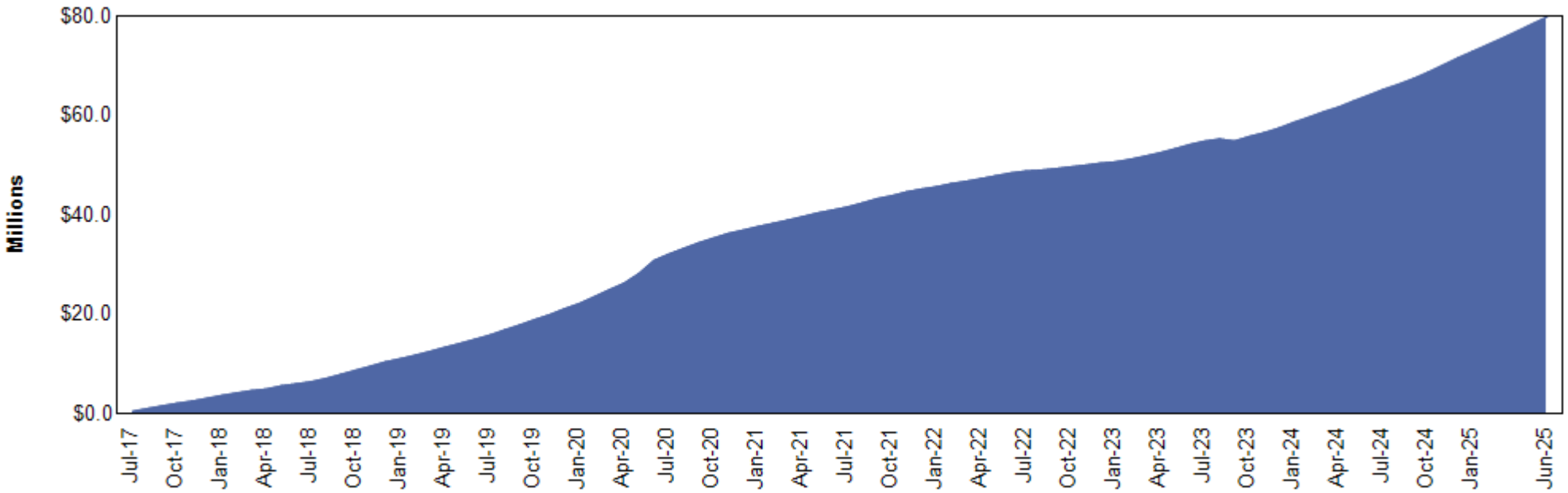
Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception[1]
Interest Earned[2]	$4,217,695	$15,399,690	$32,117,971	$48,323,728	$74,766,545
Change in Market Value	$3,185,250	$13,502,808	$15,253,437	($26,976,844)	($5,798,053)
Total Dollar Return	**$7,402,945**	**$28,902,498**	**$47,371,408**	**$21,346,884**	**$68,968,492**
Total Return[3]					
Portfolio	1.58%	6.45%	3.56%	1.23%	2.05%
Benchmark[4]	1.47%	6.35%	3.27%	0.96%	1.86%
Basis Point Fee	0.01%	0.04%	0.04%	0.05%	0.05%
Net of Fee Return	1.57%	6.41%	3.53%	1.18%	2.01%

1. *The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is June 30, 2017.*
2. *Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.*
3. *Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.*
4. *The portfolio's benchmark is Ccurrently 80% ICE BofA 1-5 Year AAA-A US Corporate & Government Index and 20% ICE BofA 5-10 Year US Treasury Index. Prior to 3/31/23 it was the ICE BofA 1-5 Year AAA-A US Corporate & Government Index. Source: Bloomberg Financial LP.*

Accrual Basis Earnings - CITY OF STOCKTON RESERVE PORTFOLIO



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	Since Inception[1]
Interest Earned[2]	$4,217,695	$15,399,690	$32,117,971	$48,323,728	$74,766,545
Realized Gains / (Losses)[3]	($497,737)	($1,964,700)	($19,768,936)	($16,676,949)	($14,299,818)
Change in Amortized Cost	$528,253	$2,342,996	$19,059,214	$17,401,394	$19,399,770
Total Earnings	**$4,248,210**	**$15,777,986**	**$31,408,249**	**$49,048,173**	**$79,866,496**

1. *The lesser of 10 years or since inception is shown. Performance inception date is June 30, 2017.*
2. *Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.*
3. *Realized gains / (losses) are shown on an amortized cost basis.*

Factors to Consider for 6-12 Months

Monetary Policy (Global):

- The Fed held rates steady in Q2 amid healthy labor markets and tariff-driven inflation concerns.
- The "dot plot" still signals 50 bps in cuts for 2025 but views have diverged as seven members are calling for no cuts in 2025.
- Other major central banks (except Japan) continued cutting rates as global inflation cools, though tariffs pose inflation risks and cloud the outlook.

Economic Growth (Global):

- U.S. growth turned negative in early 2025, driven by a historically high trade deficit and weaker consumer spending. Strong inventory build and fixed investment helped offset this weakness.
- The drag to GDP from net exports is expected to reverse, but declining consumer confidence may dampen spending and investment.
- Escalating trade and geopolitical tensions create the potential for slower global growth.

Inflation (U.S.):

- Inflation has moved closer to the Fed's 2% target, but tariff-driven price pressures may emerge as businesses deplete pre-tariff inventories.
- Fed Chair Powell said that he does expect tariffs to impact inflation but that the size, duration, and time of tariff effects are highly uncertain.

Financial Conditions (U.S.):

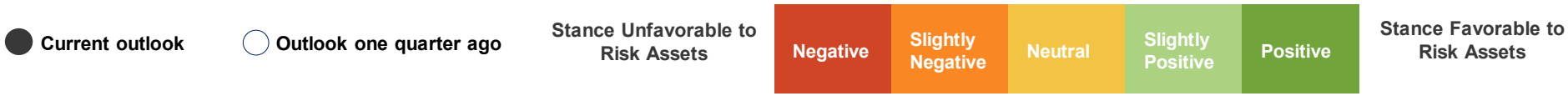
- Financial conditions swung sharply during the quarter as the tariff rollout caused equities to sell off, credit spreads to widen, and heightened Treasury volatility.
- The announcement of tariff pauses sparked a risk-on trade resulting in equities near record highs and credit spreads tightening beyond long-run averages.
- The evolving fiscal landscape and persistent uncertainty may lead to tightening financial conditions over the next 6-12 months.

Consumer Spending (U.S.):

- Consumer sentiment remains subdued due to expectations of higher prices, weaker labor markets, and tepid growth. Sentiment has improved slightly since April amid tariff negotiation progress but remains low.
- A sharp labor market downturn remains the biggest threat to consumer spending.
- Tariff-driven inflation increases present additional risks such as slower real wage growth and reduced spending.

Labor Markets (U.S.):

- The labor market remains healthy, though early signs of cooling are emerging, particularly in rising jobless claims.
- Monthly job gains have slowed but still match labor force growth. Slower population growth may lower the job creation rate needed to maintain stable unemployment.
- With hiring and quits rates low, any acceleration in layoffs may result in job seekers remaining unemployed for longer.



Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg Finance L.P. and FactSet. The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (6/30/2025) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

Reserve Portfolio Holdings and Transactions

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 11/30/2020 0.375% 11/30/2025	91282CAZ4	7,500.00	AA+	Aa1	11/1/2021	11/2/2021	7,297.27	1.05	2.38	7,479.30	7,379.59
US TREASURY N/B DTD 01/31/2019 2.625% 01/31/2026	9128286A3	1,482,500.00	AA+	Aa1	2/4/2021	2/4/2021	1,641,000.10	0.46	16,232.76	1,501,116.37	1,468,862.48
US TREASURY N/B DTD 03/01/2021 0.500% 02/28/2026	91282CBQ3	10,690,000.00	AA+	Aa1	2/2/2022	2/3/2022	10,249,872.66	1.55	17,865.08	10,618,323.81	10,433,707.25
US TREASURY N/B DTD 03/01/2021 0.500% 02/28/2026	91282CBQ3	1,980,000.00	AA+	Aa1	12/3/2021	12/7/2021	1,926,632.81	1.15	3,308.97	1,971,635.45	1,932,529.50
US TREASURY N/B DTD 06/01/2021 0.750% 05/31/2026	91282CCF6	3,155,000.00	AA+	Aa1	10/4/2021	10/6/2021	3,133,186.13	0.90	2,004.20	3,150,709.17	3,062,167.28
US TREASURY N/B DTD 06/01/2021 0.750% 05/31/2026	91282CCF6	805,000.00	AA+	Aa1	6/7/2021	6/7/2021	803,176.17	0.80	511.37	804,665.11	781,313.68
US TREASURY N/B DTD 06/01/2021 0.750% 05/31/2026	91282CCF6	4,360,000.00	AA+	Aa1	6/6/2022	6/8/2022	3,995,871.88	2.99	2,769.67	4,276,298.15	4,231,711.36
US TREASURY N/B DTD 09/30/2021 0.875% 09/30/2026	91282CCZ2	3,700,000.00	AA+	Aa1	4/5/2022	4/7/2022	3,406,746.09	2.77	8,137.98	3,618,311.68	3,563,995.40
US TREASURY N/B DTD 11/15/2016 2.000% 11/15/2026	912828U24	2,540,000.00	AA+	Aa1	8/8/2022	8/9/2022	2,437,606.25	3.01	6,488.04	2,507,029.08	2,476,599.06
US TREASURY N/B DTD 02/15/2017 2.250% 02/15/2027	912828V98	855,000.00	AA+	Aa1	8/8/2022	8/9/2022	828,515.04	2.99	7,227.35	845,471.19	834,092.69
US TREASURY N/B DTD 02/15/2017 2.250% 02/15/2027	912828V98	1,390,000.00	AA+	Aa1	5/12/2023	5/12/2023	1,328,047.27	3.52	11,749.72	1,363,236.42	1,356,010.33
US TREASURY N/B DTD 03/31/2022 2.500% 03/31/2027	91282CEF4	5,350,000.00	AA+	Aa1	5/9/2023	5/10/2023	5,138,925.78	3.60	33,620.22	5,255,231.98	5,235,477.90
US TREASURY N/B DTD 04/30/2020 0.500% 04/30/2027	912828ZN3	4,840,000.00	AA+	Aa1	8/2/2022	8/3/2022	4,331,989.06	2.88	4,077.17	4,643,956.49	4,563,214.92
US TREASURY N/B DTD 06/30/2022 3.250% 06/30/2027	91282CEW7	4,300,000.00	AA+	Aa1	3/30/2023	3/31/2023	4,214,000.00	3.76	379.76	4,259,604.38	4,261,201.10
US TREASURY N/B DTD 06/30/2020 0.500% 06/30/2027	912828ZV5	4,215,000.00	AA+	Aa1	8/25/2022	8/26/2022	3,705,577.73	3.21	57.27	4,005,068.49	3,955,183.19

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 08/01/2022 2.750% 07/31/2027	91282CFB2	5,000,000.00	AA+	Aa1	5/12/2023	5/12/2023	4,857,226.56	3.48	57,354.97	4,929,586.10	4,901,955.00
US TREASURY N/B DTD 08/15/2017 2.250% 08/15/2027	9128282R0	2,730,000.00	AA+	Aa1	9/1/2022	9/6/2022	2,588,274.61	3.40	23,076.80	2,669,114.65	2,647,780.59
US TREASURY N/B DTD 08/31/2022 3.125% 08/31/2027	91282CFH9	5,030,000.00	AA+	Aa1	3/24/2023	3/24/2023	4,971,644.14	3.41	52,538.21	5,001,524.07	4,967,517.34
US TREASURY N/B DTD 09/30/2020 0.375% 09/30/2027	91282CAL5	1,175,000.00	AA+	Aa1	10/28/2022	10/31/2022	978,600.59	4.17	1,107.58	1,085,170.52	1,090,867.65
US TREASURY N/B DTD 10/31/2022 4.125% 10/31/2027	91282CFU0	4,250,000.00	AA+	Aa1	3/30/2023	3/31/2023	4,320,224.61	3.73	29,536.35	4,285,720.22	4,288,347.75
US TREASURY N/B DTD 11/02/2020 0.500% 10/31/2027	91282CAU5	5,340,000.00	AA+	Aa1	1/4/2023	1/6/2023	4,547,552.34	3.91	4,498.37	4,956,165.20	4,958,900.22
US TREASURY N/B DTD 10/31/2022 4.125% 10/31/2027	91282CFU0	1,790,000.00	AA+	Aa1	12/1/2022	12/2/2022	1,820,346.09	3.74	12,440.01	1,804,411.86	1,806,151.17
US TREASURY N/B DTD 01/03/2023 3.875% 12/31/2027	91282CGC9	2,945,000.00	AA+	Aa1	2/1/2023	2/2/2023	2,981,582.42	3.60	310.11	2,963,627.86	2,957,310.10
US TREASURY N/B DTD 02/01/2021 0.750% 01/31/2028	91282CBJ9	4,500,000.00	AA+	Aa1	5/12/2023	5/12/2023	3,976,347.66	3.44	14,078.04	4,213,433.15	4,174,276.50
US TREASURY N/B DTD 02/01/2021 0.750% 01/31/2028	91282CBJ9	540,000.00	AA+	Aa1	3/14/2022	3/15/2022	498,382.03	2.15	1,689.36	521,709.79	500,913.18
US TREASURY N/B DTD 02/28/2023 4.000% 02/29/2028	91282CGP0	4,825,000.00	AA+	Aa1	3/24/2023	3/24/2023	4,967,299.80	3.35	64,508.15	4,901,792.96	4,860,999.33
US TREASURY N/B DTD 03/31/2023 3.625% 03/31/2028	91282CGT2	1,975,000.00	AA+	Aa1	3/30/2023	3/31/2023	1,971,991.21	3.66	17,996.24	1,973,346.57	1,971,296.88
US TREASURY N/B DTD 03/31/2021 1.250% 03/31/2028	91282CBS9	5,735,000.00	AA+	Aa1	5/9/2023	5/10/2023	5,152,315.04	3.53	18,019.81	5,407,626.92	5,369,170.09
US TREASURY N/B DTD 03/31/2021 1.250% 03/31/2028	91282CBS9	1,985,000.00	AA+	Aa1	5/8/2023	5/10/2023	1,786,655.08	3.49	6,237.02	1,873,562.79	1,858,378.84
US TREASURY N/B DTD 05/01/2023 3.500% 04/30/2028	91282CHA2	215,000.00	AA+	Aa1	5/1/2023	5/1/2023	213,975.39	3.61	1,267.80	214,419.80	213,807.40
US TREASURY N/B DTD 09/30/2021 1.250% 09/30/2028	91282CCY5	525,000.00	AA+	Aa1	3/14/2022	3/15/2022	495,591.79	2.17	1,649.59	510,400.44	485,604.53
US TREASURY N/B DTD 11/16/1998 5.250% 11/15/2028	912810FF0	1,000,000.00	AA+	Aa1	11/30/2022	11/30/2022	1,064,765.63	4.02	6,705.16	1,036,681.68	1,047,539.00

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 05/31/2024 4.500% 05/31/2029	91282CKT7	960,000.00	AA+	Aa1	6/6/2024	6/7/2024	968,700.00	4.30	3,659.02	966,991.07	986,062.08
US TREASURY N/B DTD 05/31/2022 2.750% 05/31/2029	91282CES6	490,000.00	AA+	Aa1	1/11/2023	1/12/2023	464,523.83	3.67	1,141.33	474,371.12	472,429.09
US TREASURY N/B DTD 06/30/2022 3.250% 06/30/2029	91282CEV9	490,000.00	AA+	Aa1	7/7/2023	7/10/2023	464,026.17	4.26	43.27	472,620.63	480,984.98
US TREASURY N/B DTD 07/31/2024 4.000% 07/31/2029	91282CLC3	6,075,000.00	AA+	Aa1	8/1/2024	8/2/2024	6,117,240.23	3.85	101,361.88	6,110,125.25	6,131,005.42
US TREASURY N/B DTD 08/16/1999 6.125% 08/15/2029	912810FJ2	1,775,000.00	AA+	Aa1	1/10/2023	1/11/2023	2,023,083.98	3.72	40,844.61	1,930,155.51	1,934,334.65
US TREASURY N/B DTD 08/15/2019 1.625% 08/15/2029	912828YB0	520,000.00	AA+	Aa1	3/21/2022	3/22/2022	496,518.75	2.29	3,174.59	506,917.22	478,745.28
US TREASURY N/B DTD 08/31/2022 3.125% 08/31/2029	91282CFJ5	2,120,000.00	AA+	Aa1	2/27/2023	2/28/2023	2,000,998.44	4.12	22,143.34	2,043,770.89	2,068,573.04
US TREASURY N/B DTD 10/31/2024 4.125% 10/31/2029	91282CLR0	1,700,000.00	AA+	Aa1	11/1/2024	11/4/2024	1,695,816.41	4.18	11,814.54	1,696,324.60	1,724,039.70
US TREASURY N/B DTD 10/31/2024 4.125% 10/31/2029	91282CLR0	950,000.00	AA+	Aa1	11/14/2024	11/15/2024	942,949.22	4.29	6,602.24	943,765.06	963,433.95
US TREASURY N/B DTD 11/30/2022 3.875% 11/30/2029	91282CFY2	1,070,000.00	AA+	Aa1	11/30/2022	11/30/2022	1,069,289.45	3.89	3,511.85	1,069,551.77	1,074,556.06
US TREASURY N/B DTD 01/03/2023 3.875% 12/31/2029	91282CGB1	2,030,000.00	AA+	Aa1	1/10/2023	1/11/2023	2,059,339.84	3.64	213.76	2,048,945.29	2,038,327.06
US TREASURY N/B DTD 12/31/2024 4.375% 12/31/2029	91282CMD0	4,135,000.00	AA+	Aa1	1/6/2025	1/7/2025	4,125,793.16	4.43	491.59	4,126,601.80	4,236,758.22
US TREASURY N/B DTD 01/31/2025 4.250% 01/31/2030	91282CMG3	470,000.00	AA+	Aa1	2/5/2025	2/6/2025	470,110.16	4.24	8,332.11	470,102.74	479,197.90
US TREASURY N/B DTD 02/18/2020 1.500% 02/15/2030	912828Z94	542,500.00	AA+	Aa1	4/6/2022	4/11/2022	498,040.43	2.66	3,057.18	516,292.58	490,856.71
US TREASURY N/B DTD 02/28/2023 4.000% 02/28/2030	91282CGQ8	1,875,000.00	AA+	Aa1	3/4/2025	3/5/2025	1,875,512.70	3.99	25,067.93	1,875,490.31	1,892,943.75
US TREASURY N/B DTD 03/31/2025 4.000% 03/31/2030	91282CMU2	4,500,000.00	AA+	Aa1	4/1/2025	4/2/2025	4,522,500.00	3.89	45,245.90	4,521,502.44	4,540,959.00
US TREASURY N/B DTD 03/31/2025 4.000% 03/31/2030	91282CMU2	2,830,000.00	AA+	Aa1	3/28/2025	3/31/2025	2,826,573.05	4.03	28,454.64	2,826,740.09	2,855,758.66

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 05/01/2023 3.500% 04/30/2030	91282CGZ8	3,880,000.00	AA+	Aa1	4/25/2024	4/26/2024	3,632,498.44	4.73	22,879.35	3,675,785.24	3,829,226.32
US TREASURY N/B DTD 02/15/2000 6.250% 05/15/2030	912810FM5	925,000.00	AA+	Aa1	11/30/2022	11/30/2022	1,065,123.05	3.89	7,383.66	1,016,545.69	1,024,835.25
US TREASURY N/B DTD 05/15/2020 0.625% 05/15/2030	912828ZQ6	2,535,000.00	AA+	Aa1	1/10/2023	1/11/2023	2,057,608.01	3.56	2,023.52	2,218,222.55	2,180,495.46
US TREASURY N/B DTD 02/15/2000 6.250% 05/15/2030	912810FM5	2,160,000.00	AA+	Aa1	1/11/2023	1/12/2023	2,519,859.38	3.64	17,241.85	2,398,876.80	2,393,128.80
US TREASURY N/B DTD 05/31/2023 3.750% 05/31/2030	91282CHF1	9,900,000.00	AA+	Aa1	6/4/2025	6/5/2025	9,807,574.22	3.96	31,444.67	9,808,803.76	9,876,794.40
US TREASURY N/B DTD 05/31/2023 3.750% 05/31/2030	91282CHF1	2,830,000.00	AA+	Aa1	7/12/2023	7/12/2023	2,783,459.77	4.03	8,988.73	2,796,783.41	2,823,366.48
US TREASURY N/B DTD 08/17/2020 0.625% 08/15/2030	91282CAE1	2,545,000.00	AA+	Aa1	1/10/2023	1/11/2023	2,052,204.49	3.56	5,975.83	2,212,500.76	2,170,108.77
US TREASURY N/B DTD 08/17/2020 0.625% 08/15/2030	91282CAE1	587,500.00	AA+	Aa1	4/6/2022	4/11/2022	498,755.37	2.65	1,379.49	533,024.54	500,958.31
US TREASURY N/B DTD 08/17/2020 0.625% 08/15/2030	91282CAE1	2,540,000.00	AA+	Aa1	2/27/2023	2/28/2023	1,995,586.72	3.97	5,964.09	2,166,202.84	2,165,845.30
US TREASURY N/B DTD 11/16/2020 0.875% 11/15/2030	91282CAV3	3,000,000.00	AA+	Aa1	7/11/2023	7/12/2023	2,405,390.63	4.02	3,352.58	2,564,957.81	2,571,915.00
US TREASURY N/B DTD 11/16/2020 0.875% 11/15/2030	91282CAV3	1,330,000.00	AA+	Aa1	11/30/2022	11/30/2022	1,071,065.63	3.72	1,486.31	1,155,150.27	1,140,215.65
US TREASURY N/B DTD 01/31/2024 4.000% 01/31/2031	91282CJX0	1,350,000.00	AA+	Aa1	1/30/2025	1/31/2025	1,323,210.94	4.38	22,524.86	1,324,864.29	1,359,439.20
US TREASURY N/B DTD 02/15/2001 5.375% 02/15/2031	912810FP8	2,955,000.00	AA+	Aa1	7/7/2023	7/10/2023	3,201,326.95	4.09	59,671.41	3,137,283.72	3,178,126.14
US TREASURY N/B DTD 02/15/2001 5.375% 02/15/2031	912810FP8	1,820,000.00	AA+	Aa1	2/27/2023	2/28/2023	1,991,620.31	3.98	36,751.93	1,941,237.45	1,957,424.56
US TREASURY N/B DTD 02/15/2001 5.375% 02/15/2031	912810FP8	1,800,000.00	AA+	Aa1	1/10/2023	1/11/2023	2,021,273.44	3.61	36,348.07	1,953,776.44	1,935,914.40
US TREASURY N/B DTD 02/16/2021 1.125% 02/15/2031	91282CBL4	565,000.00	AA+	Aa1	4/6/2022	4/11/2022	498,104.88	2.63	2,387.98	522,466.13	488,680.93
US TREASURY N/B DTD 04/01/2024 4.125% 03/31/2031	91282CKF7	3,820,000.00	AA+	Aa1	4/25/2024	4/26/2024	3,686,150.78	4.72	39,609.02	3,706,020.41	3,867,750.00

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 05/17/2021 1.625% 05/15/2031	91282CCB5	2,930,000.00	AA+	Aa1	1/11/2023	1/12/2023	2,530,673.05	3.53	6,080.94	2,648,831.86	2,583,550.94
US TREASURY N/B DTD 05/17/2021 1.625% 05/15/2031	91282CCB5	1,265,000.00	AA+	Aa1	11/30/2022	11/30/2022	1,070,802.73	3.76	2,625.39	1,130,168.73	1,115,423.87
US TREASURY N/B DTD 05/31/2024 4.625% 05/31/2031	91282CKU4	5,000,000.00	AA+	Aa1	6/4/2025	6/5/2025	5,147,656.25	4.06	19,586.75	5,146,108.82	5,190,040.00
US TREASURY N/B DTD 07/31/2024 4.125% 07/31/2031	91282CLD1	730,000.00	AA+	Aa1	8/14/2024	8/15/2024	748,164.45	3.72	12,560.74	746,124.72	738,297.91
US TREASURY N/B DTD 08/16/2021 1.250% 08/15/2031	91282CCS8	562,500.00	AA+	Aa1	4/6/2022	4/11/2022	498,515.62	2.63	2,641.57	520,581.14	481,135.50
US TREASURY N/B DTD 08/16/2021 1.250% 08/15/2031	91282CCS8	2,465,000.00	AA+	Aa1	2/27/2023	2/28/2023	1,994,627.93	3.92	11,575.97	2,124,627.20	2,108,442.68
US TREASURY N/B DTD 11/15/2021 1.375% 11/15/2031	91282CDJ7	2,080,000.00	AA+	Aa1	1/10/2023	1/11/2023	1,739,075.00	3.55	3,652.72	1,834,280.68	1,779,456.64
US TREASURY N/B DTD 11/15/2021 1.375% 11/15/2031	91282CDJ7	1,305,000.00	AA+	Aa1	11/30/2022	11/30/2022	1,068,927.54	3.77	2,291.73	1,137,036.46	1,116,437.94
US TREASURY N/B DTD 01/31/2025 4.375% 01/31/2032	91282CMK4	3,400,000.00	AA+	Aa1	2/4/2025	2/5/2025	3,386,984.38	4.44	62,047.65	3,387,639.57	3,480,617.40
US TREASURY N/B DTD 02/15/2022 1.875% 02/15/2032	91282CDY4	2,365,000.00	AA+	Aa1	2/27/2023	2/28/2023	1,999,625.98	3.94	16,659.53	2,094,931.24	2,077,411.27
US TREASURY N/B DTD 05/16/2022 2.875% 05/15/2032	91282CEP2	1,150,000.00	AA+	Aa1	11/30/2022	11/30/2022	1,067,164.06	3.79	4,222.66	1,089,803.65	1,072,959.20
US TREASURY N/B DTD 05/16/2022 2.875% 05/15/2032	91282CEP2	1,100,000.00	AA+	Aa1	7/2/2024	7/3/2024	988,410.16	4.41	4,039.06	1,000,498.76	1,026,308.80
US TREASURY N/B DTD 05/16/2022 2.875% 05/15/2032	91282CEP2	660,000.00	AA+	Aa1	8/5/2022	8/9/2022	662,629.69	2.83	2,423.44	661,850.44	615,785.28
US TREASURY N/B DTD 05/16/2022 2.875% 05/15/2032	91282CEP2	2,175,000.00	AA+	Aa1	1/10/2023	1/11/2023	2,056,224.61	3.57	7,986.33	2,087,624.20	2,029,292.40
US TREASURY N/B DTD 05/16/2022 2.875% 05/15/2032	91282CEP2	2,670,000.00	AA+	Aa1	1/11/2023	1/12/2023	2,525,548.83	3.56	9,803.91	2,563,704.94	2,491,131.36
US TREASURY N/B DTD 08/15/2022 2.750% 08/15/2032	91282CFF3	2,195,000.00	AA+	Aa1	2/27/2023	2/28/2023	1,991,190.82	3.93	22,677.62	2,041,553.39	2,024,973.11
US TREASURY N/B DTD 11/15/2022 4.125% 11/15/2032	91282CFV8	1,055,000.00	AA+	Aa1	11/30/2022	11/30/2022	1,084,877.93	3.78	5,558.10	1,077,125.11	1,062,294.27

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 11/15/2022 4.125% 11/15/2032	91282CFV8	1,965,000.00	AA+	Aa1	1/10/2023	1/11/2023	2,054,269.34	3.57	10,352.29	2,031,877.53	1,978,586.01
US TREASURY N/B DTD 11/15/2022 4.125% 11/15/2032	91282CFV8	3,225,000.00	AA+	Aa1	7/7/2023	7/10/2023	3,242,006.84	4.06	16,990.40	3,238,412.30	3,247,297.65
US TREASURY N/B DTD 11/15/2022 4.125% 11/15/2032	91282CFV8	1,520,000.00	AA+	Aa1	5/14/2025	5/15/2025	1,500,346.88	4.33	8,007.88	1,500,637.03	1,530,509.28
US TREASURY N/B DTD 02/15/2023 3.500% 02/15/2033	91282CGM7	2,065,000.00	AA+	Aa1	2/27/2023	2/28/2023	1,993,450.98	3.92	27,153.04	2,010,237.48	1,990,707.50
US TREASURY N/B DTD 05/15/2023 3.375% 05/15/2033	91282CHC8	1,075,000.00	AA+	Aa1	7/2/2024	7/3/2024	992,191.41	4.43	4,633.75	999,961.63	1,024,777.08
US TREASURY N/B DTD 08/15/2023 3.875% 08/15/2033	91282CHT1	2,385,000.00	AA+	Aa1	10/2/2023	10/2/2023	2,236,496.48	4.67	34,720.86	2,262,778.10	2,348,945.96
US TREASURY N/B DTD 11/15/2023 4.500% 11/15/2033	91282CJJ1	4,340,000.00	AA+	Aa1	10/16/2024	10/17/2024	4,504,784.38	4.00	24,943.21	4,493,993.86	4,458,503.70
US TREASURY N/B DTD 02/15/2024 4.000% 02/15/2034	91282CJZ5	3,880,000.00	AA+	Aa1	4/25/2024	4/26/2024	3,667,357.81	4.70	58,307.18	3,688,142.81	3,840,140.76
US TREASURY N/B DTD 05/15/2024 4.375% 05/15/2034	91282CKQ3	1,000,000.00	AA+	Aa1	7/2/2024	7/3/2024	995,156.25	4.44	5,587.64	995,559.12	1,015,742.00
US TREASURY N/B DTD 08/15/2024 3.875% 08/15/2034	91282CLF6	8,450,000.00	AA+	Aa1	9/4/2024	9/5/2024	8,514,365.23	3.78	123,015.19	8,509,965.37	8,252,286.90
US TREASURY N/B DTD 02/18/2025 4.625% 02/15/2035	91282CMM0	4,350,000.00	AA+	Aa1	4/1/2025	4/2/2025	4,521,621.09	4.13	75,584.25	4,518,097.59	4,489,334.85
Security Type Sub-Total		**243,667,500.00**					**234,356,193.78**	**3.60**	**1,623,748.44**	**238,451,355.86**	**237,747,842.08**
Negotiable CD											
COOPERAT RABOBANK UA/NY DTD 07/20/2023 5.080% 07/17/2026	21684LGS5	4,200,000.00	A+	Aa2	7/17/2023	7/20/2023	4,200,000.00	5.08	97,197.33	4,200,000.00	4,258,363.20
Security Type Sub-Total		**4,200,000.00**					**4,200,000.00**	**5.08**	**97,197.33**	**4,200,000.00**	**4,258,363.20**
Municipal											
FLORIDA ST BRD OF ADM DTD 09/16/2020 1.258% 07/01/2025	341271AD6	1,050,000.00	AA	Aa2	9/3/2020	9/16/2020	1,057,423.50	1.11	6,604.50	1,050,000.00	1,050,000.00

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Municipal											
FLORIDA ST BRD OF ADM DTD 09/16/2020 1.258% 07/01/2025	341271AD6	825,000.00	AA	Aa2	9/3/2020	9/16/2020	825,000.00	1.26	5,189.25	825,000.00	825,000.00
NJ TPK AUTH -B-TXBL DTD 02/04/2021 1.047% 01/01/2026	646140DP5	2,500.00	AA-	A1	1/22/2021	2/4/2021	2,500.00	1.05	13.09	2,500.00	2,461.40
Security Type Sub-Total		**1,877,500.00**					**1,884,923.50**	**1.17**	**11,806.84**	**1,877,500.00**	**1,877,461.40**
Federal Agency											
FEDERAL FARM CREDIT BANK (CALLABLE) DTD 09/29/2020 0.530% 09/29/2025	3133EMBH4	2,265,000.00	AA+	Aa1	10/7/2020	10/9/2020	2,261,036.25	0.57	3,067.82	2,264,805.13	2,244,612.74
FEDERAL HOME LOAN BANK DTD 08/25/2022 3.375% 09/10/2032	3130AT4C8	875,000.00	AA+	Aa1	11/1/2022	11/3/2022	779,616.25	4.77	9,105.47	805,378.20	833,716.62
Security Type Sub-Total		**3,140,000.00**					**3,040,652.50**	**1.71**	**12,173.29**	**3,070,183.33**	**3,078,329.36**
Corporate											
PACCAR FINANCIAL CORP DTD 08/10/2023 5.050% 08/10/2026	69371RS56	3,800,000.00	A+	A1	8/10/2023	8/14/2023	3,815,846.00	4.90	75,160.83	3,805,875.98	3,839,421.20
BANK OF AMERICA NA (CALLABLE) DTD 08/18/2023 5.526% 08/18/2026	06428CAA2	1,885,000.00	A+	Aa2	8/14/2023	8/18/2023	1,885,000.00	5.53	38,483.22	1,885,000.00	1,911,695.37
JP MORGAN CHASE BANK NA (CALLABLE) DTD 12/08/2023 5.110% 12/08/2026	48125LRU8	3,150,000.00	AA-	Aa2	12/5/2023	12/8/2023	3,150,000.00	5.11	10,283.88	3,150,000.00	3,189,702.60
TARGET CORP (CALLABLE) DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	2,140,000.00	A	A2	1/27/2022	1/31/2022	2,138,694.60	1.96	19,242.17	2,139,594.62	2,072,720.54
MICROSOFT CORP (CALLABLE) DTD 02/06/2017 3.300% 02/06/2027	594918BY9	2,325,000.00	AAA	Aaa	1/27/2023	1/31/2023	2,259,644.25	4.07	30,903.13	2,298,993.38	2,301,115.28
GOLDMAN SACHS BANK USA (CALLABLE) DTD 05/21/2024 5.414% 05/21/2027	38151LAG5	2,150,000.00	A+	A1	5/21/2025	5/22/2025	2,163,523.50	5.08	12,933.44	2,162,072.81	2,167,638.60
GOLDMAN SACHS BANK USA (CALLABLE) DTD 05/21/2024 5.414% 05/21/2027	38151LAG5	1,450,000.00	A+	A1	5/21/2025	5/22/2025	1,459,120.50	5.08	8,722.56	1,458,142.13	1,461,895.80

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
TRUIST FINANCIAL CORP (CALLABLE) DTD 08/03/2020 1.125% 08/03/2027	89788MAC6	2,520,000.00	A-	Baa1	8/5/2022	8/9/2022	2,213,719.20	3.83	11,655.00	2,391,614.74	2,368,653.84
HOME DEPOT INC (CALLABLE) DTD 09/14/2017 2.800% 09/14/2027	437076BT8	3,450,000.00	A	A2	1/25/2023	1/27/2023	3,255,385.50	4.15	28,711.67	3,357,420.93	3,360,724.35
JPMORGAN CHASE & CO (CALLABLE) DTD 02/24/2022 2.947% 02/24/2028	46647PCW4	1,605,000.00	A	A1	9/14/2023	9/18/2023	1,467,563.85	5.13	16,686.16	1,522,934.43	1,568,157.23
KENVUE INC (CALLABLE) DTD 10/17/2023 5.050% 03/22/2028	49177JAF9	2,500,000.00	A	A1	6/27/2025	6/30/2025	2,559,025.00	4.12	34,718.75	2,558,968.11	2,559,880.00
JPMORGAN CHASE & CO (CALLABLE) DTD 04/25/2017 3.540% 05/01/2028	46647PAF3	1,725,000.00	A	A1	8/8/2024	8/9/2024	1,672,059.75	4.44	10,177.50	1,683,971.61	1,699,257.83
HERSHEY COMPANY (CALLABLE) DTD 05/04/2023 4.250% 05/04/2028	427866BH0	2,785,000.00	A	A1	5/9/2023	5/11/2023	2,801,821.40	4.11	18,740.73	2,794,474.56	2,807,023.78
APPLE INC (CALLABLE) DTD 05/10/2023 4.000% 05/10/2028	037833ET3	1,370,000.00	AA+	Aaa	5/12/2023	5/16/2023	1,380,946.30	3.82	7,763.33	1,376,199.18	1,374,662.11
APPLE INC (CALLABLE) DTD 05/10/2023 4.000% 05/10/2028	037833ET3	4,675,000.00	AA+	Aaa	5/9/2023	5/11/2023	4,673,083.25	4.01	26,491.67	4,673,903.65	4,690,909.03
MORGAN STANLEY BANK NA (CALLABLE) DTD 05/30/2024 5.504% 05/26/2028	61690U8B9	1,430,000.00	A+	Aa3	5/28/2024	5/30/2024	1,430,000.00	5.50	7,652.09	1,430,000.00	1,459,699.67
MORGAN STANLEY BANK NA (CALLABLE) DTD 05/30/2024 5.504% 05/26/2028	61690U8B9	2,770,000.00	A+	Aa3	5/30/2024	5/31/2024	2,775,844.70	5.45	14,822.58	2,773,562.75	2,827,530.13
JOHN DEERE CAPITAL CORP DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	1,400,000.00	A	A1	6/24/2025	6/25/2025	1,434,272.00	4.09	32,147.50	1,434,099.02	1,434,048.00
JOHN DEERE CAPITAL CORP DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	1,420,000.00	A	A1	7/11/2023	7/14/2023	1,417,884.20	4.98	32,606.75	1,418,715.24	1,454,534.40
JOHN DEERE CAPITAL CORP DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	600,000.00	A	A1	7/13/2023	7/14/2023	608,160.00	4.64	13,777.50	604,954.93	614,592.00
TOYOTA MOTOR CREDIT CORP DTD 09/11/2023 5.250% 09/11/2028	89236TLB9	1,400,000.00	A+	A1	9/6/2023	9/11/2023	1,397,564.00	5.29	22,458.33	1,398,374.47	1,444,273.60
CITIBANK NA (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028	17325FBB3	4,935,000.00	A+	Aa3	9/26/2023	9/29/2023	4,935,000.00	5.80	73,185.50	4,935,000.00	5,159,359.91

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
CITIBANK NA (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028	17325FBB3	1,300,000.00	A+	Aa3	5/1/2024	5/3/2024	1,325,142.00	5.30	19,278.86	1,318,935.60	1,359,101.90
BANK OF AMERICA CORP (CALLABLE) DTD 01/24/2025 4.979% 01/24/2029	06051GMK2	1,865,000.00	A-	A1	4/1/2025	4/2/2025	1,885,664.20	4.66	40,496.56	1,883,955.23	1,890,835.85
BLACKROCK FUNDING INC (CALLABLE) DTD 03/14/2024 4.700% 03/14/2029	09290DAA9	405,000.00	AA-	Aa3	3/5/2024	3/14/2024	404,266.95	4.74	5,657.63	404,442.32	413,532.95
BLACKROCK FUNDING INC (CALLABLE) DTD 03/14/2024 4.700% 03/14/2029	09290DAA9	4,200,000.00	AA-	Aa3	4/9/2024	4/11/2024	4,181,646.00	4.80	58,671.67	4,185,812.48	4,288,489.80
ADOBE INC (CALLABLE) DTD 04/04/2024 4.800% 04/04/2029	00724PAF6	1,450,000.00	A+	A1	4/2/2024	4/4/2024	1,447,578.50	4.84	16,820.00	1,448,127.77	1,486,695.15
ADOBE INC (CALLABLE) DTD 04/04/2024 4.800% 04/04/2029	00724PAF6	1,775,000.00	A+	A1	4/1/2024	4/4/2024	1,772,355.25	4.83	20,590.00	1,772,955.24	1,819,919.93
BANK OF NEW YORK MELLON (CALLABLE) DTD 04/22/2025 4.729% 04/20/2029	06405LAH4	7,000,000.00	AA-	Aa2	4/25/2025	4/28/2025	7,081,900.00	4.40	63,447.42	7,077,347.01	7,097,615.00
MASTERCARD INC (CALLABLE) DTD 05/31/2019 2.950% 06/01/2029	57636QAM6	3,600,000.00	A+	Aa3	6/26/2024	6/27/2024	3,307,140.00	4.82	8,850.00	3,361,775.25	3,458,113.20
PEPSICO INC (CALLABLE) DTD 07/17/2024 4.500% 07/17/2029	713448FX1	2,160,000.00	A+	A1	7/15/2024	7/17/2024	2,156,652.00	4.53	44,280.00	2,157,243.05	2,193,281.28
TOYOTA MOTOR CREDIT CORP DTD 08/09/2024 4.550% 08/09/2029	89236TMK8	370,000.00	A+	A1	8/6/2024	8/9/2024	369,248.90	4.60	6,640.47	369,371.26	372,803.49
TOYOTA MOTOR CREDIT CORP DTD 08/09/2024 4.550% 08/09/2029	89236TMK8	805,000.00	A+	A1	8/7/2024	8/9/2024	804,074.25	4.58	14,447.51	804,227.77	811,099.49
TOYOTA MOTOR CREDIT CORP DTD 08/09/2024 4.550% 08/09/2029	89236TMK8	925,000.00	A+	A1	8/8/2024	8/9/2024	921,198.25	4.64	16,601.18	921,818.48	932,008.73
ELI LILLY & CO (CALLABLE) DTD 08/14/2024 4.200% 08/14/2029	532457CQ9	750,000.00	A+	Aa3	8/12/2024	8/14/2024	748,357.50	4.25	11,987.50	748,624.81	752,696.25
ELI LILLY & CO (CALLABLE) DTD 08/14/2024 4.200% 08/14/2029	532457CQ9	2,600,000.00	A+	Aa3	8/13/2024	8/14/2024	2,604,420.00	4.16	41,556.67	2,603,693.39	2,609,347.00
PEPSICO INC (CALLABLE) DTD 02/07/2025 4.600% 02/07/2030	713448GB8	805,000.00	A+	A1	2/5/2025	2/7/2025	803,647.60	4.64	14,812.00	803,746.06	819,699.30

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
CISCO SYSTEMS INC (CALLABLE) DTD 02/24/2025 4.750% 02/24/2030	17275RBX9	6,917,000.00	AA-	A1	4/21/2025	4/22/2025	7,006,367.64	4.45	115,907.78	7,003,134.96	7,070,045.54
WALMART INC (CALLABLE) DTD 04/28/2025 4.350% 04/28/2030	931142FN8	1,265,000.00	AA	Aa2	4/23/2025	4/28/2025	1,262,811.55	4.39	9,629.81	1,262,881.53	1,279,006.08
WALMART INC (CALLABLE) DTD 04/28/2025 4.350% 04/28/2030	931142FN8	5,416,000.00	AA	Aa2	5/1/2025	5/2/2025	5,464,473.20	4.15	41,229.30	5,463,000.22	5,475,965.95
Security Type Sub-Total		**95,093,000.00**					**94,441,101.79**	**4.58**	**1,098,228.65**	**94,844,964.97**	**95,897,752.16**
Agency CMBS											
FHMS K061 A2 DTD 01/01/2017 3.347% 11/01/2026	3137BTUM1	2,758,627.67	AA+	Aa1	5/19/2023	5/24/2023	2,673,713.66	4.29	7,694.27	2,724,689.00	2,726,026.21
FHMS K064 A2 DTD 05/01/2017 3.224% 03/01/2027	3137BXQY1	4,477,651.00	AA+	Aa1	8/16/2023	8/18/2023	4,223,684.23	4.94	12,029.96	4,355,464.98	4,409,478.76
FHMS K065 A2 DTD 07/01/2017 3.243% 04/01/2027	3137F1G44	2,540,000.00	AA+	Aa1	8/16/2023	8/18/2023	2,394,842.97	4.93	6,864.35	2,468,460.66	2,499,641.94
FHMS K066 A2 DTD 08/01/2017 3.117% 06/01/2027	3137F2LJ3	3,941,658.00	AA+	Aa1	8/17/2023	8/22/2023	3,686,066.11	4.97	10,238.46	3,809,703.83	3,871,468.90
FHMS K507 A1 DTD 09/01/2023 4.800% 04/01/2028	3137HAMR4	3,788,381.87	AA+	Aa1	9/20/2023	9/28/2023	3,728,930.79	5.19	15,153.53	3,749,421.60	3,842,400.41
FHMS K506 A1 DTD 09/01/2023 4.650% 05/01/2028	3137HAMG8	2,061,997.44	AA+	Aa1	9/7/2023	9/14/2023	2,031,160.26	5.01	7,990.24	2,042,070.75	2,087,749.72
FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028	3137HACX2	4,200,000.00	AA+	Aa1	7/13/2023	7/20/2023	4,241,949.60	4.59	16,866.50	4,225,382.46	4,275,196.80
FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	3,366,617.73	AA+	Aa1	7/19/2023	7/27/2023	3,366,533.54	4.78	13,401.94	3,366,566.58	3,393,685.33
FNA 2023-M6 A2 DTD 07/01/2023 4.182% 07/01/2028	3136BQDE6	4,059,327.23	AA+	Aa1	7/18/2023	7/31/2023	3,990,508.95	4.58	14,146.76	4,016,977.51	4,059,424.65
FHMS K508 A2 DTD 10/01/2023 4.740% 08/01/2028	3137HAQ74	4,300,000.00	AA+	Aa1	10/11/2023	10/19/2023	4,205,675.20	5.25	16,985.00	4,235,937.75	4,373,319.30
FHMS KJ47 A1 DTD 09/01/2023 5.272% 08/01/2028	3137HAMN3	2,203,591.98	AA+	Aa1	9/19/2023	9/28/2023	2,203,580.96	5.27	9,681.11	2,203,585.56	2,248,805.28
FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028	3137HAMH6	4,200,000.00	AA+	Aa1	9/7/2023	9/14/2023	4,137,869.40	4.99	16,275.00	4,158,618.25	4,260,429.60

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Agency CMBS											
FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028	3137HAMS2	4,200,000.00	AA+	Aa1	9/20/2023	9/28/2023	4,149,797.40	5.07	16,800.00	4,165,486.90	4,279,590.00
FHMS K509 A2 DTD 10/01/2023 4.850% 09/01/2028	3137HAST4	3,305,000.00	AA+	Aa1	10/25/2023	10/31/2023	3,199,626.69	5.60	13,357.71	3,231,066.92	3,372,362.51
FHMS K511 A2 DTD 12/01/2023 4.860% 10/01/2028	3137HB3G7	2,440,000.00	AA+	Aa1	11/28/2023	12/7/2023	2,432,989.88	4.93	9,882.00	2,435,051.39	2,492,943.12
FHMS K510 A2 DTD 11/01/2023 5.069% 10/01/2028	3137HB3D4	1,675,000.00	AA+	Aa1	11/14/2023	11/21/2023	1,670,157.58	5.14	7,075.48	1,671,604.40	1,719,766.05
FHMS K512 A2 DTD 12/01/2023 5.000% 11/01/2028	3137HBCF9	2,215,000.00	AA+	Aa1	12/11/2023	12/21/2023	2,235,683.67	4.79	9,229.17	2,229,808.25	2,271,307.52
FHMS K514 A2 DTD 02/01/2024 4.572% 12/01/2028	3137HBLV4	2,495,000.00	AA+	Aa1	2/1/2024	2/8/2024	2,519,947.51	4.34	9,505.95	2,513,366.45	2,527,000.87
FHMS K513 A2 DTD 01/01/2024 4.724% 12/01/2028	3137HBFY5	2,505,000.00	AA+	Aa1	1/10/2024	1/18/2024	2,530,022.45	4.50	9,861.35	2,523,253.14	2,549,308.44
FHMS K516 A2 DTD 03/01/2024 5.477% 01/01/2029	3137HBPM0	4,200,000.00	AA+	Aa1	2/29/2024	3/7/2024	4,325,987.40	4.79	19,169.50	4,294,987.12	4,373,086.20
FHMS K517 A2 DTD 03/01/2024 5.355% 01/01/2029	3137HC2C5	3,760,000.00	AA+	Aa1	3/5/2024	3/14/2024	3,872,747.36	4.67	16,779.00	3,845,245.60	3,899,044.80
FHMS K518 A2 DTD 03/01/2024 5.400% 01/01/2029	3137HC2L5	3,040,000.00	AA+	Aa1	3/19/2024	3/28/2024	3,113,400.80	4.83	13,680.00	3,096,810.05	3,158,386.72
FHMS K515 A2 DTD 02/01/2024 5.400% 01/01/2029	3137HBPD0	4,200,000.00	AA+	Aa1	2/14/2024	2/22/2024	4,313,148.00	4.79	18,900.00	4,284,664.84	4,360,847.40
FHMS K520 A2 DTD 04/01/2024 5.180% 03/01/2029	3137HCKV3	2,380,000.00	AA+	Aa1	4/23/2024	4/30/2024	2,389,660.42	5.09	10,273.67	2,387,696.45	2,459,180.22
FHMS K524 A2 DTD 07/01/2024 4.720% 05/01/2029	3137HDV56	3,730,000.00	AA+	Aa1	7/16/2024	7/25/2024	3,752,905.93	4.58	14,671.33	3,749,186.12	3,802,015.11
FHMS K522 A2 DTD 06/01/2024 4.803% 05/01/2029	3137HDJJ0	4,400,000.00	AA+	Aa1	6/5/2024	6/13/2024	4,399,986.80	4.80	17,611.00	4,400,000.00	4,495,422.80
FHMS K529 A2 DTD 10/01/2024 4.791% 09/01/2029	3137HH6C0	2,355,000.00	AA+	Aa1	10/8/2024	10/16/2024	2,402,069.39	4.34	9,402.34	2,395,950.69	2,409,266.27
FHMS K531 A2 DTD 12/01/2024 4.630% 10/01/2029	3137HHUN9	1,805,000.00	AA+	Aa1	12/3/2024	12/12/2024	1,813,198.31	4.53	6,964.29	1,812,359.73	1,836,085.71

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Agency CMBS											
FHMS K541 A2 DTD 06/01/2025 4.348% 02/01/2030	3137HLXV9	2,470,000.00	AA+	Aa1	6/4/2025	6/12/2025	2,469,911.08	4.35	8,949.63	2,469,916.68	2,485,711.67
Security Type Sub-Total		**93,072,852.91**					**92,475,756.34**	**4.84**	**359,439.54**	**92,863,333.66**	**94,538,952.31**
ABS											
HAROT 2022-2 A3 DTD 08/24/2022 3.730% 07/20/2026	43815PAC3	60,137.83	AAA	NR	8/15/2022	8/24/2022	60,134.25	3.73	81.00	60,136.87	60,053.34
CCCIT 2023-A1 A1 DTD 12/11/2023 5.230% 12/08/2027	17305EGW9	930,000.00	AAA	Aaa	12/4/2023	12/11/2023	929,883.38	5.23	3,107.49	929,926.46	932,789.07
KCOT 2023-2A A3 DTD 07/26/2023 5.280% 01/18/2028	500945AC4	1,085,000.00	NR	Aaa	7/18/2023	7/26/2023	1,084,725.93	5.29	2,546.13	1,084,844.09	1,093,925.21
BAAT 2023-1A A3 DTD 07/31/2023 5.530% 02/15/2028	06428AAC2	1,381,645.07	NR	Aaa	7/25/2023	7/31/2023	1,381,592.71	5.53	3,395.78	1,381,614.82	1,390,967.03
HAROT 2023-3 A3 DTD 08/22/2023 5.410% 02/18/2028	43815QAC1	2,292,064.93	AAA	NR	8/15/2023	8/22/2023	2,291,592.30	5.42	4,477.80	2,291,787.96	2,306,729.56
TAOT 2023-C A3 DTD 08/15/2023 5.160% 04/17/2028	89231FAD2	803,596.45	AAA	NR	8/8/2023	8/15/2023	803,414.69	5.17	1,842.91	803,487.74	807,919.00
USAOT 2023-A A3 DTD 09/15/2023 5.580% 05/15/2028	90291VAC4	2,601,617.35	AAA	Aaa	9/7/2023	9/15/2023	2,601,162.07	5.58	6,452.01	2,601,328.00	2,616,243.64
BAAT 2023-2A A3 DTD 11/21/2023 5.740% 06/15/2028	06054YAC1	3,075,000.00	NR	Aaa	11/15/2023	11/21/2023	3,074,944.34	5.74	7,844.67	3,074,966.64	3,104,719.88
FITAT 2023-1 A3 DTD 08/23/2023 5.530% 08/15/2028	31680EAD3	2,653,299.10	AAA	Aaa	8/15/2023	8/23/2023	2,653,134.60	5.53	6,521.22	2,653,195.92	2,673,941.77
TAOT 2023-D A3 DTD 11/14/2023 5.540% 08/15/2028	89239FAD4	805,000.00	AAA	NR	11/7/2023	11/14/2023	804,913.22	5.54	1,982.09	804,942.42	814,399.99
CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028	161571HT4	3,380,000.00	AAA	NR	9/7/2023	9/15/2023	3,379,063.06	5.17	7,751.47	3,379,372.18	3,418,819.30
AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1	3,460,000.00	AAA	NR	9/12/2023	9/19/2023	3,459,845.34	5.23	8,042.58	3,459,898.09	3,498,949.22
HART 2023-C A3 DTD 11/13/2023 5.540% 10/16/2028	44918CAD4	1,190,000.00	AAA	NR	11/3/2023	11/13/2023	1,189,843.52	5.54	2,930.04	1,189,892.81	1,202,905.55
BACCT 2023-A2 A2 DTD 12/14/2023 4.980% 11/15/2028	05522RDH8	1,520,000.00	NR	Aaa	12/7/2023	12/14/2023	1,519,795.86	4.98	3,364.27	1,519,858.72	1,535,955.44

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
ABS											
GMCAR 2024-1 A3 DTD 01/17/2024 4.850% 12/18/2028	36268GAD7	410,000.00	NR	Aaa	1/9/2024	1/17/2024	409,917.55	4.85	828.54	409,939.98	412,024.58
CHAIT 2024-A1 A DTD 01/31/2024 4.600% 01/16/2029	161571HV9	3,825,000.00	AAA	NR	1/24/2024	1/31/2024	3,824,417.45	4.60	7,820.00	3,824,575.75	3,852,666.22
KCOT 2025-1A A3 DTD 02/19/2025 4.670% 06/15/2029	50117FAC5	1,745,000.00	NR	Aaa	2/11/2025	2/19/2025	1,744,940.15	4.67	3,621.84	1,744,949.67	1,767,829.84
HART 2025-A A3 DTD 03/12/2025 4.320% 10/15/2029	44935CAD3	2,870,000.00	AAA	NR	3/4/2025	3/12/2025	2,869,576.67	4.32	5,510.40	2,869,607.41	2,880,762.50
HART 2025-B A3 DTD 06/11/2025 4.360% 12/17/2029	44935XAD7	1,125,000.00	AAA	NR	6/3/2025	6/11/2025	1,124,898.41	4.36	2,725.00	1,124,899.83	1,132,060.50
Security Type Sub-Total		**35,212,360.73**					**35,207,795.50**	**5.14**	**80,845.24**	**35,209,225.36**	**35,503,661.64**
Managed Account Sub Total		**476,263,213.64**					**465,606,423.41**	**4.15**	**3,283,439.33**	**470,516,563.18**	**472,902,362.15**
Securities Sub Total		**$476,263,213.64**					**$465,606,423.41**	**4.15%**	**$3,283,439.33**	**$470,516,563.18**	**$472,902,362.15**
Accrued Interest											**$3,283,439.33**
Total Investments											**$476,185,801.48**

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
BUY									
4/1/2025	4/2/2025	4,350,000.00	91282CMM0	US TREASURY N/B	4.62%	2/15/2035	4,547,186.35	4.13%	
4/1/2025	4/2/2025	1,865,000.00	06051GMK2	BANK OF AMERICA CORP (CALLABLE)	4.97%	1/24/2029	1,903,204.11	4.66%	
4/1/2025	4/2/2025	4,500,000.00	91282CMU2	US TREASURY N/B	4.00%	3/31/2030	4,523,483.61	3.89%	
4/21/2025	4/22/2025	6,917,000.00	17275RBX9	CISCO SYSTEMS INC (CALLABLE)	4.75%	2/24/2030	7,059,301.90	4.45%	
4/23/2025	4/28/2025	1,265,000.00	931142FN8	WALMART INC (CALLABLE)	4.35%	4/28/2030	1,262,811.55	4.39%	
4/25/2025	4/28/2025	7,000,000.00	06405LAH4	BANK OF NEW YORK MELLON (CALLABLE)	4.72%	4/20/2029	7,087,417.17	4.40%	
5/1/2025	5/2/2025	5,416,000.00	931142FN8	WALMART INC (CALLABLE)	4.35%	4/28/2030	5,467,090.93	4.15%	
5/14/2025	5/15/2025	1,520,000.00	91282CFV8	US TREASURY N/B	4.12%	11/15/2032	1,500,346.88	4.33%	
5/21/2025	5/22/2025	1,450,000.00	38151LAG5	GOLDMAN SACHS BANK USA (CALLABLE)	5.41%	5/21/2027	1,459,338.56	5.08%	
5/21/2025	5/22/2025	2,150,000.00	38151LAG5	GOLDMAN SACHS BANK USA (CALLABLE)	5.41%	5/21/2027	2,163,846.84	5.08%	
6/3/2025	6/11/2025	1,125,000.00	44935XAD7	HART 2025-B A3	4.36%	12/17/2029	1,124,898.41	4.36%	
6/4/2025	6/5/2025	9,900,000.00	91282CHF1	US TREASURY N/B	3.75%	5/31/2030	9,812,645.94	3.96%	
6/4/2025	6/12/2025	2,470,000.00	3137HLXV9	FHMS K541 A2	4.34%	2/1/2030	2,473,192.61	4.35%	
6/4/2025	6/5/2025	5,000,000.00	91282CKU4	US TREASURY N/B	4.62%	5/31/2031	5,150,815.40	4.06%	
6/24/2025	6/25/2025	1,400,000.00	24422EXB0	JOHN DEERE CAPITAL CORP	4.95%	7/14/2028	1,465,264.50	4.09%	
6/27/2025	6/30/2025	2,500,000.00	49177JAF9	KENVUE INC (CALLABLE)	5.05%	3/22/2028	2,593,393.06	4.12%	
Total BUY		**58,828,000.00**					**59,594,237.82**		**0.00**

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
CALL									
4/2/2025	4/2/2025	1,875,000.00	06051GKM0	BANK OF AMERICA CORP (CALLABLE)	3.38%	4/2/2026	1,875,000.00	3.38%	
Total CALL		**1,875,000.00**					**1,875,000.00**		**0.00**
INTEREST									
4/1/2025	4/1/2025		MONEY0002	MONEY MARKET FUND	0.00%		1,749.46		
4/1/2025	4/25/2025		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	9,402.34		
4/1/2025	4/25/2025		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	16,779.00		
4/1/2025	4/25/2025		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	9,505.95		
4/1/2025	4/25/2025		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	16,985.00		
4/1/2025	4/25/2025		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	16,275.00		
4/1/2025	4/25/2025		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	7,742.16		
4/1/2025	4/25/2025		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	8,013.39		
4/1/2025	4/25/2025		3137HAMR4	FHMS K507 A1	4.80%	4/1/2028	15,371.14		
4/1/2025	4/25/2025		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	14,671.33		
4/1/2025	4/25/2025		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	9,229.17		
4/1/2025	4/25/2025		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	10,238.46		
4/1/2025	4/25/2025		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	9,753.33		
4/1/2025	4/25/2025		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	13,437.54		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
4/1/2025	4/25/2025		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	18,900.00		
4/1/2025	4/25/2025		3137HHUN9	FHMS K531 A2	4.63%	10/1/2029	6,964.29		
4/1/2025	4/25/2025		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	19,169.50		
4/1/2025	4/25/2025		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	13,680.00		
4/1/2025	4/25/2025		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	9,861.35		
4/1/2025	4/25/2025		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	10,273.67		
4/1/2025	4/25/2025		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	13,357.71		
4/1/2025	4/25/2025		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	16,800.00		
4/1/2025	4/25/2025		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	16,866.50		
4/1/2025	4/25/2025		3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	14,174.85		
4/1/2025	4/25/2025		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	7,075.48		
4/1/2025	4/25/2025		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	9,882.00		
4/1/2025	4/25/2025		3137F1G44	FHMS K065 A2	3.24%	4/1/2027	6,864.35		
4/1/2025	4/25/2025		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	17,611.00		
4/1/2025	4/25/2025		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	12,029.96		
4/2/2025	4/2/2025		06051GKM0	BANK OF AMERICA CORP (CALLABLE)	3.38%	4/2/2026	31,725.00		
4/4/2025	4/4/2025		00724PAF6	ADOBE INC (CALLABLE)	4.80%	4/4/2029	77,400.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
4/13/2025	4/13/2025		023135CE4	AMAZON.COM INC	3.00%	4/13/2025	112.50		
4/15/2025	4/15/2025		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	15,079.83		
4/15/2025	4/15/2025		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	3,716.42		
4/15/2025	4/15/2025		06428AAC2	BAAT 2023-1A A3	5.53%	2/15/2028	7,847.43		
4/15/2025	4/15/2025		89231FAD2	TAOT 2023-C A3	5.16%	4/17/2028	3,547.50		
4/15/2025	4/15/2025		161571HV9	CHAIT 2024-A1 A	4.60%	1/16/2029	14,662.50		
4/15/2025	4/15/2025		500945AC4	KCOT 2023-2A A3	5.28%	1/18/2028	4,774.00		
4/15/2025	4/15/2025		90291VAC4	USAOT 2023-A A3	5.58%	5/15/2028	15,375.05		
4/15/2025	4/15/2025		31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	13,272.00		
4/15/2025	4/15/2025		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	5,493.83		
4/15/2025	4/15/2025		50117FAC5	KCOT 2025-1A A3	4.67%	6/15/2029	6,790.96		
4/15/2025	4/15/2025		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	6,308.00		
4/15/2025	4/15/2025		44935CAD3	HART 2025-A A3	4.32%	10/15/2029	11,365.20		
4/15/2025	4/15/2025		06054YAC1	BAAT 2023-2A A3	5.74%	6/15/2028	14,708.75		
4/15/2025	4/15/2025		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	14,534.00		
4/16/2025	4/16/2025		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	1,657.08		
4/18/2025	4/18/2025		43815QAC1	HAROT 2023-3 A3	5.41%	2/18/2028	11,902.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
4/18/2025	4/18/2025		43815PAC3	HAROT 2022-2 A3	3.73%	7/20/2026	338.60		
4/30/2025	4/30/2025		91282CGZ8	US TREASURY N/B	3.50%	4/30/2030	67,900.00		
4/30/2025	4/30/2025		91282CAU5	US TREASURY N/B	0.50%	10/31/2027	13,350.00		
4/30/2025	4/30/2025		91282CHA2	US TREASURY N/B	3.50%	4/30/2028	3,762.50		
4/30/2025	4/30/2025		91282CLR0	US TREASURY N/B	4.12%	10/31/2029	54,656.25		
4/30/2025	4/30/2025		912828ZL7	US TREASURY N/B	0.37%	4/30/2025	210.94		
4/30/2025	4/30/2025		912828ZN3	US TREASURY N/B	0.50%	4/30/2027	12,100.00		
4/30/2025	4/30/2025		91282CFU0	US TREASURY N/B	4.12%	10/31/2027	124,575.00		
5/1/2025	5/1/2025		MONEY0002	MONEY MARKET FUND	0.00%		1,808.44		
5/1/2025	5/1/2025		46647PAF3	JPMORGAN CHASE & CO (CALLABLE)	3.54%	5/1/2028	30,532.50		
5/1/2025	5/25/2025		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	9,505.95		
5/1/2025	5/25/2025		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	8,006.76		
5/1/2025	5/25/2025		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	17,611.00		
5/1/2025	5/25/2025		3137HAMR4	FHMS K507 A1	4.80%	4/1/2028	15,314.36		
5/1/2025	5/25/2025		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	9,229.17		
5/1/2025	5/25/2025		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	18,900.00		
5/1/2025	5/25/2025		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	7,726.56		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
5/1/2025	5/25/2025		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	7,075.48		
5/1/2025	5/25/2025		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	16,275.00		
5/1/2025	5/25/2025		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	16,779.00		
5/1/2025	5/25/2025		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	13,357.71		
5/1/2025	5/25/2025		3137HHUN9	FHMS K531 A2	4.63%	10/1/2029	6,964.29		
5/1/2025	5/25/2025		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	10,238.46		
5/1/2025	5/25/2025		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	13,427.03		
5/1/2025	5/25/2025		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	14,671.33		
5/1/2025	5/25/2025		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	13,680.00		
5/1/2025	5/25/2025		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	9,882.00		
5/1/2025	5/25/2025		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	12,029.96		
5/1/2025	5/25/2025		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	16,866.50		
5/1/2025	5/25/2025		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	16,800.00		
5/1/2025	5/25/2025		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	9,731.37		
5/1/2025	5/25/2025		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	19,169.50		
5/1/2025	5/25/2025		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	9,402.34		
5/1/2025	5/25/2025		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	10,273.67		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
5/1/2025	5/25/2025		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	16,985.00		
5/1/2025	5/25/2025		3137F1G44	FHMS K065 A2	3.24%	4/1/2027	6,864.35		
5/1/2025	5/25/2025		3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	14,146.12		
5/1/2025	5/25/2025		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	9,861.35		
5/4/2025	5/4/2025		427866BH0	HERSHEY COMPANY (CALLABLE)	4.25%	5/4/2028	59,181.25		
5/10/2025	5/10/2025		037833ET3	APPLE INC (CALLABLE)	4.00%	5/10/2028	120,900.00		
5/15/2025	5/15/2025		91282CCB5	US TREASURY N/B	1.62%	5/15/2031	34,084.38		
5/15/2025	5/15/2025		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	3,716.42		
5/15/2025	5/15/2025		500945AC4	KCOT 2023-2A A3	5.28%	1/18/2028	4,774.00		
5/15/2025	5/15/2025		31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	13,272.00		
5/15/2025	5/15/2025		06054YAC1	BAAT 2023-2A A3	5.74%	6/15/2028	14,708.75		
5/15/2025	5/15/2025		89231FAD2	TAOT 2023-C A3	5.16%	4/17/2028	3,547.50		
5/15/2025	5/15/2025		91282CJJ1	US TREASURY N/B	4.50%	11/15/2033	97,650.00		
5/15/2025	5/15/2025		912828U24	US TREASURY N/B	2.00%	11/15/2026	25,400.00		
5/15/2025	5/15/2025		91412HGE7	UNIV OF CALIFORNIA-BG (CALLABLE)	0.88%	5/15/2025	3,355.40		
5/15/2025	5/15/2025		91282CKQ3	US TREASURY N/B	4.37%	5/15/2034	21,875.00		
5/15/2025	5/15/2025		06428AAC2	BAAT 2023-1A A3	5.53%	2/15/2028	7,344.99		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
5/15/2025	5/15/2025		90291VAC4	USAOT 2023-A A3	5.58%	5/15/2028	14,202.75		
5/15/2025	5/15/2025		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	6,308.00		
5/15/2025	5/15/2025		912810FM5	US TREASURY N/B	6.25%	5/15/2030	96,406.25		
5/15/2025	5/15/2025		91282CHC8	US TREASURY N/B	3.37%	5/15/2033	18,140.63		
5/15/2025	5/15/2025		912810FF0	US TREASURY N/B	5.25%	11/15/2028	26,250.00		
5/15/2025	5/15/2025		44935CAD3	HART 2025-A A3	4.32%	10/15/2029	10,332.00		
5/15/2025	5/15/2025		91282CFV8	US TREASURY N/B	4.12%	11/15/2032	128,803.13		
5/15/2025	5/15/2025		50117FAC5	KCOT 2025-1A A3	4.67%	6/15/2029	6,790.96		
5/15/2025	5/15/2025		912828ZQ6	US TREASURY N/B	0.62%	5/15/2030	7,921.88		
5/15/2025	5/15/2025		91282CDJ7	US TREASURY N/B	1.37%	11/15/2031	23,271.88		
5/15/2025	5/15/2025		161571HV9	CHAIT 2024-A1 A	4.60%	1/16/2029	14,662.50		
5/15/2025	5/15/2025		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	15,079.83		
5/15/2025	5/15/2025		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	5,493.83		
5/15/2025	5/15/2025		91282CEP2	US TREASURY N/B	2.87%	5/15/2032	111,478.13		
5/15/2025	5/15/2025		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	14,534.00		
5/15/2025	5/15/2025		91282CAV3	US TREASURY N/B	0.87%	11/15/2030	18,943.75		
5/16/2025	5/16/2025		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	1,657.08		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
5/18/2025	5/18/2025		43815QAC1	HAROT 2023-3 A3	5.41%	2/18/2028	11,902.00		
5/18/2025	5/18/2025		43815PAC3	HAROT 2022-2 A3	3.73%	7/20/2026	285.22		
5/22/2025	5/22/2025		38148LAE6	GOLDMAN SACHS GROUP INC (CALLABLE)	3.75%	5/22/2025	15,703.13		
5/26/2025	5/26/2025		61690U8B9	MORGAN STANLEY BANK NA (CALLABLE)	5.50%	5/26/2028	115,584.00		
5/31/2025	5/31/2025		91282CKT7	US TREASURY N/B	4.50%	5/31/2029	21,600.00		
5/31/2025	5/31/2025		91282CES6	US TREASURY N/B	2.75%	5/31/2029	6,737.50		
5/31/2025	5/31/2025		91282CHF1	US TREASURY N/B	3.75%	5/31/2030	53,062.50		
5/31/2025	5/31/2025		91282CCF6	US TREASURY N/B	0.75%	5/31/2026	31,200.00		
5/31/2025	5/31/2025		91282CFY2	US TREASURY N/B	3.87%	11/30/2029	20,731.25		
5/31/2025	5/31/2025		91282CAZ4	US TREASURY N/B	0.37%	11/30/2025	14.06		
6/1/2025	6/1/2025		57636QAM6	MASTERCARD INC (CALLABLE)	2.95%	6/1/2029	53,100.00		
6/1/2025	6/25/2025		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	9,703.37		
6/1/2025	6/25/2025		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	16,866.50		
6/1/2025	6/25/2025		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	9,229.17		
6/1/2025	6/25/2025		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	9,505.95		
6/1/2025	6/25/2025		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	16,985.00		
6/1/2025	6/25/2025		3137F1G44	FHMS K065 A2	3.24%	4/1/2027	6,864.35		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
6/1/2025	6/25/2025		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	13,357.71		
6/1/2025	6/25/2025		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	19,169.50		
6/1/2025	6/25/2025		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	10,238.46		
6/1/2025	6/25/2025		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	13,413.46		
6/1/2025	6/25/2025		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	14,671.33		
6/1/2025	6/25/2025		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	9,861.35		
6/1/2025	6/25/2025		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	7,709.98		
6/1/2025	6/25/2025		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	16,800.00		
6/1/2025	6/25/2025		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	7,999.16		
6/1/2025	6/25/2025		3137HHUN9	FHMS K531 A2	4.63%	10/1/2029	6,964.29		
6/1/2025	6/25/2025		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	9,882.00		
6/1/2025	6/25/2025		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	18,900.00		
6/1/2025	6/25/2025		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	16,779.00		
6/1/2025	6/25/2025		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	17,611.00		
6/1/2025	6/25/2025		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	16,275.00		
6/1/2025	6/25/2025		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	10,273.67		
6/1/2025	6/25/2025		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	13,680.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
6/1/2025	6/25/2025		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	7,075.48		
6/1/2025	6/25/2025		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	9,402.34		
6/1/2025	6/25/2025		3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	14,174.69		
6/1/2025	6/25/2025		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	12,029.96		
6/1/2025	6/25/2025		3137HAMR4	FHMS K507 A1	4.80%	4/1/2028	15,228.57		
6/2/2025	6/2/2025		MONEY0002	MONEY MARKET FUND	0.00%		2,432.81		
6/8/2025	6/8/2025		48125LRU8	JP MORGAN CHASE BANK NA (CALLABLE)	5.11%	12/8/2026	80,482.50		
6/8/2025	6/8/2025		17305EGW9	CCCIT 2023-A1 A1	5.23%	12/8/2027	24,319.50		
6/15/2025	6/15/2025		44935CAD3	HART 2025-A A3	4.32%	10/15/2029	10,332.00		
6/15/2025	6/15/2025		161571HV9	CHAIT 2024-A1 A	4.60%	1/16/2029	14,662.50		
6/15/2025	6/15/2025		06054YAC1	BAAT 2023-2A A3	5.74%	6/15/2028	14,708.75		
6/15/2025	6/15/2025		89231FAD2	TAOT 2023-C A3	5.16%	4/17/2028	3,547.50		
6/15/2025	6/15/2025		500945AC4	KCOT 2023-2A A3	5.28%	1/18/2028	4,774.00		
6/15/2025	6/15/2025		06428AAC2	BAAT 2023-1A A3	5.53%	2/15/2028	6,850.59		
6/15/2025	6/15/2025		50117FAC5	KCOT 2025-1A A3	4.67%	6/15/2029	6,790.96		
6/15/2025	6/15/2025		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	15,079.83		
6/15/2025	6/15/2025		31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	13,022.90		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
INTEREST									
6/15/2025	6/15/2025		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	3,716.42		
6/15/2025	6/15/2025		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	14,534.00		
6/15/2025	6/15/2025		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	5,493.83		
6/15/2025	6/15/2025		90291VAC4	USAOT 2023-A A3	5.58%	5/15/2028	13,118.65		
6/15/2025	6/15/2025		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	6,308.00		
6/16/2025	6/16/2025		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	1,657.08		
6/17/2025	6/17/2025		3135G04Z3	FANNIE MAE	0.50%	6/17/2025	31.25		
6/18/2025	6/18/2025		43815PAC3	HAROT 2022-2 A3	3.73%	7/20/2026	234.90		
6/18/2025	6/18/2025		43815QAC1	HAROT 2023-3 A3	5.41%	2/18/2028	11,099.39		
6/30/2025	6/30/2025		91282CGB1	US TREASURY N/B	3.87%	12/31/2029	39,331.25		
6/30/2025	6/30/2025		91282CMD0	US TREASURY N/B	4.37%	12/31/2029	90,453.13		
6/30/2025	6/30/2025		912828ZV5	US TREASURY N/B	0.50%	6/30/2027	10,537.50		
6/30/2025	6/30/2025		912828ZW3	US TREASURY N/B	0.25%	6/30/2025	28.13		
6/30/2025	6/30/2025		91282CEV9	US TREASURY N/B	3.25%	6/30/2029	7,962.50		
6/30/2025	6/30/2025		91282CEW7	US TREASURY N/B	3.25%	6/30/2027	69,875.00		
6/30/2025	6/30/2025		91282CGC9	US TREASURY N/B	3.87%	12/31/2027	57,059.38		
Total INTEREST		**0.00**					**3,412,045.96**		**0.00**

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
MATURITY									
4/13/2025	4/13/2025	7,500.00	023135CE4	AMAZON.COM INC	3.00%	4/13/2025	7,500.00		
4/30/2025	4/30/2025	112,500.00	912828ZL7	US TREASURY N/B	0.37%	4/30/2025	112,500.00		
5/15/2025	5/15/2025	460,000.00	91412HGE7	UNIV OF CALIFORNIA-BG (CALLABLE)	0.88%	5/15/2025	460,000.00		
5/15/2025	5/15/2025	300,000.00	91412HGE7	UNIV OF CALIFORNIA-BG (CALLABLE)	0.88%	5/15/2025	300,000.00		
5/22/2025	5/22/2025	837,500.00	38148LAE6	GOLDMAN SACHS GROUP INC (CALLABLE)	3.75%	5/22/2025	837,500.00		
6/17/2025	6/17/2025	12,500.00	3135G04Z3	FANNIE MAE	0.50%	6/17/2025	12,500.00		
6/30/2025	6/30/2025	22,500.00	912828ZW3	US TREASURY N/B	0.25%	6/30/2025	22,500.00		
Total MATURITY		**1,752,500.00**					**1,752,500.00**		**0.00**
PAYDOWNS									
4/1/2025	4/25/2025	1,711.66	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	1,711.66		17.85
4/1/2025	4/25/2025	14,195.89	3137HAMR4	FHMS K507 A1	4.80%	4/1/2028	14,195.89		157.87
4/1/2025	4/25/2025	21.46	3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	21.46		0.24
4/1/2025	4/25/2025	4,997.95	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	4,997.95		0.01
4/1/2025	4/25/2025	5,593.57	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	5,593.57		81.10
4/1/2025	4/25/2025	2,638.35	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	2,638.35		0.04
4/15/2025	4/15/2025	109,027.69	06428AAC2	BAAT 2023-1A A3	5.53%	2/15/2028	109,027.69		2.57
4/15/2025	4/15/2025	252,107.41	90291VAC4	USAOT 2023-A A3	5.58%	5/15/2028	252,107.41		29.93

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
4/18/2025	4/18/2025	17,171.65	43815PAC3	HAROT 2022-2 A3	3.73%	7/20/2026	17,171.65		0.33
5/1/2025	5/25/2025	24.22	3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	24.22		0.26
5/1/2025	5/25/2025	1,960.72	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	1,960.72		19.95
5/1/2025	5/25/2025	21,445.91	3137HAMR4	FHMS K507 A1	4.80%	4/1/2028	21,445.91		232.54
5/1/2025	5/25/2025	6,373.60	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	6,373.60		0.02
5/1/2025	5/25/2025	5,944.40	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	5,944.40		81.84
5/1/2025	5/25/2025	3,409.90	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	3,409.90		0.06
5/15/2025	5/15/2025	233,141.12	90291VAC4	USAOT 2023-A A3	5.58%	5/15/2028	233,141.12		26.99
5/15/2025	5/15/2025	54,054.57	31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	54,054.57		2.19
5/15/2025	5/15/2025	107,285.20	06428AAC2	BAAT 2023-1A A3	5.53%	2/15/2028	107,285.20		2.47
5/18/2025	5/18/2025	178,028.99	43815QAC1	HAROT 2023-3 A3	5.41%	2/18/2028	178,028.99		22.49
5/18/2025	5/18/2025	16,190.22	43815PAC3	HAROT 2022-2 A3	3.73%	7/20/2026	16,190.22		0.29
6/1/2025	6/25/2025	5,632.31	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	5,632.31		73.42
6/1/2025	6/25/2025	2,892.47	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	2,892.47		0.05
6/1/2025	6/25/2025	249.37	3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	249.37		2.67
6/1/2025	6/25/2025	18,761.25	3137HAMR4	FHMS K507 A1	4.80%	4/1/2028	18,761.25		198.21
6/1/2025	6/25/2025	2,302.22	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,302.22		22.84

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
6/1/2025	6/25/2025	5,065.54	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	5,065.54		0.01
6/15/2025	6/15/2025	172,646.33	31680EAD3	FITAT 2023-1 A3	5.53%	8/15/2028	172,646.33		6.81
6/15/2025	6/15/2025	104,920.14	06428AAC2	BAAT 2023-1A A3	5.53%	2/15/2028	104,920.14		2.34
6/15/2025	6/15/2025	21,403.55	89231FAD2	TAOT 2023-C A3	5.16%	4/17/2028	21,403.55		2.95
6/15/2025	6/15/2025	219,597.11	90291VAC4	USAOT 2023-A A3	5.58%	5/15/2028	219,597.11		24.77
6/18/2025	6/18/2025	15,433.32	43815PAC3	HAROT 2022-2 A3	3.73%	7/20/2026	15,433.32		0.25
6/18/2025	6/18/2025	169,906.09	43815QAC1	HAROT 2023-3 A3	5.41%	2/18/2028	169,906.09		20.81
Total PAYDOWNS		**1,774,134.18**					**1,774,134.18**		**1,034.17**
SELL									
4/1/2025	4/2/2025	6,190,000.00	3135G06G3	FANNIE MAE	0.50%	11/7/2025	6,069,876.18		-132,454.69
4/1/2025	4/2/2025	1,955,000.00	3135G06G3	FANNIE MAE	0.50%	11/7/2025	1,917,061.05		-41,786.52
4/21/2025	4/22/2025	4,990,000.00	91282CGQ8	US TREASURY N/B	4.00%	2/28/2030	5,034,925.25		14,825.33
4/21/2025	4/22/2025	2,010,000.00	91282CGQ8	US TREASURY N/B	4.00%	2/28/2030	2,028,096.15		12,832.07
4/23/2025	4/28/2025	1,265,000.00	91282CMU2	US TREASURY N/B	4.00%	3/31/2030	1,268,179.24		814.12
4/25/2025	4/28/2025	1,835,000.00	91282CHA2	US TREASURY N/B	3.50%	4/30/2028	1,853,210.21		-8,289.01
4/25/2025	4/28/2025	1,875,000.00	912810FG8	US TREASURY N/B	5.25%	2/15/2029	1,995,213.50		5,296.82
4/25/2025	4/28/2025	500,000.00	9128286B1	US TREASURY N/B	2.62%	2/15/2029	481,751.12		-26,054.96

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount ($)	Yield at Market	Realized G/L (BV)
SELL									
4/25/2025	4/28/2025	2,165,000.00	9128286B1	US TREASURY N/B	2.62%	2/15/2029	2,085,982.36		20,192.79
4/25/2025	4/28/2025	705,000.00	9128284N7	US TREASURY N/B	2.87%	5/15/2028	696,171.98		3,612.77
5/1/2025	5/2/2025	1,195,000.00	91282CBH3	US TREASURY N/B	0.37%	1/31/2026	1,164,010.88		-28,345.22
5/1/2025	5/2/2025	3,455,000.00	91282CBH3	US TREASURY N/B	0.37%	1/31/2026	3,365,403.83		-70,257.44
5/21/2025	5/22/2025	1,510,000.00	91282CBH3	US TREASURY N/B	0.37%	1/31/2026	1,472,039.81		-30,541.91
6/4/2025	6/5/2025	3,425,000.00	91282CBC4	US TREASURY N/B	0.37%	12/31/2025	3,356,683.32		-66,943.52
6/4/2025	6/5/2025	7,635,000.00	91282CBH3	US TREASURY N/B	0.37%	1/31/2026	7,454,607.96		-120,391.61
6/4/2025	6/5/2025	3,510,000.00	91282CBH3	US TREASURY N/B	0.37%	1/31/2026	3,427,069.28		-67,368.87
6/4/2025	6/9/2025	1,225,000.00	91282CAL5	US TREASURY N/B	0.37%	9/30/2027	1,132,663.75		2,946.73
6/4/2025	6/9/2025	2,400,000.00	91282CMD0	US TREASURY N/B	4.37%	12/31/2029	2,491,690.09		50,214.62
6/12/2025	6/12/2025	555,000.00	646140DP5	NJ TPK AUTH -B-TXBL	1.04%	1/1/2026	549,257.09		-8,341.65
6/24/2025	6/25/2025	225,000.00	9128286A3	US TREASURY N/B	2.62%	1/31/2026	225,247.60		-5,022.80
6/27/2025	6/30/2025	2,285,000.00	91282CGT2	US TREASURY N/B	3.62%	3/31/2028	2,299,971.42		-3,708.38
Total SELL		**50,910,000.00**					**50,369,112.07**		**-498,771.33**

Important Disclosures

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- ICE Bank of America Indices provided by Bloomberg Financial Markets.

- Money market fund/cash balances are included in performance and duration computations.

- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.

- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.

- MBS maturities are represented by expected average life.

Glossary

- Accrued Interest: Interest that is due on a bond or other fixed income security since the last interest payment was made.
- Agencies: Federal agency securities and/or Government-sponsored enterprises.
- Amortized Cost: The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- Asset-Backed Security: A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- Bankers' Acceptance: A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- Commercial Paper: An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- Contribution to Total Return: The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- Effective Duration: A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- Effective Yield: The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- FDIC: Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- Interest Rate: Interest per year divided by principal amount and expressed as a percentage.
- Market Value: The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- Maturity: The date upon which the principal or stated value of an investment becomes due and payable.
- Negotiable Certificates of Deposit: A CD with a very large denomination, usually $1 million or more, that can be traded in secondary markets.
- Par Value: The nominal dollar face amount of a security.
- Pass-through Security: A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

Glossary

- Repurchase Agreements: A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- Settle Date: The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- Supranational: A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- Trade Date: The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- Unsettled Trade: A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- U.S. Treasury: The department of the U.S. government that issues Treasury securities.
- Yield: The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- YTM at Cost: The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- YTM at Market: The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

CHANDLER ASSET MANAGEMENT

INVESTMENT REPORT

City of Stockton | As of June 30, 2025

CHANDLER ASSET MANAGEMENT | chandlerasset.com

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ECONOMIC UPDATE

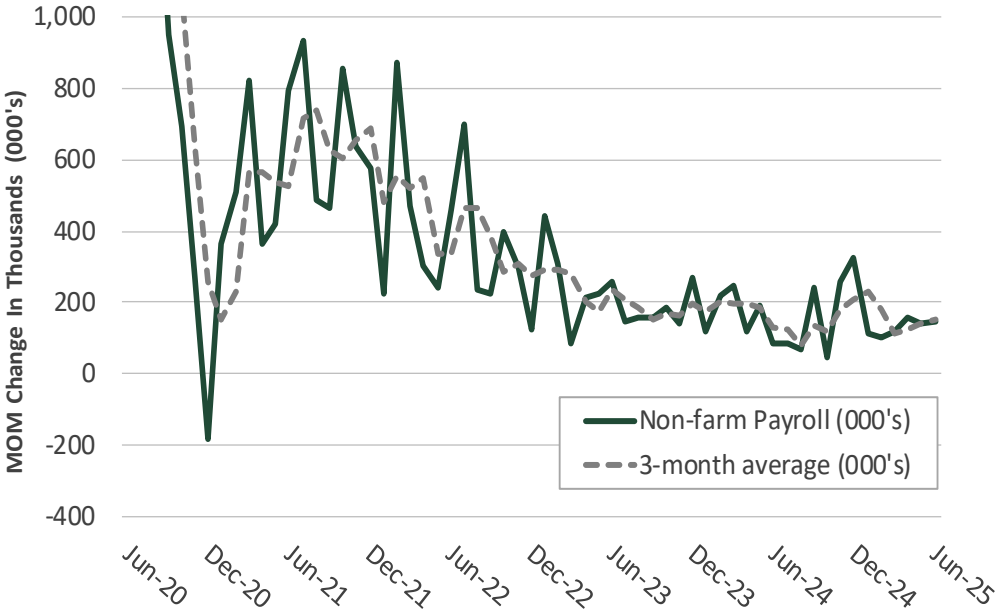
ECONOMIC UPDATE

- Recent economic data suggest slower growth in 2025 and greater market uncertainty as the effects of fiscal policy unfold. Inflationary trends have subsided, but some components remain sticky, and core levels remain above the Fed's target. The labor market reflects improved balance between supply and demand for workers. While job creation has been robust, continuing jobless claims remain elevated. Given the economic outlook, we expect gradual normalization of monetary policy and a steepening yield curve.

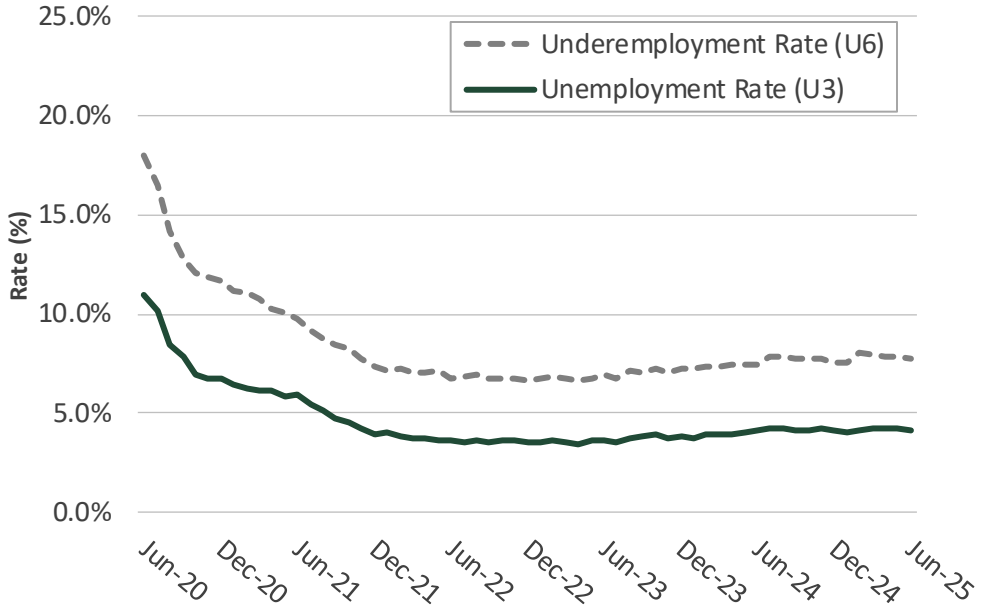
- As broadly anticipated, the Federal Open Market Committee (FOMC) left the Federal Funds Rate unchanged at the range of 4.25 - 4.50% at the June meeting. Fed Chair Powell continued to emphasize the Committee's "wait and see" approach amidst economic uncertainty that remains elevated but diminished. Federal Reserve officials continued to pencil in two rate cuts in 2025.

- US Treasury yields declined in June. The 2-year Treasury yield fell 18 basis points to 3.72%, the 5-year Treasury dropped 17 basis points to 3.80%, and the 10-year Treasury yield also declined 17 basis points to 4.23%. The spread between the 2-year and 10-year Treasury yield points on the curve edged up to +51 basis points at June month-end versus +50 basis points at May month-end. The spread between the 2-year Treasury and 10-year Treasury yield one year ago was -36 basis points. The spread between the 3-month and 10-year Treasury yield points on the curve was -7 basis points in June, versus -6 basis points in May.

EMPLOYMENT



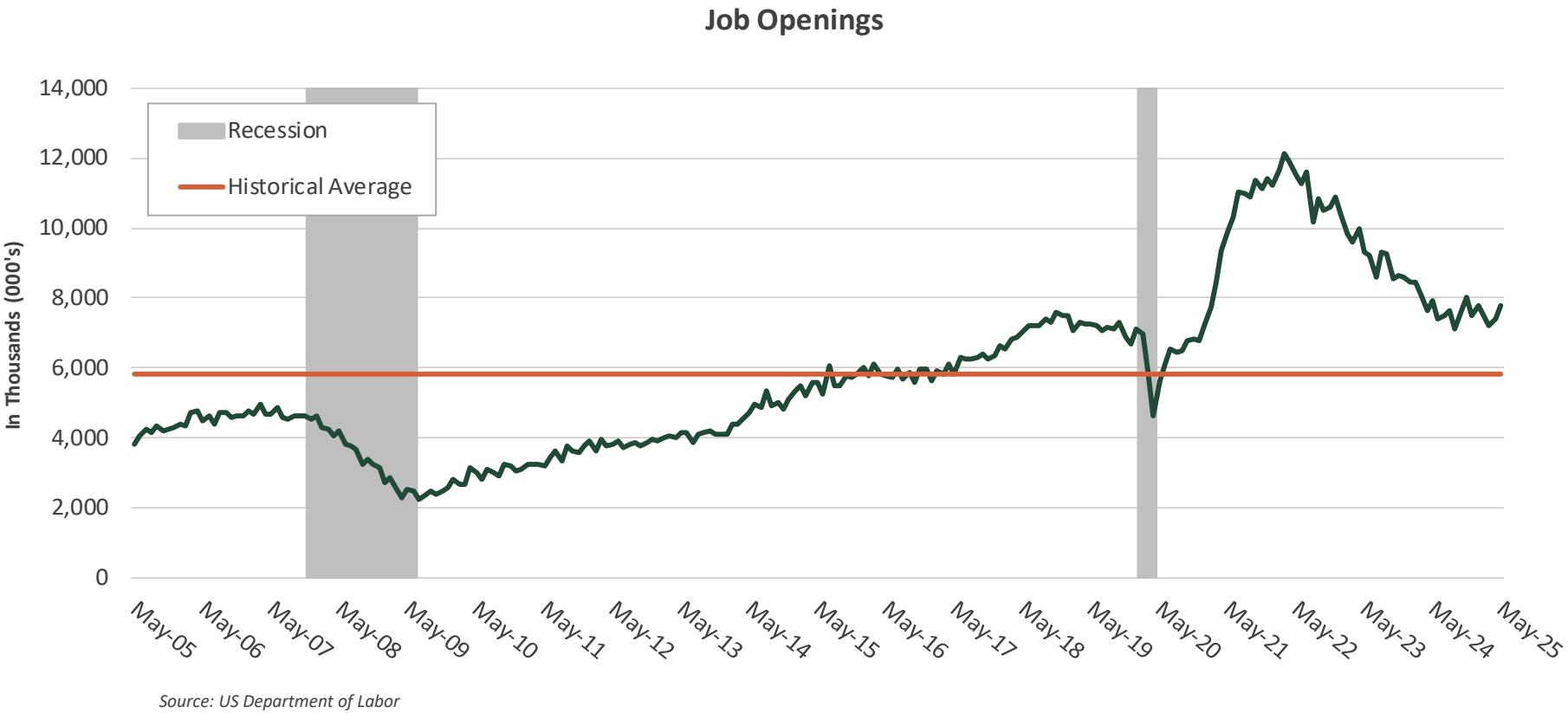
Source: US Department of Labor



Source: US Department of Labor

The U.S. economy added 147,000 jobs in June, exceeding consensus expectations, and the last two months were revised up by 16,000. Gains were primarily driven by state and local government education, while job growth in service sectors languished. The three-month moving average and six-month moving average payrolls totaled 150,000 and 130,000 respectively. The unemployment rate declined to 4.1% in June from 4.2% in May, due to a shrinking labor force. The labor participation rate dipped to 62.3%, remaining below the pre-pandemic level of 63.3%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons dropped to 7.7% in June. Average hourly earnings fell slightly, marking a 3.7% year-over-year increase.

JOB OPENINGS & LABOR TURNOVER SURVEY

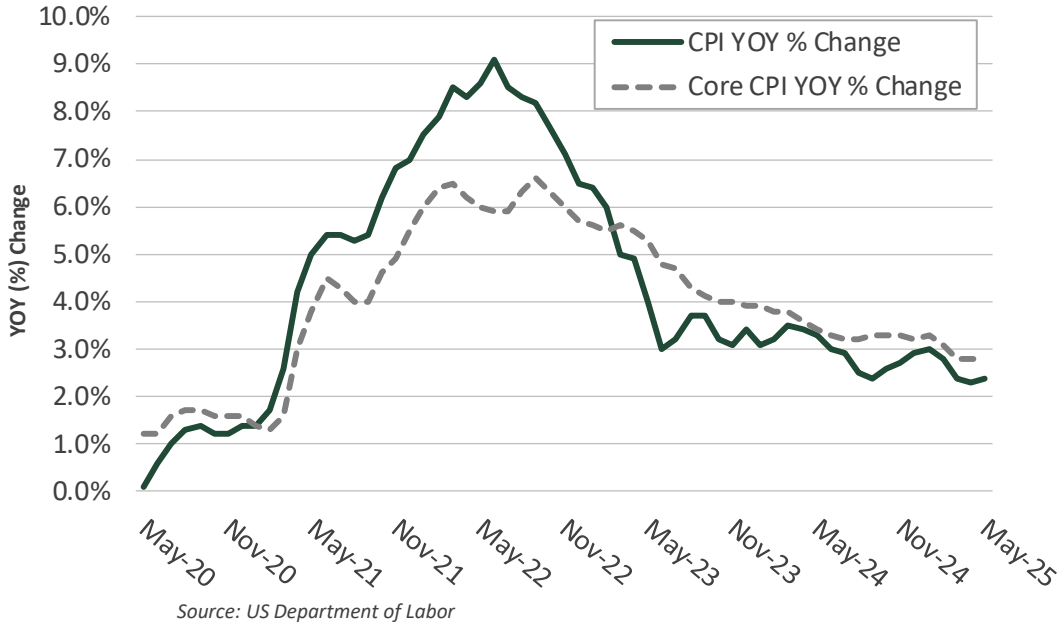


Source: US Department of Labor

The Labor Department's Job Openings and Labor Turnover Survey (JOLTS) unexpectedly rose to 7.77 million new job openings in May from 7.40 million in April. Layoffs declined and the quits rate increased. Job openings indicate a ratio of approximately 1.1 jobs for each unemployed individual, representing a relatively balanced labor market.

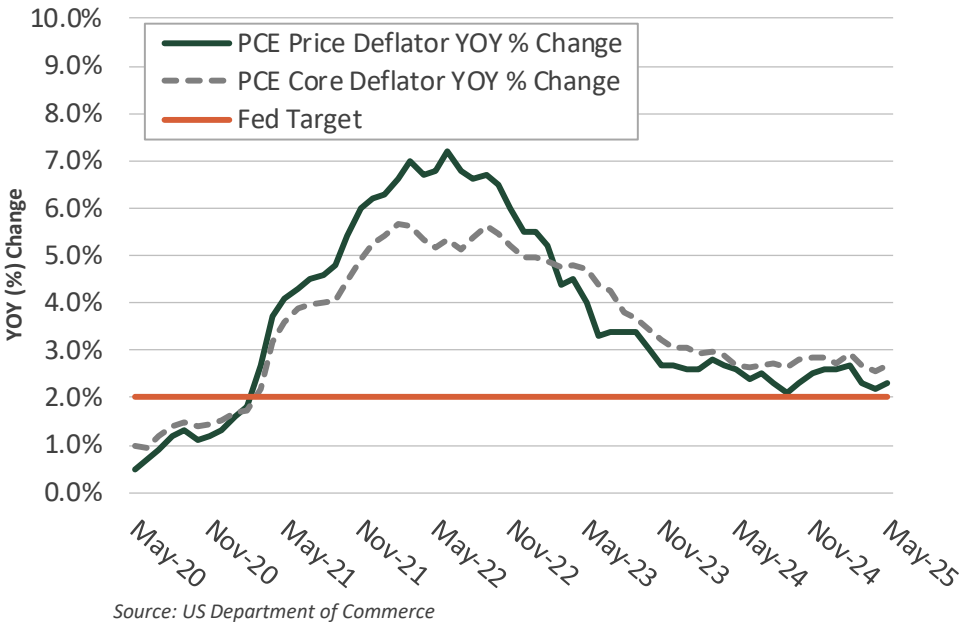
INFLATION

Consumer Price Index (CPI)



Source: US Department of Labor

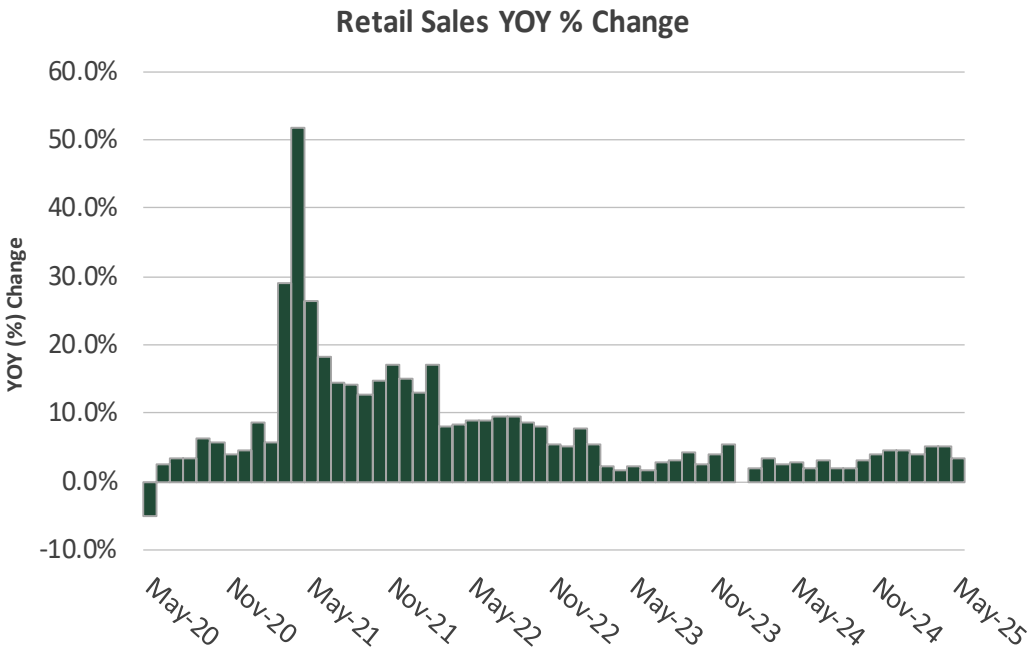
Personal Consumption Expenditures (PCE)



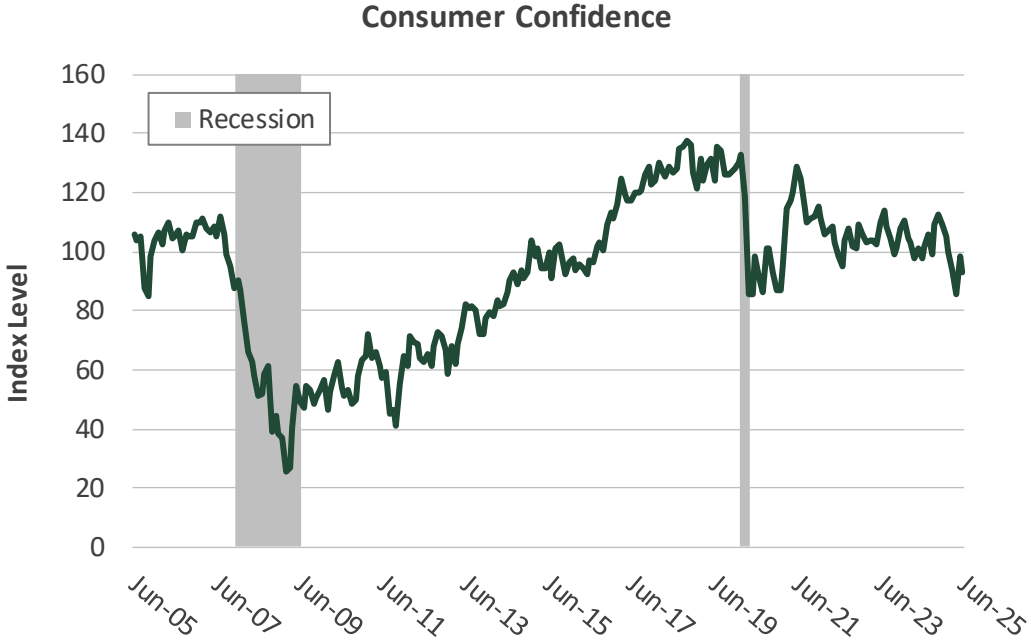
Source: US Department of Commerce

In May, the Consumer Price Index (CPI) cooled slightly more than consensus expectations. The headline CPI increased 0.1% month-over-month and rose 2.4% year-over-year, while the Core CPI rose 0.1% month-over-month and 2.8% year-over-year. The Personal Consumption Expenditures (PCE) price index increased 0.1% month-over-month and rose 2.3% year-over-year in May. The Core PCE deflator, which excludes food and energy and is the Fed's preferred gauge, increased 0.2% month-over-month and 2.7% year-over-year, up from April's 2.6% year-over-year increase. Inflation is hovering above the Fed's 2% target.

CONSUMER



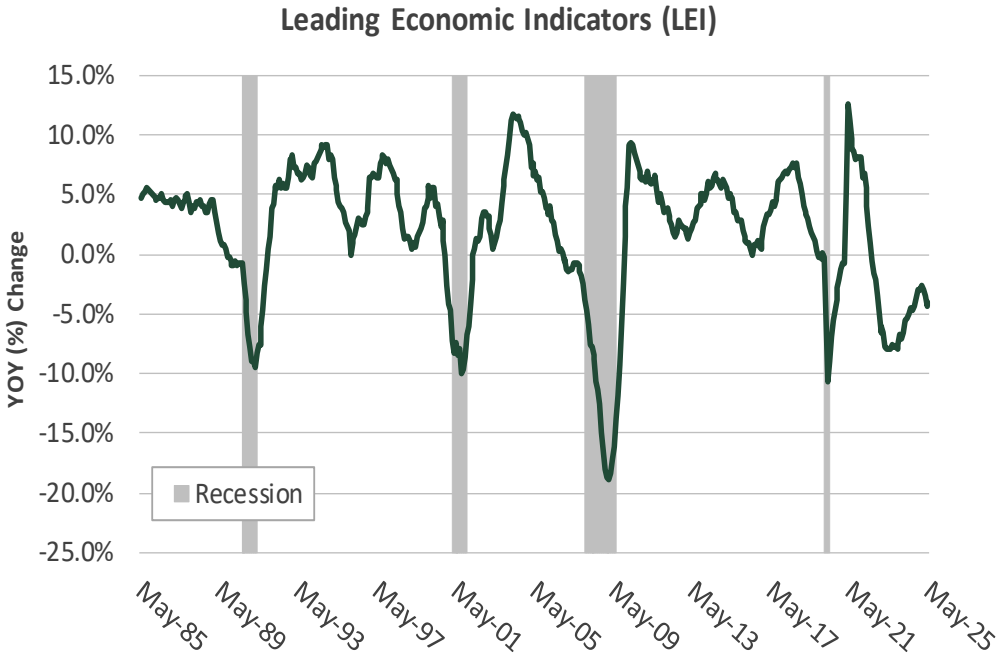
Source: US Department of Commerce



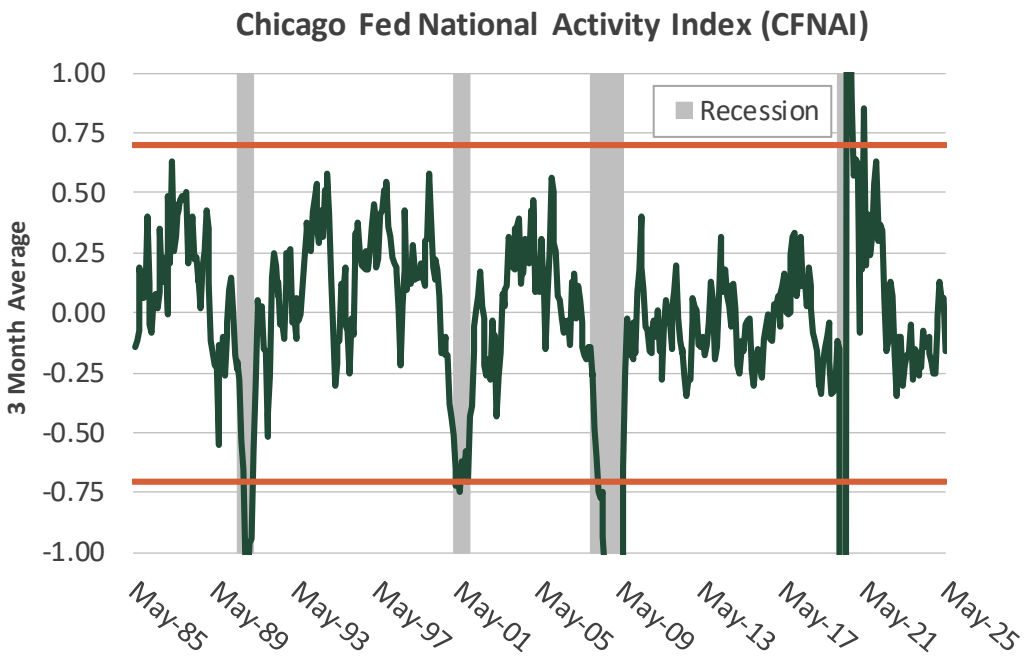
Source: The Conference Board
All time high is 144.70 (1/31/00); All time low is 25.30 (2/28/09)

Advance Retail Sales were down 0.9% month-over-month in May, further slowing from a downwardly revised -0.1% in April. Declines were led by auto sales, building materials, garden equipment and supplies, and spending at restaurants and bars fell by the most since early 2023. Control group sales, which feed into GDP, were the only bright spot in the report, with a 0.4% increase. On a year-over-year basis, Retail Sales grew 3.3% in May following a 5.0% increase in April. The Conference Board's Consumer Confidence Index dropped to 93.0 in June from 98.4 in May, as consumers' assessment of both the current situation and future expectations for income and labor markets soured. While the consumer has been resilient, elevated inflation expectations, concerns about trade policies and tariffs, and general economic and policy uncertainty could pose potential risks to future spending.

LEADING INDICATORS OF ECONOMIC ACTIVITY



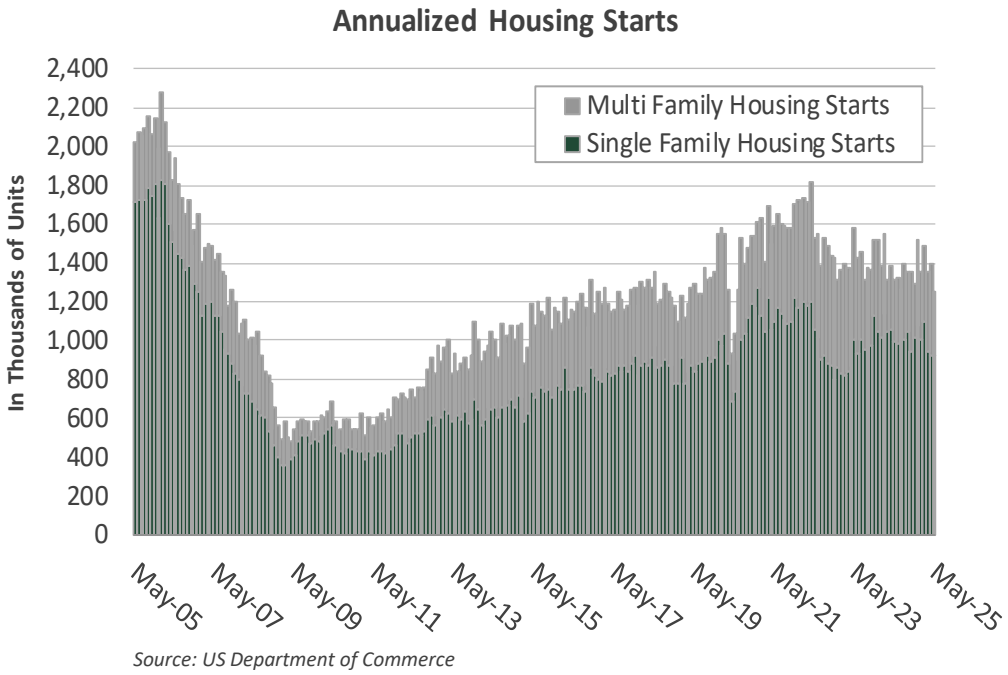
Source: The Conference Board



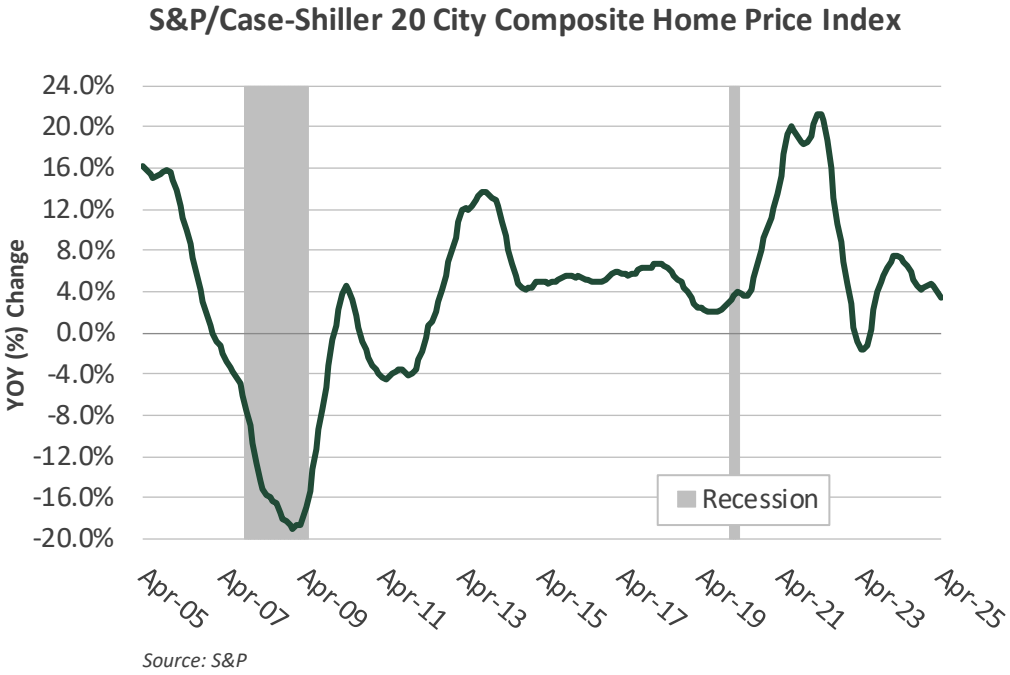
Source: Federal Reserve Bank of Chicago

The Conference Board's Leading Economic Index (LEI) fell by 0.1% in May, following a downwardly revised 1.4% decline in April. The LEI decreased by 4.0% year-over-year. The rebound in the stock market was the primary positive contributor, offset by consumer pessimism, weak new orders in manufacturing, the second consecutive month of rising initial unemployment claims, and a drop in housing permits. The Chicago Fed National Activity Index (CFNAI) improved to -0.28 in May from a downwardly revised -0.36 in April. The three-month moving average dropped to -0.16 in May from 0.06 in April, indicating slightly below trend growth.

HOUSING



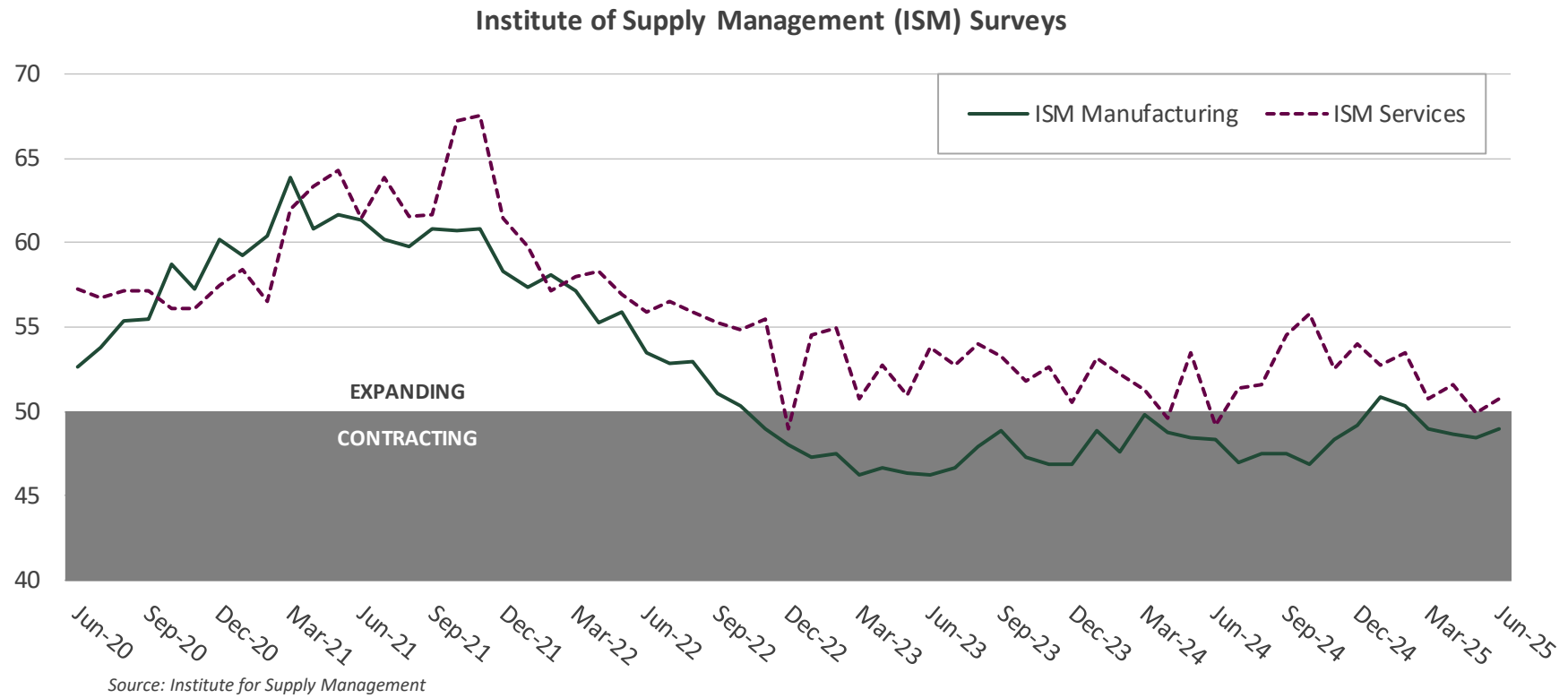
Source: US Department of Commerce



Source: S&P

Housing starts declined 9.8% month-over-month in May to a seasonally adjusted annual rate of 1.256 million units. Single family starts increased 0.4% above the revised April figures, whereas multi-family starts fell -30.4%. Total starts dropped 4.6% compared to May 2024. Homebuilder confidence is shaky due to elevated mortgage rates, affordability constraints, and a weakening economic outlook. The Freddie Mac 30-year fixed rate mortgage averaged approximately 6.8% in June. According to the Case-Shiller 20-City Home Price Index, housing prices rose 3.4% year-over-year in April, compared to 4.1% in March. Limited inventory, elevated mortgage rates, and lack of affordability continue to weigh on the housing market.

SURVEY BASED MEASURES



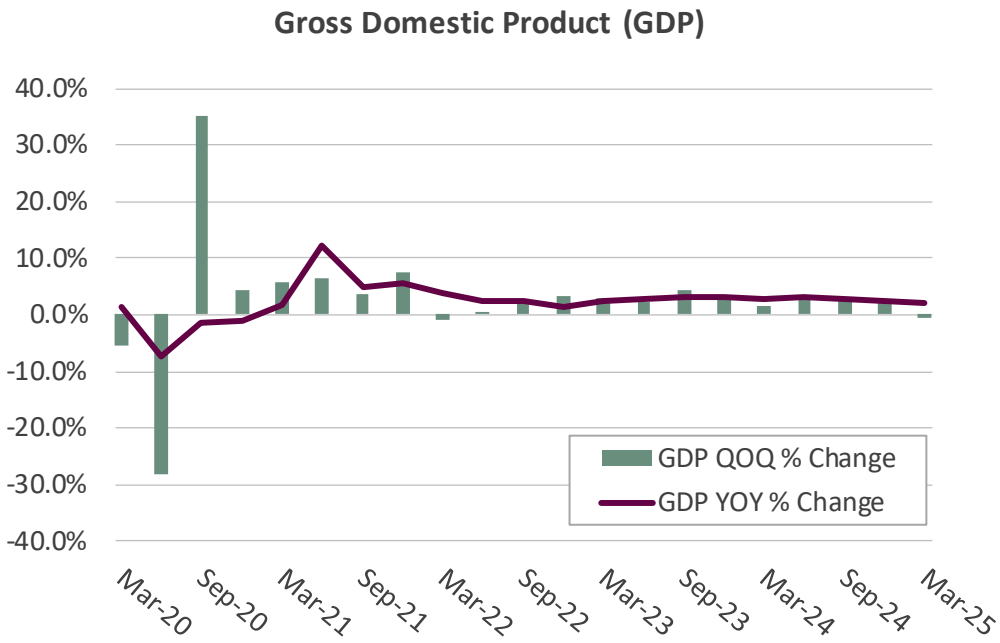
Source: Institute for Supply Management

The Institute for Supply Management (ISM) Manufacturing index edged up to 49.0 in June from 48.5 in May, indicating a continuation of modest contraction in the sector. Inventories and production improved as companies worked through backlogs, while employment and new orders contracted. The ISM Services index increased to 50.8 in June from 49.9 in May, as new orders improved. However, ongoing concerns about the impact of tariffs remain. A reading over 50 indicates expansion, while a reading under 50 indicates contraction.

GROSS DOMESTIC PRODUCT (GDP)

Components of GDP	6/24	9/24	12/24	3/25
Personal Consumption Expenditures	1.9%	2.5%	2.7%	0.3%
Gross Private Domestic Investment	1.5%	0.2%	-1.0%	3.9%
Net Exports and Imports	-0.9%	-0.4%	0.3%	-4.6%
Federal Government Expenditures	0.3%	0.6%	0.3%	-0.3%
State and Local (Consumption and Gross Investment)	0.3%	0.3%	0.3%	0.2%
Total	**3.0%**	**3.1%**	**2.5%**	**-0.5%**

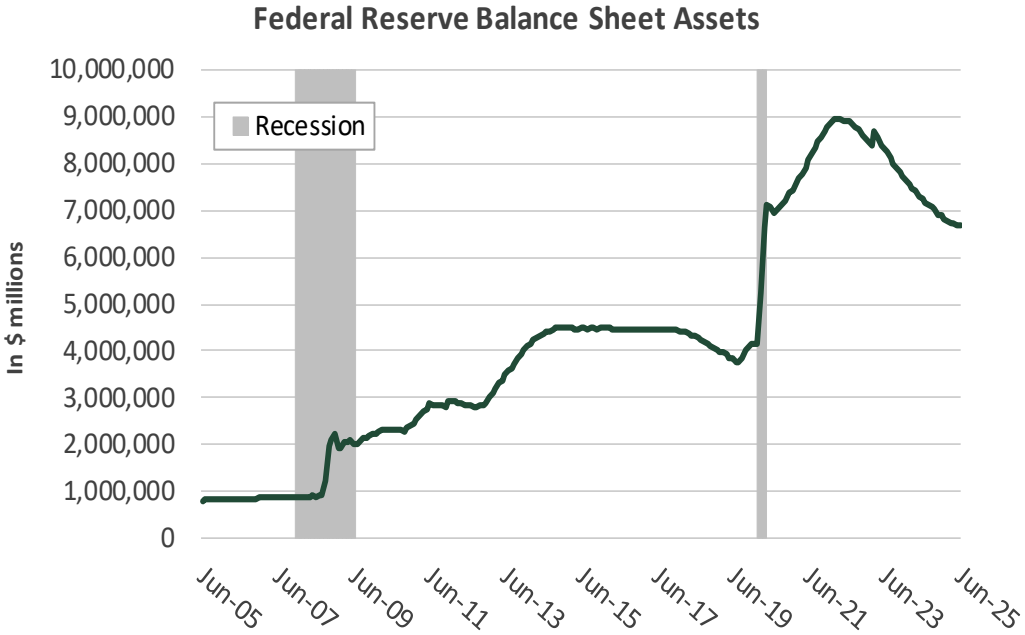
Source: US Department of Commerce



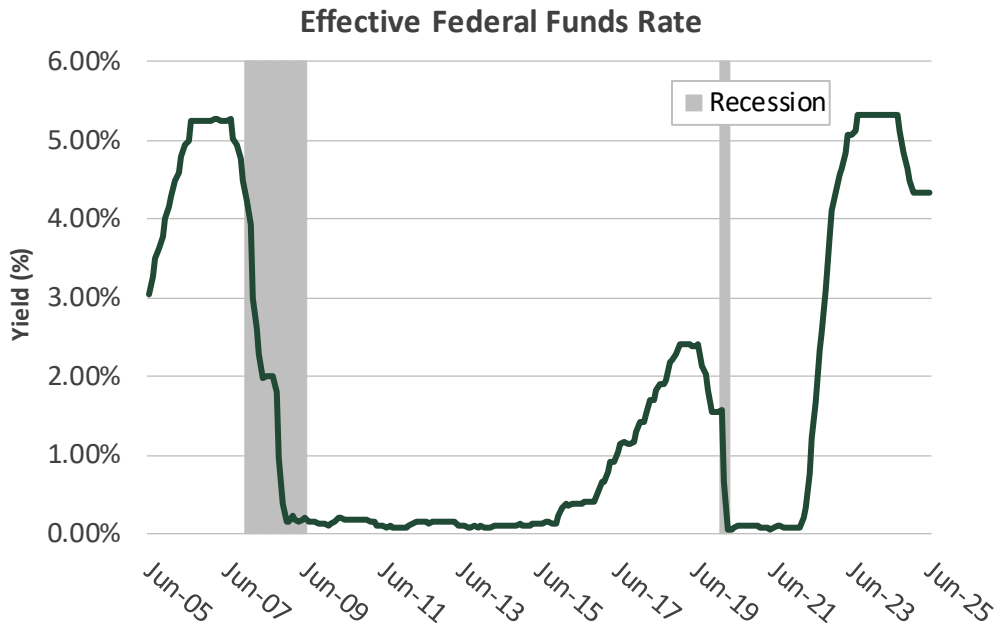
Source: US Department of Commerce

Real GDP decreased at an annualized rate of 0.5% in the first quarter of 2025, according to the third and final estimate from the Bureau of Economic Analysis, a downward revision from the previously estimated 0.2% decline. This marks the first negative quarter since 2022. The primary driver of the downward revision was weaker personal consumption expenditures. Net exports remained the primary drag on growth, as imports rose sharply in anticipation of higher tariffs. Gross investment contributed positively, powered by business decisions to get ahead of possible cost increases. The consensus projection calls for 2.1% growth for the second quarter and 1.5% for the full year 2025.

FEDERAL RESERVE



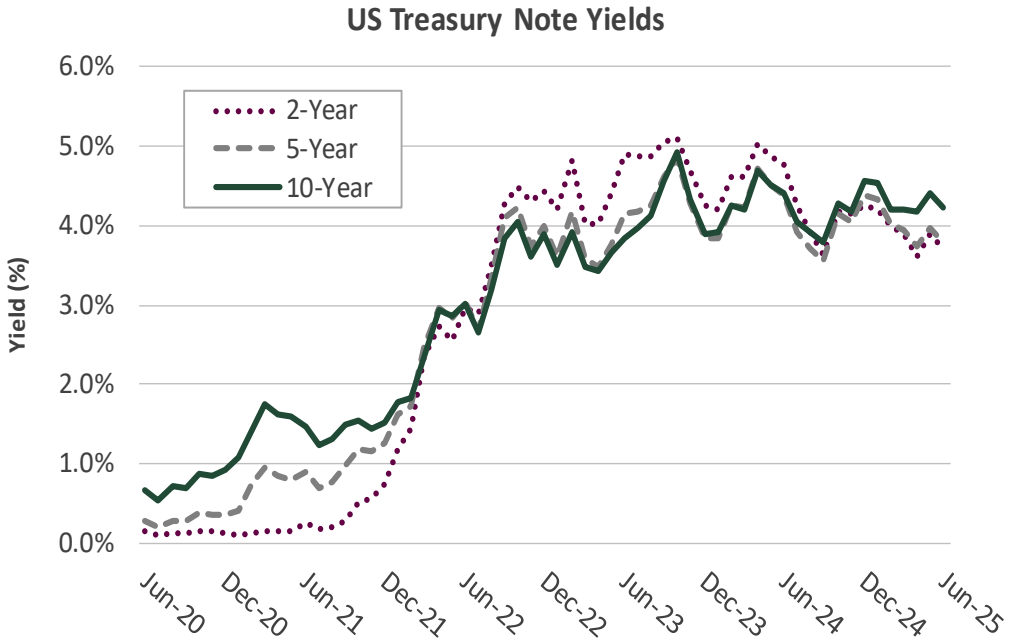
Source: Federal Reserve



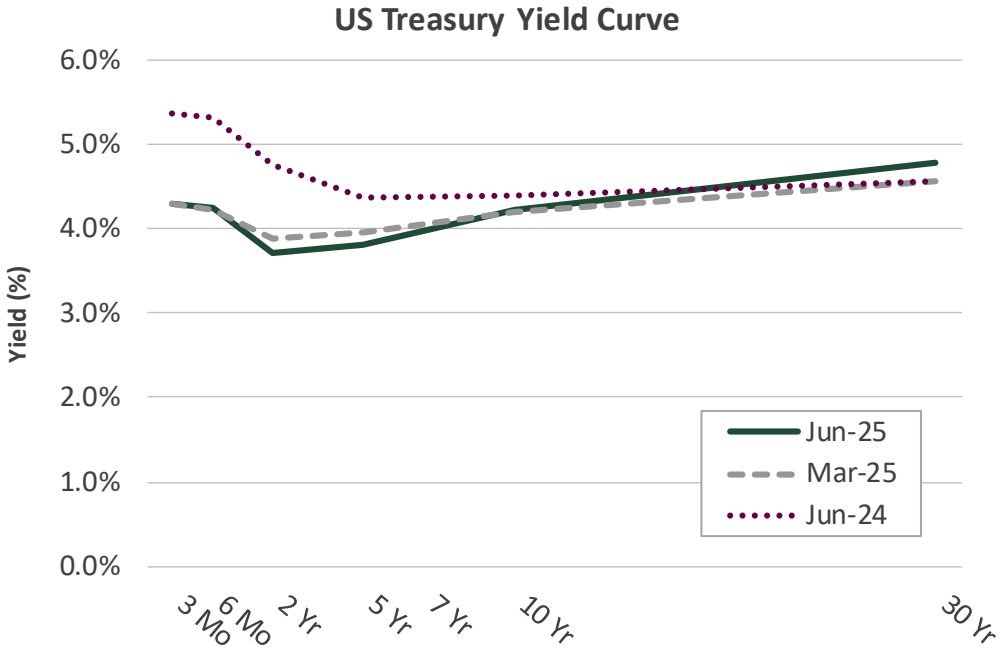
Source: Bloomberg

As broadly anticipated, the Federal Open Market Committee (FOMC) left the Federal Funds Rate unchanged at the range of 4.25 - 4.50% at the June meeting. In the Summary of Economic Projections (SEP), Federal Reserve officials continued to pencil in two rate cuts in 2025, while downgrading estimates for economic growth and raising forecasts for both unemployment and inflation this year. The statement indicated that uncertainty about the economic outlook remained elevated but had diminished. The monthly redemption cap on Treasuries will remain at $5 billion, while the cap on agencies and mortgage-backed securities will be maintained at $35 billion. Since the Fed began its Quantitative Tightening campaign in June 2022, securities holdings have declined by about $2.2 trillion to approximately $6.7 trillion.

BOND YIELDS



Source: Bloomberg



Source: Bloomberg

At the end of June, the 2-year Treasury yield was 103 basis points lower, and the 10-Year Treasury yield was 17 basis points lower, year-over-year. The spread between the 2-year and 10-year Treasury yield points on the curve edged up to +51 basis points at June month-end versus +50 basis points at May month-end. The recent yield curve inversion which began in July 2022 was historically long. The average historical spread (since 2005) is about +99 basis points. The spread between the 3-month and 10-year Treasury yield points on the curve was -7 basis points in June, versus -6 basis points in May.

CHANDLER ASSET MANAGEMENT

ACCOUNT PROFILE

Investment Objectives

Safety of principal is the foremost objective of the investment program. The investment portfolio shall remain sufficiently liquid to meet all requirements that may be reasonably anticipated. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and econmic cycles, taking into account the investment risk constraints and liquidity needs.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve this objective, the portfolio invests in high-quality fixed income securities that comply with the investment policy and all regulations governing the funds.

STATEMENT OF COMPLIANCE

CHANDLER ASSET MANAGEMENT

City of Stockton ConsAgg | Account #10021 | As of June 30, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
AGENCY MORTGAGE SECURITIES (CMOS)				
Max % (MV)	20.0	2.9	Compliant	
Max % Issuer (MV; Agencies & Agency CMOs)	20.0	5.3	Compliant	
Max Maturity (Years)	10.0	4.2	Compliant	
ASSET-BACKED SECURITIES (ABS)				
Max % (MV; Non Agency ABS & MBS)	20.0	9.0	Compliant	
Max % Issuer (MV)	5.0	1.3	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (AA by 1)	0.0	0.0	Compliant	
BANKERS' ACCEPTANCES				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	180	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CERTIFICATE OF DEPOSIT PLACEMENT SERVICE (CDARS)				
Max % (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	0.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
COMMERCIAL PAPER				
Max % (MV)	40.0	0.9	Compliant	
Max % Issuer (MV)	5.0	0.9	Compliant	
Max Maturity (Days)	270	71	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				
Max % (MV)	30.0	23.2	Compliant	
Max % Issuer (MV)	5.0	1.7	Compliant	

STATEMENT OF COMPLIANCE

CHANDLER ASSET MANAGEMENT

City of Stockton ConsAgg | Account #10021 | As of June 30, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
Max Maturity (Years)	5	4	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV)	100.0	14.7	Compliant	
Max % Issuer (MV; Agencies & Agency CMOs)	100.0	5.3	Compliant	
Max Callables (MV)	20.0	0.6	Compliant	
Max Maturity (Years)	10	9	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max Concentration (MV)	75.0	0.0	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	0.8	Compliant	
Max % Issuer (MV)	20.0	0.8	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
MORTGAGE-BACKED SECURITIES (NON-AGENCY)				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (AA by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, LOCAL AGENCY)				
Max % (MV)	30.0	0.3	Compliant	
Max % Issuer (MV)	5.0	0.3	Compliant	
Max Maturity (Years)	10	0.0	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, OTHER STATES)				
Max % (MV)	30.0	0.6	Compliant	
Max % Issuer (MV)	5.0	0.5	Compliant	

STATEMENT OF COMPLIANCE

CHANDLER ASSET MANAGEMENT

City of Stockton ConsAgg | Account #10021 | As of June 30, 2025

Rules Name	Limit	Actual	Compliance Status	Notes
Max Maturity (Years)	10	0.0	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1 if > FDIC Limit)	0.0	0.0	Compliant	
REPURCHASE AGREEMENTS				
Max Maturity (Years)	1.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	10.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	47.6	Compliant	
Max Maturity (Years)	10	8	Compliant	

PORTFOLIO CHARACTERISTICS

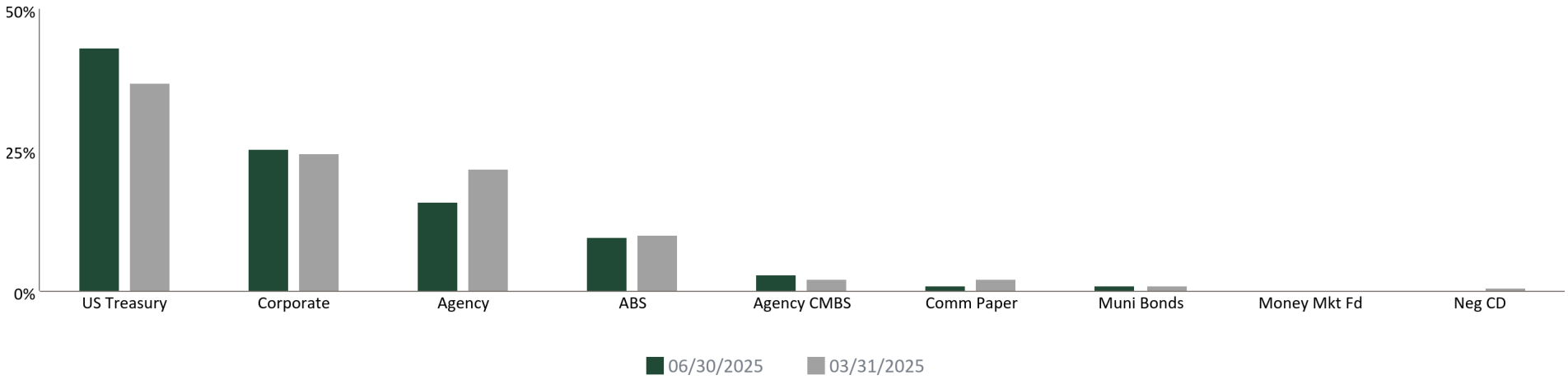
City of Stockton Reserve | Account #10020 | As of June 30, 2025

	Benchmark*	6/30/2025 Portfolio	3/31/2025 Portfolio
Average Maturity (yrs)	2.68	3.06	3.10
Average Modified Duration	2.50	2.54	2.56
Average Purchase Yield		3.59%	3.34%
Average Market Yield	3.84%	4.11%	4.26%
Average Quality**	AA	AA+	AA+
Total Market Value		344,035,757	339,162,348

*Benchmark: ICE BofA 1-5 Year Gov/Corp A or better
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

City of Stockton Reserve | Account #10020 | As of June 30, 2025



Sector as a Percentage of Market Value

Sector	06/30/2025	03/31/2025
US Treasury	43.19%	37.11%
Corporate	25.33%	24.62%
Agency	16.04%	21.80%
ABS	9.83%	10.05%
Agency CMBS	3.18%	2.23%
Comm Paper	1.02%	2.29%
Muni Bonds	0.99%	1.22%
Money Mkt Fd	0.42%	0.07%
Neg CD	--	0.59%

ISSUERS

City of Stockton Reserve | Account #10020 | As of June 30, 2025

Issuer	Investment Type	% Portfolio
Government of The United States	US Treasury	43.19%
Farm Credit System	Agency	5.74%
Federal Home Loan Banks	Agency	4.30%
FNMA	Agency	3.51%
FHLMC	Agency CMBS	3.18%
State Street Corporation	Corporate	1.82%
JPMorgan Chase & Co.	Corporate	1.73%
Federal Home Loan Mortgage Corp	Agency	1.70%
Bank of America Corporation	Corporate	1.62%
Morgan Stanley	Corporate	1.54%
American Express Credit Master Trust	ABS	1.47%
Chase Issuance Trust	ABS	1.45%
BMW Vehicle Owner Trust	ABS	1.21%
Caterpillar Inc.	Corporate	1.20%
The Home Depot, Inc.	Corporate	1.19%
John Deere Owner Trust	ABS	1.16%
Visa Inc.	Corporate	1.14%
UnitedHealth Group Incorporated	Corporate	1.14%
PACCAR Inc	Corporate	1.07%
National Rural Utilities Cooperative	Corporate	1.05%
New York Life Insurance Company	Corporate	1.04%
Honda Motor Co., Ltd.	Corporate	1.03%
PepsiCo, Inc.	Comm Paper	1.02%
The Charles Schwab Corporation	Corporate	1.00%
Honda Auto Receivables Owner Trust	ABS	0.91%
Cisco Systems, Inc.	Corporate	0.90%
Mastercard Incorporated	Corporate	0.90%
Massachusetts Mutual Life Insurance	Corporate	0.89%
Hyundai Auto Receivables Trust	ABS	0.87%
Prologis, Inc.	Corporate	0.86%

ISSUERS

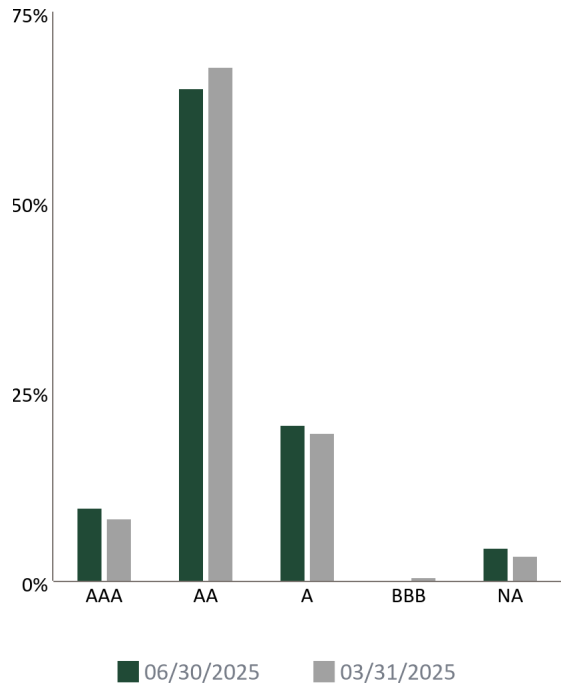
City of Stockton Reserve | Account #10020 | As of June 30, 2025

Issuer	Investment Type	% Portfolio
Metropolitan Life Global Funding I	Corporate	0.79%
Tennessee Valley Authority	Agency	0.79%
Toyota Motor Corporation	Corporate	0.75%
Verizon Master Trust	ABS	0.74%
Eli Lilly and Company	Corporate	0.67%
Northern Trust Corporation	Corporate	0.64%
Target Corporation	Corporate	0.61%
Deere & Company	Corporate	0.59%
Merck & Co., Inc.	Corporate	0.59%
Toyota Auto Receivables Owner Trust	ABS	0.59%
PepsiCo, Inc.	Corporate	0.58%
Florida Hurricane Catastrophe Fund F	Muni Bonds	0.55%
WF Card Issuance Trust	ABS	0.53%
Bank of America Credit Card Trust	ABS	0.49%
Federated Hermes, Inc.	Money Mkt Fd	0.42%
GM Financial Automobile Leasing Trus	ABS	0.41%
Los Angeles Community College Distri	Muni Bonds	0.28%
State of New Jersey	Muni Bonds	0.16%
Cash	Cash	0.00%
TOTAL		**100.00%**

QUALITY DISTRIBUTION

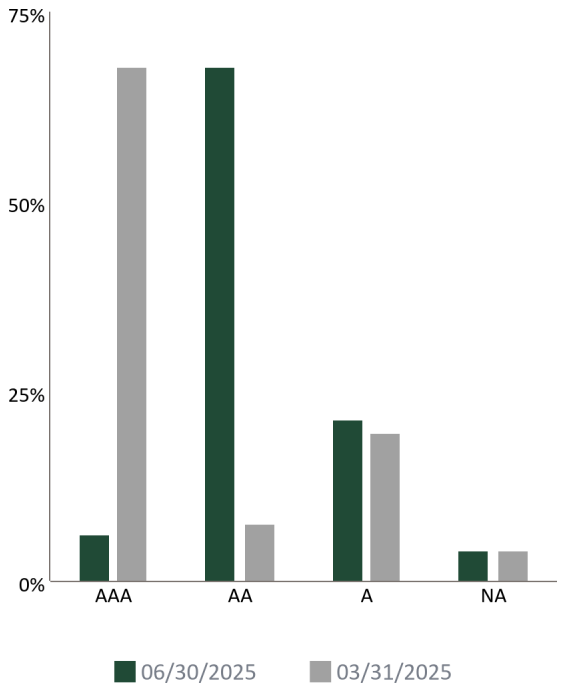
City of Stockton Reserve | Account #10020 | As of June 30, 2025

S&P Rating



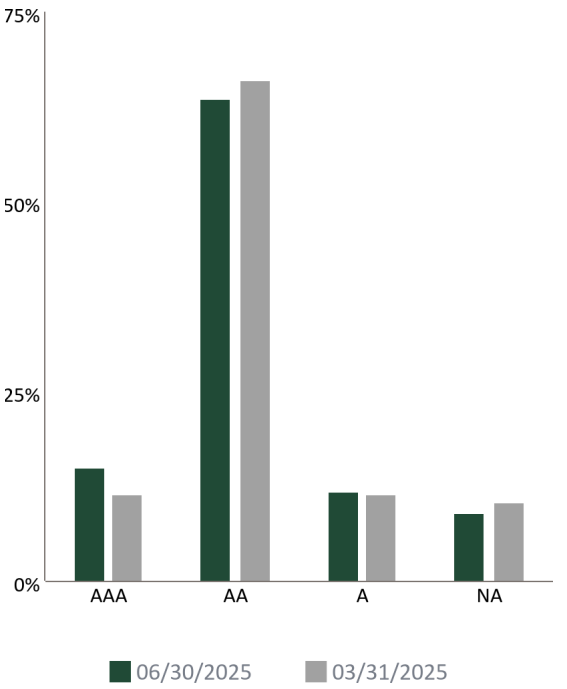
Rating	06/30/2025	03/31/2025
AAA	9.7%	8.5%
AA	65.2%	67.9%
A	20.6%	19.6%
BBB	--	0.5%
NA	4.4%	3.5%

Moody's Rating



Rating	06/30/2025	03/31/2025
AAA	6.17%	68.10%
AA	67.89%	7.62%
A	21.63%	19.87%
NA	4.31%	4.40%

Fitch Rating

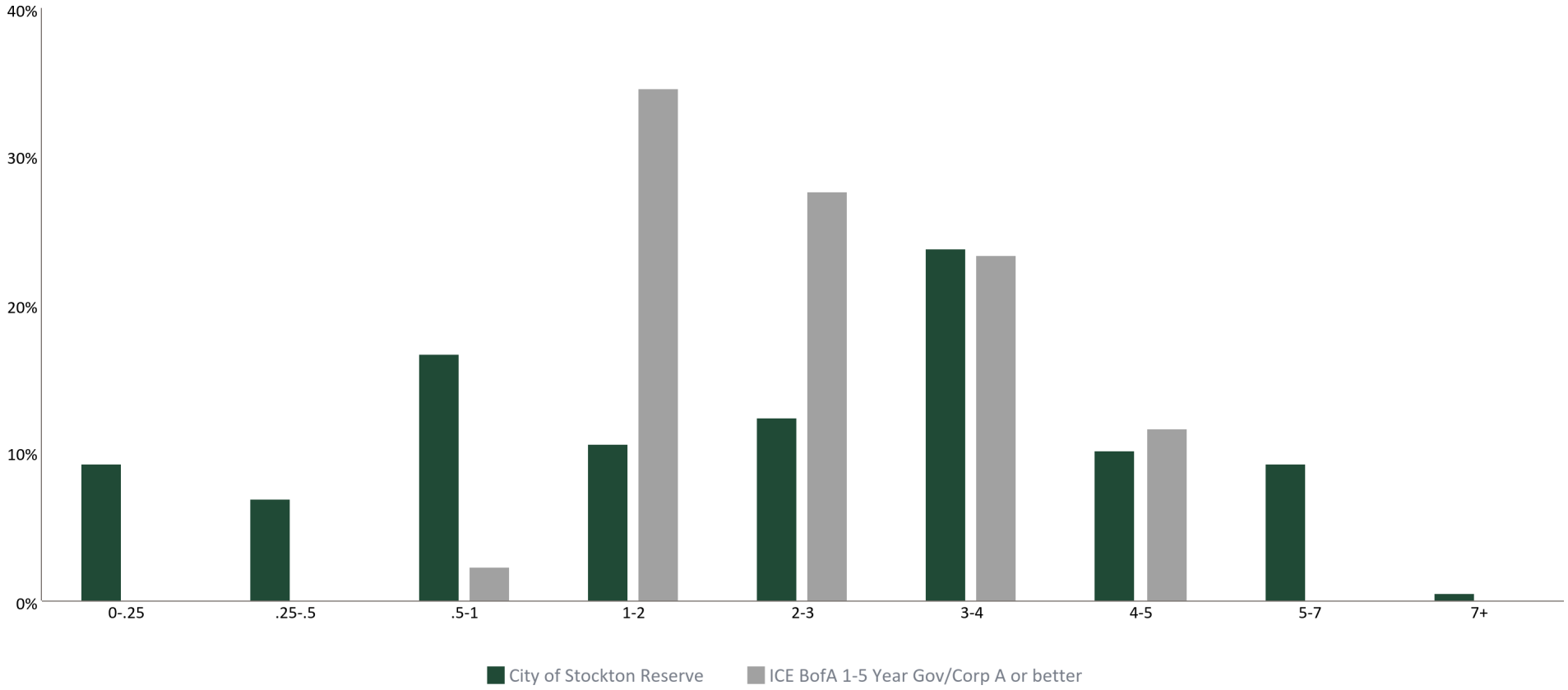


Rating	06/30/2025	03/31/2025
AAA	15.20%	11.78%
AA	63.73%	66.12%
A	11.96%	11.59%
NA	9.11%	10.51%

DURATION DISTRIBUTION

City of Stockton Reserve | Account #10020 | As of June 30, 2025

Portfolio Compared to the Benchmark

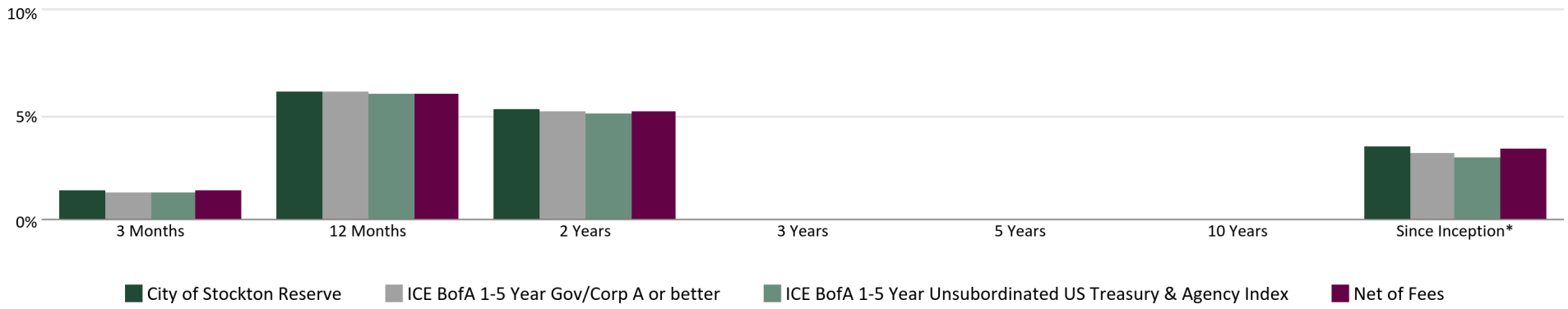


	0-.25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
Portfolio	9.4%	6.9%	16.8%	10.7%	12.5%	23.8%	10.2%	9.3%	0.5%
ICE BofA 1-5 Year Gov/Corp A or better	0.0%	0.1%	2.4%	34.7%	27.7%	23.4%	11.8%	0.0%	0.0%

INVESTMENT PERFORMANCE

City of Stockton Reserve | Account #10020 | As of June 30, 2025

Total and Realized Rate of Return : Inception | 08/01/2022



	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception*
MARKET VALUE BASIS EARNINGS							
Income Earned	2,939,179	10,035,277	16,575,262				20,335,534
Change in Market Value	1,947,169	9,923,078	17,664,303				907,172
TOTAL DOLLAR RETURN	**4,886,349**	**19,958,356**	**34,239,565**				**21,242,705**

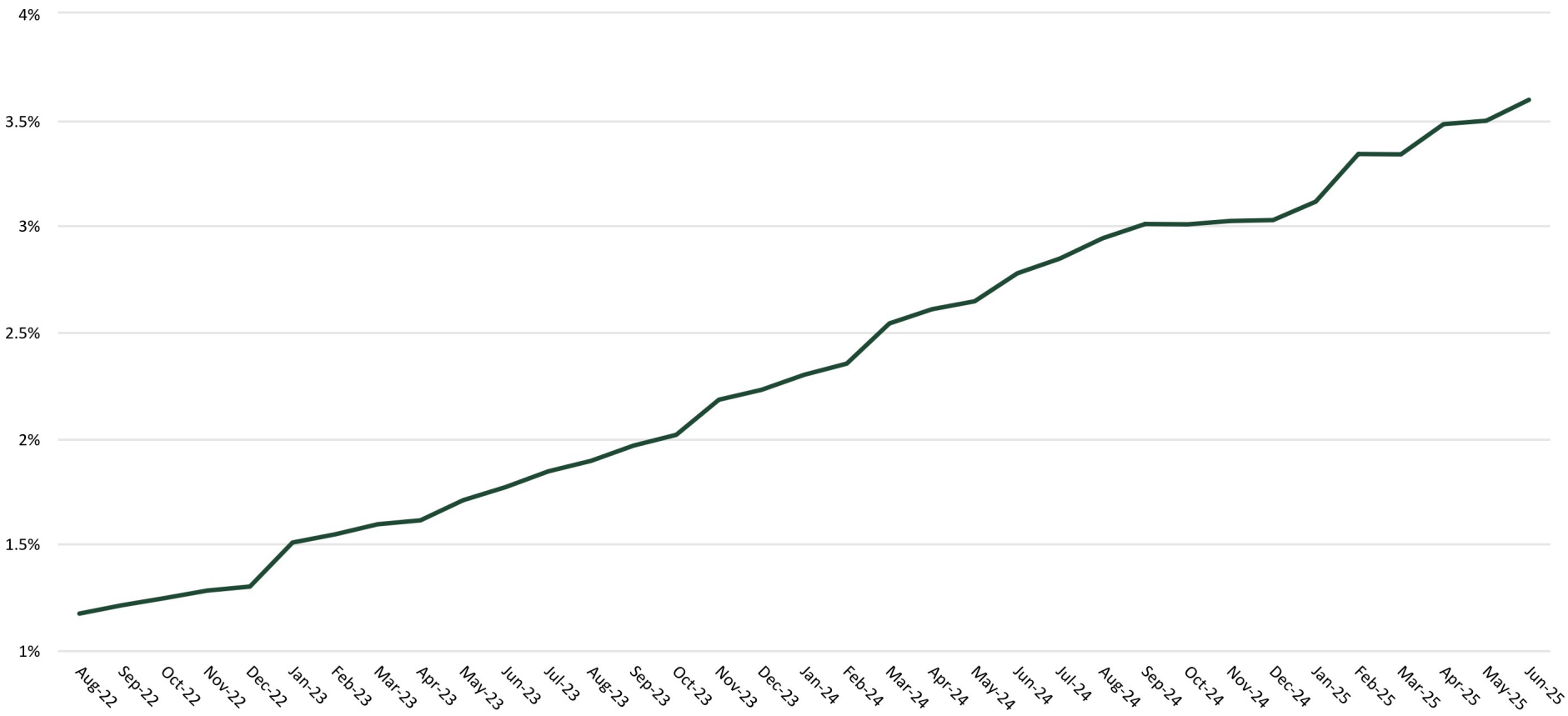
	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
TOTAL RATE OF RETURN							
City of Stockton Reserve	1.44%	6.16%	5.34%				3.53%
ICE BofA 1-5 Year Gov/Corp A or better	*1.40%*	*6.18%*	*5.25%*				3.23%
ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index	*1.36%*	*6.06%*	*5.11%*				3.10%
Basis Point Fee*	0.01%	0.04%	0.03%				0.03%
Net of Fees	1.43%	6.12%	5.31%				3.51%

*Periods over 1 year are annualized.
Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio. Realized rate of return: A measure of a portfolio's return over time. It is the internal rate which equates the beginning book value of the portfolio with the ending book value; it includes interest earnings, realized gains and losses in the portfolio.

HISTORICAL AVERAGE PURCHASE YIELD

City of Stockton Reserve | Account #10020 | As of June 30, 2025

Purchase Yield as of 06/30/25 = 3.59%



PORTFOLIO CHARACTERISTICS

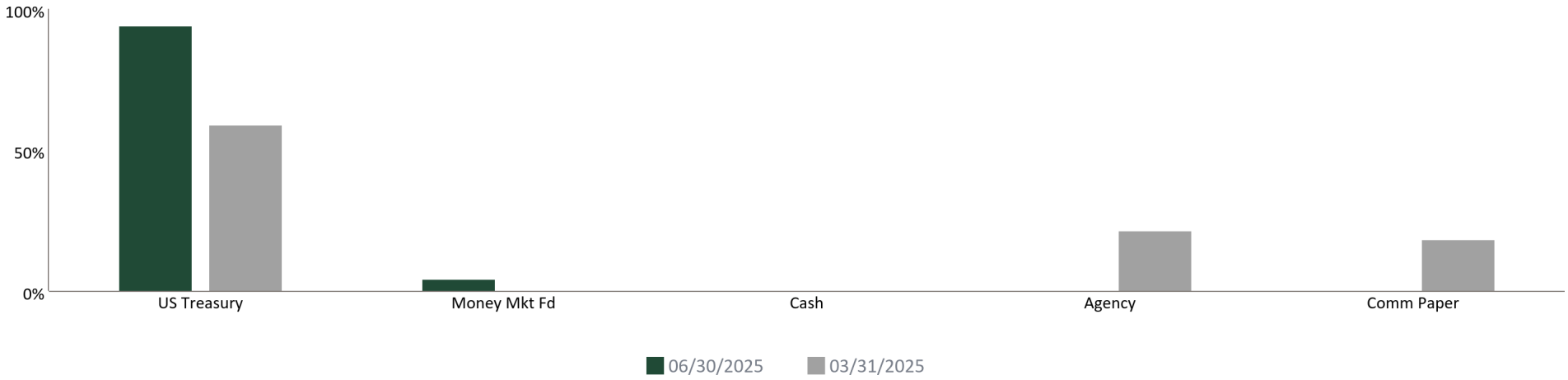
City of Stockton Enhanced Cash | Account #11194 | As of June 30, 2025

	Benchmark*	6/30/2025 Portfolio	3/31/2025 Portfolio
Average Maturity (yrs)	0.16	0.02	0.14
Average Modified Duration	0.16	0.02	0.14
Average Purchase Yield		4.16%	4.33%
Average Market Yield	4.37%	4.20%	4.33%
Average Quality**	AA+	AAA	AAA
Total Market Value		31,638,658	31,302,779

*Benchmark: ICE BofA 3-Month US Treasury Bill Index
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

City of Stockton Enhanced Cash | Account #11194 | As of June 30, 2025



Sector as a Percentage of Market Value

Sector	06/30/2025	03/31/2025
US Treasury	94.74%	59.13%
Money Mkt Fd	5.00%	0.25%
Cash	0.25%	0.04%
Agency	--	21.59%
Comm Paper	--	18.99%

ISSUERS

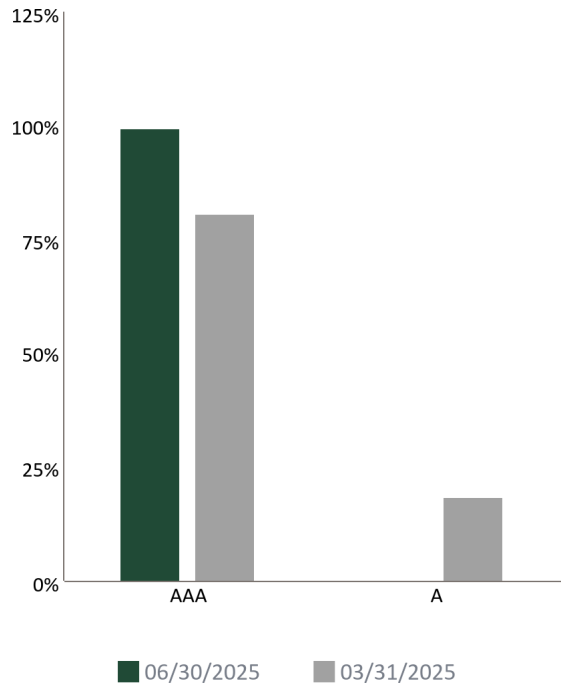
City of Stockton Enhanced Cash | Account #11194 | As of June 30, 2025

Issuer	Investment Type	% Portfolio
Government of The United States	US Treasury	94.74%
Federated Hermes, Inc.	Money Mkt Fd	5.00%
Cash	Cash	0.25%
TOTAL		**100.00%**

QUALITY DISTRIBUTION

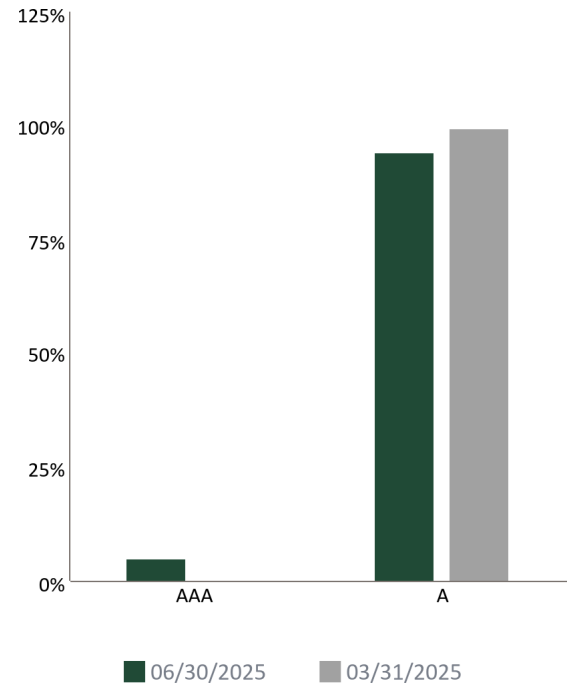
City of Stockton Enhanced Cash | Account #11194 | As of June 30, 2025

S&P Rating



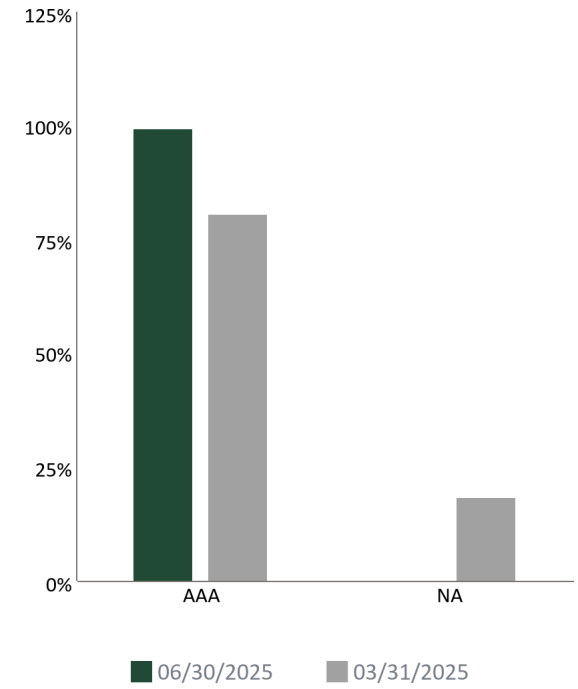
Rating	06/30/2025	03/31/2025
AAA	100.0%	81.0%
A	--	19.0%

Moody's Rating



Rating	06/30/2025	03/31/2025
AAA	5.26%	0.29%
A	94.74%	99.71%

Fitch Rating

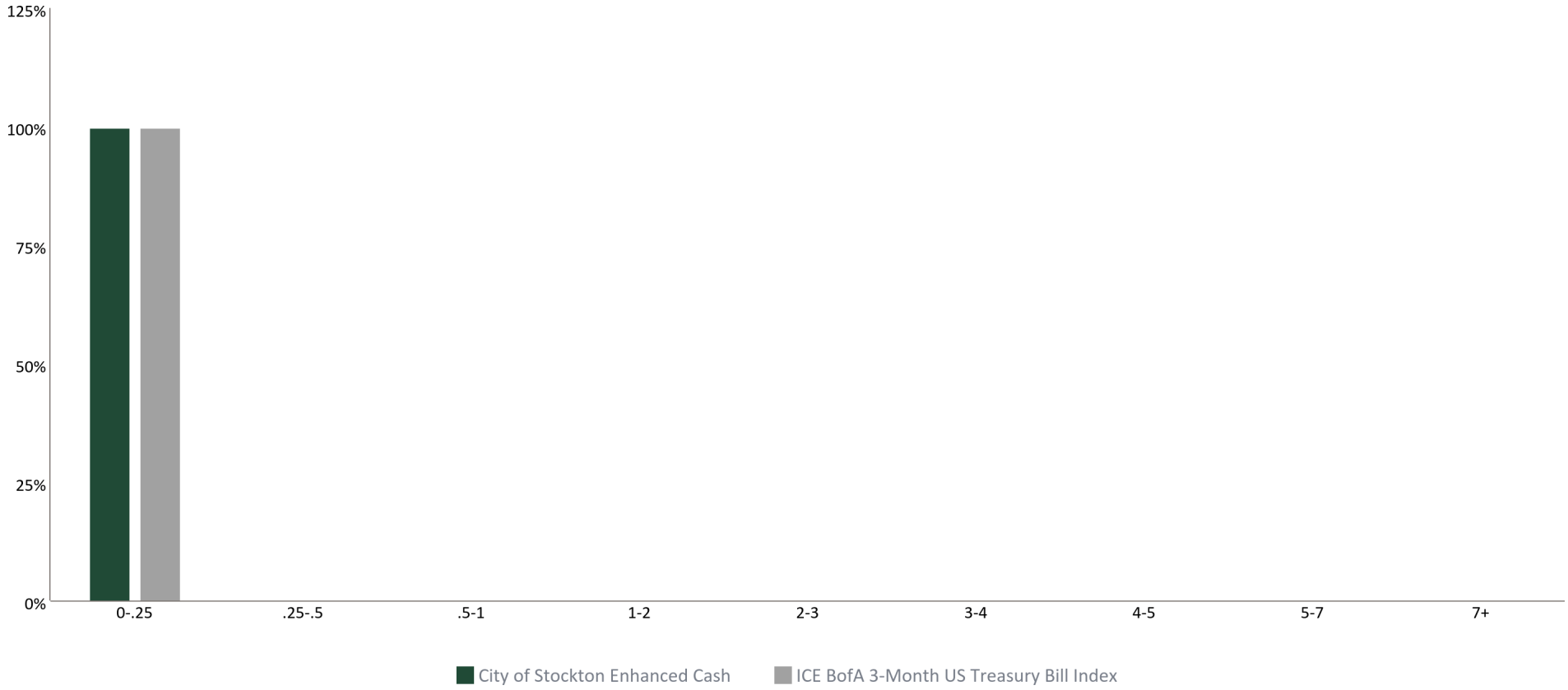


Rating	06/30/2025	03/31/2025
AAA	100.00%	81.01%
NA	--	18.99%

DURATION DISTRIBUTION

City of Stockton Enhanced Cash | Account #11194 | As of June 30, 2025

Portfolio Compared to the Benchmark

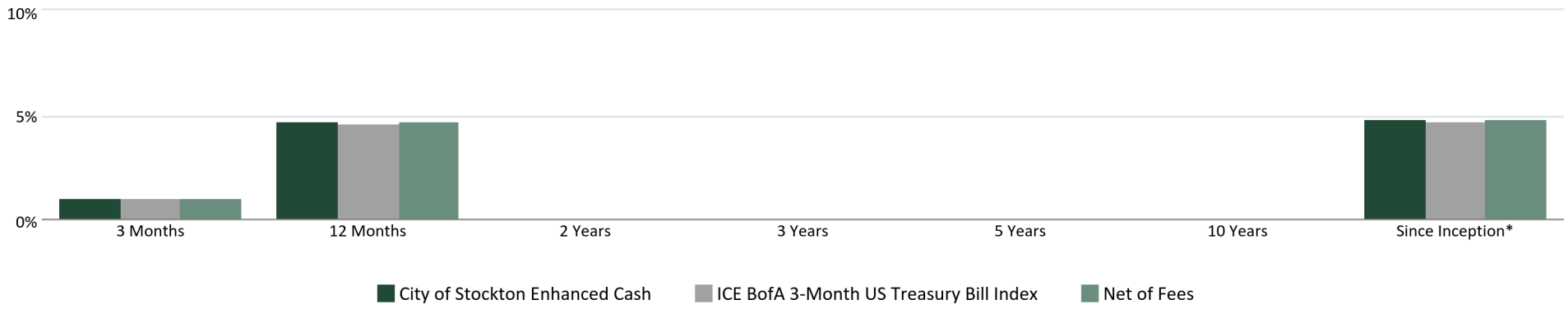


	0-.25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
Portfolio	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ICE BofA 3-Month US Treasury Bill Index	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

INVESTMENT PERFORMANCE

City of Stockton Enhanced Cash | Account #11194 | As of June 30, 2025

Total and Realized Rate of Return : Inception | 05/17/2024



	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception*
MARKET VALUE BASIS EARNINGS							
Income Earned	267,583	1,369,839					1,559,215
Change in Market Value	421.10	5,766					(300)
TOTAL DOLLAR RETURN	**268,004**	**1,375,605**					**1,558,914**

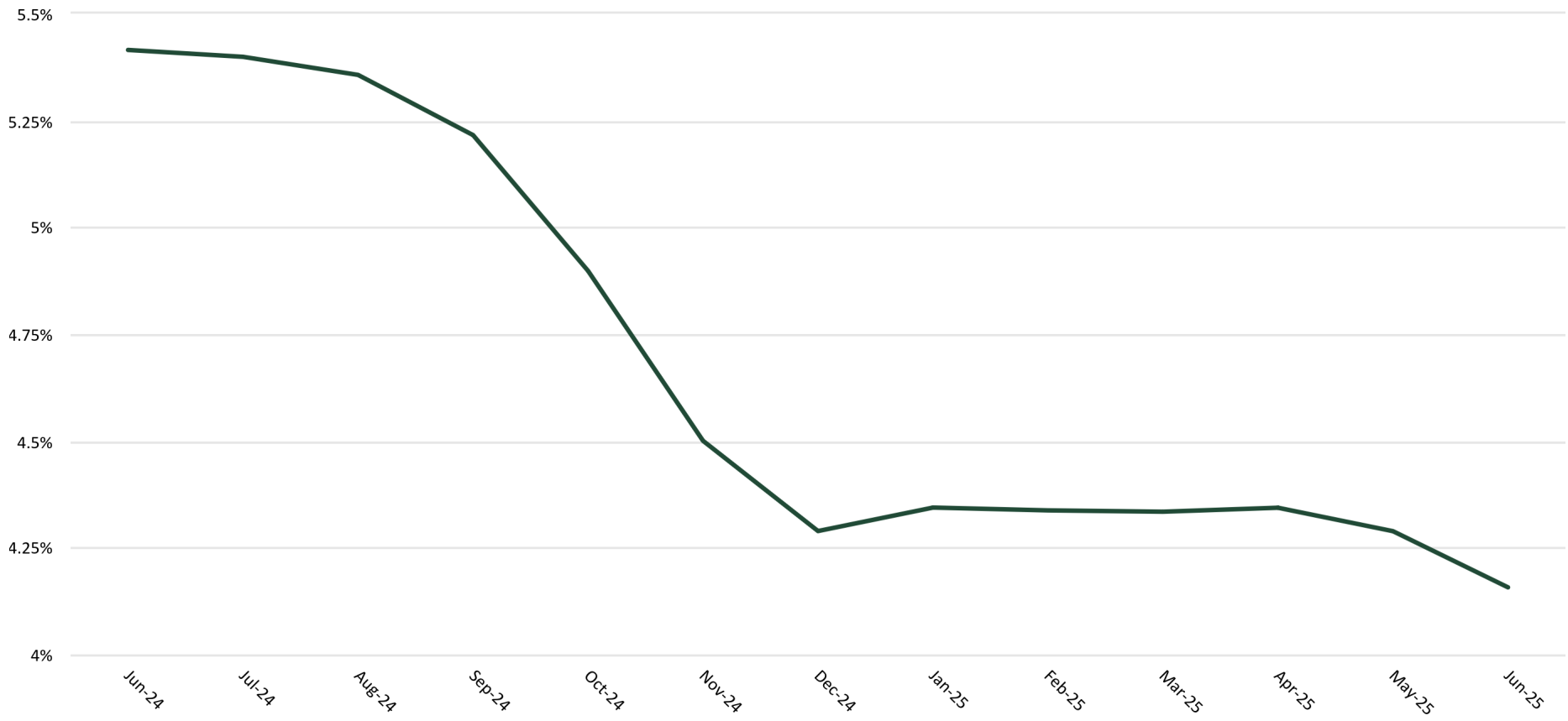
	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
TOTAL RATE OF RETURN							
City of Stockton Enhanced Cash	1.07%	4.79%					4.85%
ICE BofA 3-Month US Treasury Bill Index	*1.04%*	*4.68%*					4.76%
Basis Point Fee*	0.01%	0.04%					0.04%
Net of Fees	1.07%	4.75%					4.81%

*Periods over 1 year are annualized.
Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio. Realized rate of return: A measure of a portfolio's return over time. It is the internal rate which equates the beginning book value of the portfolio with the ending book value; it includes interest earnings, realized gains and losses in the portfolio.

HISTORICAL AVERAGE PURCHASE YIELD

City of Stockton Enhanced Cash | Account #11194 | As of June 30, 2025

Purchase Yield as of 06/30/25 = 4.16%



CHANDLER ASSET MANAGEMENT

CONSOLIDATED INFORMATION

PORTFOLIO CHARACTERISTICS

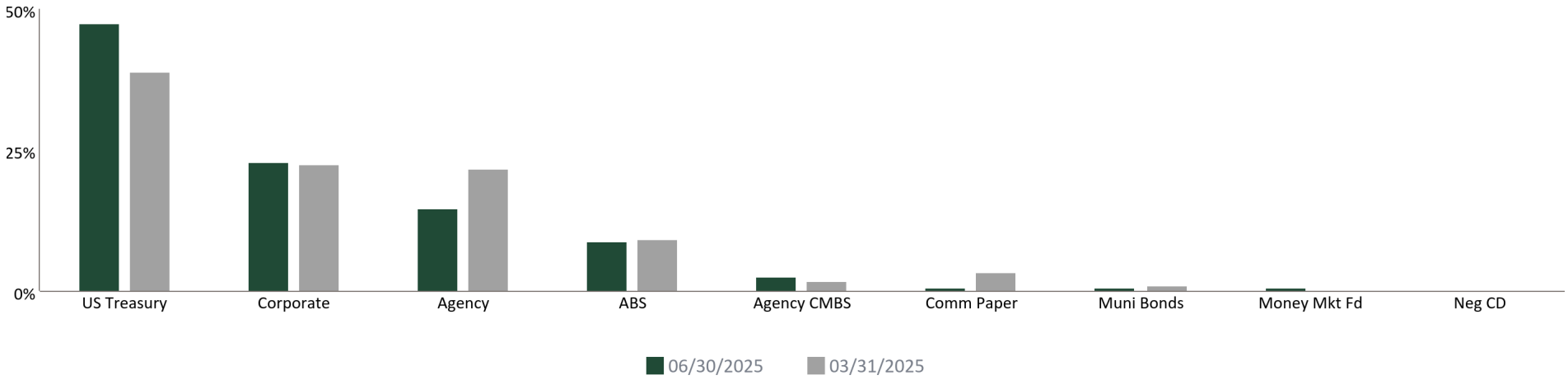
City of Stockton ConsAgg | Account #10021 | As of June 30, 2025

	6/30/2025 Portfolio	3/31/2025 Portfolio
Average Maturity (yrs)	2.80	2.85
Average Modified Duration	2.32	2.35
Average Purchase Yield	3.64%	3.42%
Average Market Yield	4.12%	4.26%
Average Quality**	AA+	AA+
Total Market Value	375,674,415	370,465,127

*Benchmark: NO BENCHMARK REQUIRED
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

City of Stockton ConsAgg | Account #10021 | As of June 30, 2025



Sector as a Percentage of Market Value

Sector	06/30/2025	03/31/2025
US Treasury	47.56%	38.98%
Corporate	23.18%	22.53%
Agency	14.68%	21.78%
ABS	8.99%	9.20%
Agency CMBS	2.91%	2.04%
Comm Paper	0.93%	3.71%
Muni Bonds	0.91%	1.12%
Money Mkt Fd	0.81%	0.09%
Neg CD	--	0.54%

CHANDLER ASSET MANAGEMENT

PORTFOLIO HOLDINGS

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of June 30, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
36271VAD9	GMALT 2025-1 A3 4.66 02/21/2028	1,390,000.00	02/05/2025 4.66%	1,389,835.98 1,389,856.63	100.67 4.25%	1,399,266.30 1,979.21	0.41% 9,409.66	NA/AAA AAA	2.65 1.45
05592XAD2	BMWOT 2023-A A3 5.47 02/25/2028	458,974.59	07/11/2023 5.47%	458,893.26 458,927.76	100.59 4.49%	461,702.13 418.43	0.14% 2,774.37	NA/AAA AAA	2.66 0.57
477920AC6	JDOT 2023-B A3 5.18 03/15/2028	915,826.28	06/21/2023 5.51%	915,673.52 915,738.63	100.53 4.46%	920,718.62 2,108.44	0.27% 4,979.99	Aaa/NA AAA	2.71 0.68
47787CAC7	JDOT 2023-C A3 5.48 05/15/2028	3,012,613.72	09/12/2023 5.55%	3,012,406.75 3,012,486.01	100.86 4.51%	3,038,648.72 7,337.39	0.89% 26,162.71	Aaa/NA AAA	2.88 0.83
02582JJZ4	AMXCA 2023-1 A 4.87 05/15/2026	1,270,000.00	06/07/2023 4.92%	1,269,887.35 1,269,956.60	100.52 4.30%	1,276,554.34 2,748.84	0.37% 6,597.74	NA/AAA AAA	0.87 0.84
438123AC5	HAROT 2023-4 A3 5.67 06/21/2028	1,050,000.00	11/01/2023 5.74%	1,049,815.10 1,049,880.97	101.07 4.39%	1,061,198.25 1,653.75	0.31% 11,317.28	Aaa/NA AAA	2.98 0.78
161571HT4	CHAIT 2023-1 A 5.16 09/15/2028	4,915,000.00	-- 5.23%	4,920,147.11 4,917,037.76	101.16 4.21%	4,971,802.16 11,271.73	1.45% 54,764.40	NA/AAA AAA	3.21 1.14
096919AD7	BMWOT 2024-A A3 5.18 02/26/2029	1,445,000.00	06/04/2024 5.18%	1,444,780.51 1,444,829.61	101.26 4.11%	1,463,218.56 1,247.52	0.43% 18,388.95	Aaa/AAA NA	3.66 1.12
44934QAD3	HART 2024-B A3 4.84 03/15/2029	910,000.00	07/16/2024 5.45%	909,862.68 909,890.39	101.02 4.17%	919,274.72 1,957.51	0.27% 9,384.33	NA/AAA AAA	3.71 1.40
43813YAC6	HAROT 2024-3 A3 4.57 03/21/2029	2,040,000.00	08/09/2024 4.66%	2,039,679.52 2,039,739.67	100.54 4.21%	2,051,103.11 2,589.67	0.60% 11,363.44	Aaa/NA AAA	3.72 1.35
05522RDJ4	BACCT 2024-1 A 4.93 05/15/2029	1,635,000.00	06/06/2024 4.93%	1,634,908.28 1,634,928.10	101.48 4.14%	1,659,219.42 3,582.47	0.49% 24,291.32	Aaa/AAA NA	3.87 1.75
89240JAD3	TAOT 25A A3 4.64 08/15/2029	1,990,000.00	01/22/2025 4.69%	1,989,920.20 1,989,927.56	100.92 4.14%	2,008,361.13 4,103.82	0.59% 18,433.57	Aaa/NA AAA	4.13 1.70
096924AD7	BMWOT 2025-A A3 4.56 09/25/2029	2,185,000.00	02/04/2025 4.56%	2,184,784.78 2,184,802.52	100.86 4.09%	2,203,709.28 1,660.60	0.64% 18,906.76	Aaa/AAA NA	4.24 1.65
44935CAD3	HART 2025-A A3 4.32 10/15/2029	2,045,000.00	03/04/2025 4.84%	2,044,698.36 2,044,718.31	100.39 4.16%	2,052,899.02 3,926.40	0.60% 8,180.70	NA/AAA AAA	4.29 1.98
92970QAE5	WFCIT 2024-2 A 4.29 10/15/2029	1,815,000.00	10/17/2024 4.29%	1,814,730.29 1,814,767.40	100.47 4.11%	1,823,532.32 3,460.60	0.53% 8,764.92	Aaa/AAA NA	4.29 2.14
02582JKM1	AMXCA 2025-1 A 4.56 12/17/2029	3,685,000.00	02/04/2025 4.57%	3,684,181.56 3,684,246.30	101.26 4.05%	3,731,334.08 7,468.27	1.09% 47,087.79	NA/AAA AAA	4.47 2.28

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of June 30, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
92348KDY6	VZMT 2025-3 A1A 4.51 03/20/2030	2,525,000.00	03/25/2025 4.51%	2,524,891.43 2,524,896.93	100.44 4.39%	2,536,083.24 3,479.59	0.74% 11,186.30	Aaa/NA AAA	4.72 1.62
Total ABS		**33,287,414.58**	**4.93%**	**33,289,096.68** **33,286,631.16**	**100.88** **4.23%**	**33,578,625.41** **60,994.23**	**9.83%** **291,994.25**		**3.64** **1.47**
AGENCY									
3137EAEU9	FEDERAL HOME LOAN MORTGAGE CORP 0.375 07/21/2025	2,310,000.00	07/21/2020 0.48%	2,298,496.20 2,309,873.86	99.78 4.31%	2,304,958.33 3,850.00	0.67% (4,915.53)	Aa1/AA+ AA+	0.06 0.06
3135G05X7	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.375 08/25/2025	3,995,000.00	08/25/2020 0.47%	3,976,303.40 3,994,436.85	99.39 4.48%	3,970,514.68 5,243.44	1.16% (23,922.16)	Aa1/AA+ AA+	0.15 0.15
3137EAEX3	FEDERAL HOME LOAN MORTGAGE CORP 0.375 09/23/2025	3,545,000.00	09/23/2020 0.44%	3,534,329.55 3,544,508.60	99.09 4.41%	3,512,700.02 3,618.85	1.03% (31,808.58)	Aa1/AA+ AA+	0.23 0.23
3133EMBH4	FEDERAL FARM CREDIT BANKS FUNDING CORP 0.53 09/29/2025	2,265,000.00	10/07/2020 0.57%	2,261,036.25 2,264,803.56	99.10 4.24%	2,244,611.96 3,067.82	0.66% (20,191.59)	Aa1/AA+ AA+	0.25 0.24
3135G06G3	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 11/07/2025	8,145,000.00	-- 0.54%	8,127,104.90 8,143,733.87	98.68 4.32%	8,037,497.97 6,108.75	2.35% (106,235.90)	Aa1/AA+ AA+	0.36 0.34
3130ATS57	FEDERAL HOME LOAN BANKS 4.5 03/10/2028	4,100,000.00	03/28/2023 3.89%	4,211,028.00 4,160,365.33	101.97 3.72%	4,180,741.55 56,887.50	1.22% 20,376.21	Aa1/AA+ AA+	2.70 2.49
3133ERDH1	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.75 04/30/2029	2,500,000.00	04/29/2024 4.70%	2,505,075.00 2,503,888.24	102.95 3.91%	2,573,856.88 20,121.53	0.75% 69,968.64	Aa1/AA+ AA+	3.83 3.46
3130B1BC0	FEDERAL HOME LOAN BANKS 4.625 06/08/2029	1,900,000.00	07/30/2024 4.10%	1,943,358.00 1,935,165.71	103.12 3.76%	1,959,239.32 5,614.24	0.57% 24,073.61	Aa1/AA+ AA+	3.94 3.57
3133EN7B0	FEDERAL FARM CREDIT BANKS FUNDING CORP 3.75 01/25/2030	3,000,000.00	01/20/2023 3.83%	2,985,090.00 2,990,267.98	99.58 3.85%	2,987,368.11 48,750.00	0.87% (2,899.87)	Aa1/AA+ AA+	4.57 4.09
3133EN4V9	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.125 09/23/2030	2,100,000.00	12/22/2022 4.22%	2,087,505.00 2,091,558.03	100.54 4.01%	2,111,270.43 23,581.25	0.62% 19,712.39	Aa1/AA+ AA+	5.23 4.61
3133ENQ45	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.25 09/30/2030	875,000.00	11/30/2022 4.40%	866,250.00 869,137.10	101.12 4.01%	884,770.06 9,400.17	0.26% 15,632.95	Aa1/AA+ AA+	5.25 4.62
880591EX6	TENNESSEE VALLEY AUTHORITY 1.5 09/15/2031	1,003,000.00	01/23/2023 4.03%	818,959.53 870,801.10	85.90 4.10%	861,532.57 4,429.92	0.25% (9,268.53)	Aa1/AA+ AA+	6.21 5.77
3133ENFQ8	FEDERAL FARM CREDIT BANKS FUNDING CORP 1.81 12/01/2031	2,303,000.00	01/25/2023 3.94%	1,939,056.91 2,038,969.49	87.10 4.12%	2,006,001.99 3,473.69	0.59% (32,967.50)	Aa1/AA+ AA+	6.42 5.93

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of June 30, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3133ENGS3	FEDERAL FARM CREDIT BANKS FUNDING CORP 1.625 12/09/2031	4,500,000.00	02/24/2023 4.35%	3,613,410.00 3,849,778.71	85.78 4.17%	3,859,883.82 4,468.75	1.13% 10,105.11	Aa1/AA+ AA+	6.44 5.98
3133EN6M7	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.0 01/19/2033	3,000,000.00	01/18/2023 3.93%	3,017,490.00 3,013,209.67	97.77 4.35%	2,933,201.55 54,000.00	0.86% (80,008.12)	Aa1/AA+ AA+	7.56 6.32
3130AV4X7	FEDERAL HOME LOAN BANKS 4.375 03/11/2033	2,500,000.00	05/12/2023 4.04%	2,568,175.00 2,553,392.35	100.94 4.23%	2,523,615.55 33,420.14	0.74% (29,776.80)	Aa1/AA+ AA+	7.70 6.40
3130AVWG3	FEDERAL HOME LOAN BANKS 4.0 06/10/2033	6,195,000.00	-- 4.40%	5,998,322.75 6,037,162.34	97.57 4.37%	6,044,308.98 14,455.00	1.77% 7,146.64	Aa1/AA+ AA+	7.94 6.70
880591FB3	TENNESSEE VALLEY AUTHORITY 4.375 08/01/2034	1,845,000.00	08/08/2024 4.49%	1,828,561.05 1,830,015.26	99.35 4.46%	1,833,020.80 33,632.81	0.54% 3,005.54	Aa1/AA+ AA+	9.09 7.29
Total Agency		**56,081,000.00**	**2.84%**	**54,579,551.54** **55,001,068.05**	**98.01** **4.19%**	**54,829,094.56** **334,123.86**	**16.04%** **(171,973.49)**		**3.88** **3.39**
AGENCY CMBS									
3137F2LJ3	FHMS K-066 A2 3.117 06/25/2027	2,400,000.00	10/20/2022 4.88%	2,234,343.75 2,330,976.56	98.23 4.04%	2,357,514.48 6,234.00	0.69% 26,537.92	Aa1/AA+ AAA	1.99 1.74
3137FG6X8	FHMS K-077 A2 3.85 05/25/2028	5,245,000.00	05/24/2023 4.65%	5,148,705.08 5,189,568.83	99.43 4.00%	5,215,281.83 16,827.71	1.53% 25,713.00	Aa1/AA+ AAA	2.90 2.62
3137FPJG1	FHMS K-099 A2 2.595 09/25/2029	3,500,000.00	06/06/2025 4.38%	3,261,425.78 3,264,518.12	94.30 4.09%	3,300,640.35 7,568.75	0.97% 36,122.23	Aa1/AA+ AAA	4.24 3.84
Total Agency CMBS		**11,145,000.00**	**4.62%**	**10,644,474.61** **10,785,063.52**	**97.62** **4.04%**	**10,873,436.66** **30,630.46**	**3.18%** **88,373.14**		**3.11** **2.80**
CASH									
CCYUSD	Receivable	15,726.97	--	15,726.97 15,726.97	1.00 0.00%	15,726.97 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		**15,726.97**		**15,726.97** **15,726.97**	**1.00** **0.00%**	**15,726.97** **0.00**	**0.00%** **0.00**		**0.00** **0.00**
COMMERCIAL PAPER									
71344TW99	PepsiCo, Inc. 09/09/2025	3,500,000.00	02/27/2025 4.35%	3,419,840.28 3,471,076.39	99.15 4.39%	3,470,362.00 0.00	1.02% (714.39)	P-1/A-1 F1	0.19 0.19

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of June 30, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
Total Commercial Paper		**3,500,000.00**	**4.35%**	**3,419,840.28** **3,471,076.39**	**99.15** **4.39%**	**3,470,362.00** **0.00**	**1.02%** **(714.39)**		**0.19** **0.19**
CORPORATE									
46625HQW3	JPMORGAN CHASE & CO 3.3 04/01/2026	3,000,000.00	04/21/2025 4.38%	2,970,390.00 2,976,415.29	99.32 4.23%	2,979,538.23 24,750.00	0.87% 3,122.94	A1/A AA-	0.75 0.73
06051GFX2	BANK OF AMERICA CORP 3.5 04/19/2026	3,000,000.00	04/22/2025 4.43%	2,973,360.00 2,978,451.86	99.31 4.38%	2,979,230.16 21,000.00	0.87% 778.30	A1/A- AA-	0.80 0.77
91324PEC2	UNITEDHEALTH GROUP INC 1.15 05/15/2026	4,000,000.00	09/19/2022 4.16%	3,592,560.00 3,902,728.29	97.21 4.45%	3,888,225.88 5,877.78	1.14% (14,502.41)	A2/A+ A	0.87 0.85
02665WEK3	AMERICAN HONDA FINANCE CORP 5.25 07/07/2026	3,500,000.00	04/29/2025 4.37%	3,535,000.00 3,529,988.45	100.84 4.40%	3,529,381.66 88,812.50	1.03% (606.79)	A3/A- A	1.02 0.96
61761J3R8	MORGAN STANLEY 3.125 07/27/2026	3,500,000.00	04/29/2025 4.30%	3,450,685.00 3,457,434.51	98.75 4.33%	3,456,241.32 46,788.19	1.01% (1,193.19)	A1/A- A+	1.07 1.03
87612EBM7	TARGET CORP 1.95 01/15/2027	2,140,000.00	-- 1.97%	2,137,844.40 2,139,332.79	96.86 4.08%	2,072,793.45 19,242.17	0.61% (66,539.34)	A2/A A	1.54 1.48
808513BY0	CHARLES SCHWAB CORP 2.45 03/03/2027	3,500,000.00	01/23/2023 4.35%	3,251,955.00 3,398,993.69	97.18 4.21%	3,401,382.64 28,106.94	1.00% 2,388.94	A2/A- A	1.67 1.60
665859AW4	NORTHERN TRUST CORP 4.0 05/10/2027	2,200,000.00	08/24/2022 3.93%	2,206,402.00 2,202,457.64	99.88 4.07%	2,197,309.42 12,466.67	0.64% (5,148.22)	A2/A+ A+	1.86 1.76
92826CAH5	VISA INC 2.75 09/15/2027	4,000,000.00	03/27/2024 4.57%	3,769,760.00 3,853,417.50	97.60 3.89%	3,904,099.96 32,388.89	1.14% 50,682.46	Aa3/AA- NA	2.21 2.10
74340XBV2	PROLOGIS LP 3.375 12/15/2027	3,000,000.00	01/25/2023 4.28%	2,881,530.00 2,940,399.56	98.25 4.13%	2,947,418.16 4,500.00	0.86% 7,018.60	A2/A NA	2.46 2.33
24422EWR6	JOHN DEERE CAPITAL CORP 4.75 01/20/2028	2,000,000.00	01/20/2023 4.35%	2,035,920.00 2,018,393.72	101.58 4.09%	2,031,627.62 42,486.11	0.59% 13,233.90	A1/A A+	2.56 2.34
713448FL7	PEPSICO INC 3.6 02/18/2028	2,000,000.00	04/27/2023 4.00%	1,964,920.00 1,980,792.85	99.14 3.95%	1,982,794.62 26,600.00	0.58% 2,001.77	A1/A+ NA	2.64 2.45
857477CU5	STATE STREET CORP 4.536 02/28/2028	4,155,000.00	02/25/2025 4.51%	4,155,000.00 4,155,000.00	101.14 4.08%	4,202,324.83 64,394.19	1.23% 47,324.83	Aa3/A AA-	2.67 2.38
57636QAW4	MASTERCARD INC 4.875 03/09/2028	3,000,000.00	06/13/2024 4.50%	3,037,110.00 3,026,550.92	102.26 3.98%	3,067,788.03 45,500.00	0.90% 41,237.11	Aa3/A+ NA	2.69 2.40

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of June 30, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
61747YER2	MORGAN STANLEY 4.21 04/20/2028	1,800,000.00	07/31/2023 5.39%	1,729,026.00 1,765,635.84	99.79 4.91%	1,796,281.00 14,945.50	0.53% 30,645.16	A1/A- A+	2.81 1.70
58933YBH7	MERCK & CO INC 4.05 05/17/2028	2,000,000.00	-- 4.03%	2,001,621.20 2,000,915.92	100.46 3.88%	2,009,192.32 9,900.00	0.59% 8,276.40	Aa3/A+ NA	2.88 2.61
46647PAM8	JPMORGAN CHASE & CO 3.509 01/23/2029	3,000,000.00	02/27/2024 5.19%	2,823,480.00 2,883,972.81	97.95 4.67%	2,938,628.52 46,201.83	0.86% 54,655.71	A1/A AA-	3.57 2.38
69371RS80	PACCAR FINANCIAL CORP 4.6 01/31/2029	3,600,000.00	01/29/2024 4.52%	3,612,132.00 3,608,698.92	101.37 4.18%	3,649,231.12 69,460.00	1.07% 40,532.20	A1/A+ NA	3.59 3.22
857477CN1	STATE STREET CORP 4.53 02/20/2029	2,000,000.00	08/14/2024 4.53%	2,000,000.00 2,000,000.00	100.82 4.52%	2,016,400.12 32,968.33	0.59% 16,400.12	Aa3/A AA-	3.64 2.42
17275RBR2	CISCO SYSTEMS INC 4.85 02/26/2029	3,000,000.00	02/27/2024 4.84%	3,001,560.00 3,001,135.42	102.48 4.11%	3,074,323.68 50,520.83	0.90% 73,188.26	A1/AA- NA	3.66 3.21
14913UAJ9	CATERPILLAR FINANCIAL SERVICES CORP 4.85 02/27/2029	4,000,000.00	04/29/2024 5.08%	3,960,640.00 3,970,167.62	102.30 4.16%	4,092,191.76 66,822.22	1.20% 122,024.14	A2/A A+	3.66 3.28
06051GLG2	BANK OF AMERICA CORP 5.202 04/25/2029	2,500,000.00	05/28/2024 5.38%	2,484,025.00 2,488,480.54	102.20 4.77%	2,554,904.95 23,842.50	0.75% 66,424.41	A1/A- AA-	3.82 2.58
89236TMF9	TOYOTA MOTOR CREDIT CORP 5.05 05/16/2029	2,500,000.00	05/28/2024 5.09%	2,495,600.00 2,496,565.91	102.65 4.30%	2,566,330.75 15,781.25	0.75% 69,764.84	A1/A+ A+	3.88 3.48
57629W4T4	MASSMUTUAL GLOBAL FUNDING II 5.15 05/30/2029	2,950,000.00	05/22/2024 5.17%	2,947,551.50 2,948,083.84	102.79 4.37%	3,032,370.17 13,082.43	0.89% 84,286.32	Aa3/AA+ AA+	3.91 3.51
437076DC3	HOME DEPOT INC 4.75 06/25/2029	4,000,000.00	07/30/2024 4.58%	4,028,360.00 4,022,958.86	102.07 4.18%	4,082,930.48 3,166.67	1.19% 59,971.62	A2/A A	3.99 3.53
532457CQ9	ELI LILLY AND CO 4.2 08/14/2029	2,290,000.00	08/12/2024 4.25%	2,284,984.90 2,285,866.52	100.35 4.10%	2,298,128.13 36,601.83	0.67% 12,261.60	Aa3/A+ NA	4.12 3.62
64952WFK4	NEW YORK LIFE GLOBAL FUNDING 4.6 12/05/2029	3,500,000.00	02/27/2025 4.58%	3,502,135.00 3,501,984.16	101.11 4.32%	3,539,021.82 11,627.78	1.04% 37,037.65	Aa1/AA+ AAA	4.43 3.96
59217GFT1	METROPOLITAN LIFE GLOBAL FUNDING I 4.9 01/09/2030	2,645,000.00	01/02/2025 4.95%	2,639,551.30 2,640,067.52	102.02 4.40%	2,698,321.37 61,922.39	0.79% 58,253.85	Aa3/AA- AA-	4.53 3.94
63743HFX5	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.95 02/07/2030	3,500,000.00	05/28/2025 4.70%	3,535,315.00 3,534,622.96	102.28 4.40%	3,579,934.65 69,300.00	1.05% 45,311.68	A2/NA A	4.61 3.94
Total Corporate		**86,280,000.00**	**4.53%**	**85,008,418.30** **85,709,513.92**	**100.37** **4.25%**	**86,568,346.80** **989,057.01**	**25.33%** **858,832.88**		**2.82** **2.45**

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Reserve | Account #10020 | As of June 30, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
MONEY MARKET FUND									
60934N104	FEDERATED HRMS GV O INST	1,437,293.48	-- 4.21%	1,437,293.48 1,437,293.48	1.00 4.21%	1,437,293.48 0.00	0.42% 0.00	Aaa/AAAm AAA	0.00 0.00
Total Money Market Fund		**1,437,293.48**	**4.21%**	**1,437,293.48** **1,437,293.48**	**1.00** **4.21%**	**1,437,293.48** **0.00**	**0.42%** **0.00**		**0.00** **0.00**
MUNICIPAL BONDS									
341271AD6	FLORIDA ST BRD ADMIN FIN CORP REV 1.258 07/01/2025	1,875,000.00	09/03/2020 1.17%	1,882,423.50 1,875,000.00	100.00 1.26%	1,875,000.00 11,793.75	0.55% 0.00	Aa2/AA AA	0.00 0.00
54438CYK2	LOS ANGELES CALIF CMNTY COLLEGE DIST 0.773 08/01/2025	965,000.00	10/30/2020 0.77%	965,000.00 965,000.00	99.70 4.32%	962,144.57 3,108.10	0.28% (2,855.44)	Aaa/AA+ NA	0.09 0.08
646140DP5	NEW JERSEY ST TPK AUTH TPK REV 1.047 01/01/2026	557,500.00	01/22/2021 1.05%	557,500.00 557,500.00	98.46 4.20%	548,892.20 2,918.51	0.16% (8,607.80)	A1/AA- A+	0.51 0.49
Total Municipal Bonds		**3,397,500.00**	**1.04%**	**3,404,923.50** **3,397,500.00**	**99.67** **2.61%**	**3,386,036.77** **17,820.37**	**0.99%** **(11,463.24)**		**0.11** **0.10**
US TREASURY									
912797QL4	UNITED STATES TREASURY 08/26/2025	6,500,000.00	06/27/2025 4.44%	6,455,256.98 6,456,041.95	99.33 4.41%	6,456,320.00 0.00	1.89% 278.05	P-1/A-1+ F1+	0.16 0.15
91282CAJ0	UNITED STATES TREASURY 0.25 08/31/2025	6,000,000.00	-- 0.56%	5,925,343.67 5,996,931.20	99.30 4.51%	5,957,929.68 5,013.59	1.74% (39,001.52)	Aa1/AA+ AA+	0.17 0.16
912797MS3	UNITED STATES TREASURY 10/02/2025	3,500,000.00	04/29/2025 4.22%	3,438,417.22 3,463,050.33	98.91 4.33%	3,461,770.69 0.00	1.01% (1,279.64)	P-1/A-1+ F1+	0.26 0.25
91282CAZ4	UNITED STATES TREASURY 0.375 11/30/2025	6,772,500.00	-- 0.93%	6,619,508.79 6,756,998.76	98.39 4.31%	6,663,703.51 2,151.10	1.95% (93,295.24)	Aa1/AA+ AA+	0.42 0.41
91282CGA3	UNITED STATES TREASURY 4.0 12/15/2025	5,000,000.00	04/29/2025 4.01%	4,999,609.38 4,999,715.14	99.92 4.16%	4,996,240.25 8,743.17	1.46% (3,474.89)	Aa1/AA+ AA+	0.46 0.45
91282CBH3	UNITED STATES TREASURY 0.375 01/31/2026	17,305,000.00	-- 0.79%	16,971,456.65 17,263,638.42	97.80 4.24%	16,923,918.29 27,068.94	4.95% (339,720.13)	Aa1/AA+ AA+	0.59 0.57
91282CBQ3	UNITED STATES TREASURY 0.5 02/28/2026	12,670,000.00	-- 0.94%	12,437,181.06 12,634,144.11	97.60 4.19%	12,366,117.91 21,174.05	3.62% (268,026.20)	Aa1/AA+ AA+	0.67 0.65

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CCF6	UNITED STATES TREASURY 0.75 05/31/2026	8,320,000.00	-- 0.80%	8,301,545.71 8,316,617.05	97.05 4.06%	8,074,950.04 5,285.25	2.36% (241,667.01)	Aa1/AA+ AA+	0.92 0.90
91282CCY5	UNITED STATES TREASURY 1.25 09/30/2028	3,325,000.00	-- 3.32%	3,058,576.17 3,117,835.39	92.52 3.72%	3,076,274.41 10,447.40	0.90% (41,560.98)	Aa1/AA+ AA+	3.25 3.12
91282CJW2	UNITED STATES TREASURY 4.0 01/31/2029	7,000,000.00	03/27/2024 4.20%	6,940,117.19 6,955,679.95	100.90 3.73%	7,063,164.08 116,795.58	2.07% 107,484.13	Aa1/AA+ AA+	3.59 3.26
9128286B1	UNITED STATES TREASURY 2.625 02/15/2029	7,000,000.00	-- 4.06%	6,525,214.84 6,677,780.36	96.30 3.72%	6,741,054.67 69,033.15	1.97% 63,274.31	Aa1/AA+ AA+	3.63 3.38
91282CKT7	UNITED STATES TREASURY 4.5 05/31/2029	6,500,000.00	06/13/2024 4.25%	6,572,617.19 6,557,403.31	102.73 3.74%	6,677,226.53 24,774.59	1.95% 119,823.22	Aa1/AA+ AA+	3.92 3.56
91282CLC3	UNITED STATES TREASURY 4.0 07/31/2029	3,450,000.00	12/23/2024 4.42%	3,390,164.06 3,396,895.60	100.93 3.75%	3,482,208.99 57,563.54	1.02% 85,313.39	Aa1/AA+ AA+	4.08 3.68
912828YB0	UNITED STATES TREASURY 1.625 08/15/2029	7,600,000.00	-- 3.42%	6,985,504.69 7,086,879.48	92.09 3.71%	6,998,531.29 46,397.79	2.05% (88,348.19)	Aa1/AA+ AA+	4.13 3.90
91282CLR0	UNITED STATES TREASURY 4.125 10/31/2029	6,500,000.00	11/26/2024 4.21%	6,475,371.10 6,478,328.21	101.43 3.76%	6,592,929.72 45,173.23	1.93% 114,601.51	Aa1/AA+ AA+	4.34 3.91
91282CFY2	UNITED STATES TREASURY 3.875 11/30/2029	8,000,000.00	01/30/2025 4.32%	7,847,187.50 7,860,268.39	100.44 3.76%	8,035,312.48 26,256.83	2.35% 175,044.09	Aa1/AA+ AA+	4.42 4.01
91282CGJ4	UNITED STATES TREASURY 3.5 01/31/2030	6,700,000.00	-- 4.02%	6,511,839.85 6,563,219.54	98.84 3.78%	6,622,007.85 97,816.30	1.94% 58,788.30	Aa1/AA+ AA+	4.59 4.13
912828Z94	UNITED STATES TREASURY 1.5 02/15/2030	542,500.00	04/06/2022 2.65%	498,040.43 516,292.58	90.49 3.76%	490,920.12 3,057.18	0.14% (25,372.46)	Aa1/AA+ AA+	4.63 4.37
91282CMZ1	UNITED STATES TREASURY 3.875 04/30/2030	3,500,000.00	05/28/2025 4.08%	3,467,871.09 3,468,461.10	100.39 3.78%	3,513,671.88 22,849.86	1.03% 45,210.77	Aa1/AA+ AA+	4.83 4.34
91282CNG2	UNITED STATES TREASURY 4.0 05/31/2030	3,000,000.00	06/06/2025 4.11%	2,985,117.19 2,985,297.39	100.97 3.78%	3,029,064.00 10,163.93	0.89% 43,766.61	Aa1/AA+ AA+	4.92 4.42
91282CAE1	UNITED STATES TREASURY 0.625 08/15/2030	587,500.00	04/06/2022 2.63%	498,755.37 533,024.54	85.29 3.81%	501,050.29 1,379.49	0.15% (31,974.24)	Aa1/AA+ AA+	5.13 4.94
912810FP8	UNITED STATES TREASURY 5.375 02/15/2031	6,000,000.00	-- 4.27%	6,403,066.41 6,319,362.98	107.56 3.87%	6,453,750.00 121,160.22	1.89% 134,387.02	Aa1/AA+ AA+	5.63 4.78
91282CBL4	UNITED STATES TREASURY 1.125 02/15/2031	565,000.00	04/06/2022 2.62%	498,104.88 522,466.13	86.52 3.81%	488,857.42 2,387.98	0.14% (33,608.70)	Aa1/AA+ AA+	5.63 5.32
91282CCS8	UNITED STATES TREASURY 1.25 08/15/2031	562,500.00	04/06/2022 2.62%	498,515.62 520,581.14	85.55 3.93%	481,201.17 2,641.57	0.14% (39,379.97)	Aa1/AA+ AA+	6.13 5.75

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Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CFV8	UNITED STATES TREASURY 4.125 11/15/2032	6,000,000.00	-- 3.72%	6,197,734.38 6,148,666.90	100.69 4.02%	6,041,484.36 31,610.05	1.77% (107,182.54)	Aa1/AA+ AA+	7.38 6.28
91282CHT1	UNITED STATES TREASURY 3.875 08/15/2033	6,500,000.00	-- 4.73%	6,069,570.31 6,142,933.73	98.48 4.10%	6,400,976.53 94,627.07	1.87% 258,042.80	Aa1/AA+ AA+	8.13 6.80
Total US Treasury		**149,400,000.00**	**2.98%**	**146,571,687.73** **147,738,513.68**	**98.90** **4.00%**	**147,590,636.15** **853,571.88**	**43.19%** **(147,877.53)**		**2.93** **2.63**
Total Portfolio		**344,543,935.03**	**3.59%**	**338,371,013.09** **340,842,387.17**	**98.88** **4.11%**	**341,749,558.80** **2,286,197.80**	**100.00%** **907,171.63**		**3.06** **2.54**
Total Market Value + Accrued						**344,035,756.60**			

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Stockton Enhanced Cash | Account #11194 | As of June 30, 2025

Cusip	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
CASH									
CCYUSD	Receivable	80,661.22	--	80,661.22 80,661.22	1.00 0.00%	80,661.22 0.00	0.25% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		**80,661.22**		**80,661.22** **80,661.22**	**1.00** **0.00%**	**80,661.22** **0.00**	**0.25%** **0.00**		**0.00** **0.00**
MONEY MARKET FUND									
60934N104	FEDERATED HRMS GV O INST	1,582,176.22	-- 4.21%	1,582,176.22 1,582,176.22	1.00 4.21%	1,582,176.22 0.00	5.00% 0.00	Aaa/AAAm AAA	0.00 0.00
Total Money Market Fund		**1,582,176.22**	**4.21%**	**1,582,176.22** **1,582,176.22**	**1.00** **4.21%**	**1,582,176.22** **0.00**	**5.00%** **0.00**		**0.00** **0.00**
US TREASURY									
912797PZ4	UNITED STATES TREASURY 07/08/2025	30,000,000.00	06/30/2025 4.15%	29,972,710.00 29,976,121.25	99.92 4.21%	29,975,820.90 0.00	94.74% (300.35)	P-1/A-1+ F1+	0.02 0.02
Total US Treasury		**30,000,000.00**	**4.15%**	**29,972,710.00** **29,976,121.25**	**99.92** **4.21%**	**29,975,820.90** **0.00**	**94.74%** **(300.35)**		**0.02** **0.02**
Total Portfolio		**31,662,837.44**	**4.16%**	**31,635,547.44** **31,638,958.69**	**94.72** **4.20%**	**31,638,658.34** **0.00**	**100.00%** **(300.35)**		**0.02** **0.02**
Total Market Value + Accrued						**31,638,658.34**			

CHANDLER ASSET MANAGEMENT

TRANSACTIONS

TRANSACTION LEDGER

City of Stockton Reserve | Account #10020|04/01/2025 Through 06/30/2025|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	04/22/2025	46625HQW3	3,000,000.00	JPMORGAN CHASE & CO 3.3 04/01/2026	99.013	4.38%	(2,970,390.00)	(5,775.00)	(2,976,165.00)	0.00
Purchase	04/23/2025	06051GFX2	3,000,000.00	BANK OF AMERICA CORP 3.5 04/19/2026	99.112	4.43%	(2,973,360.00)	(1,166.67)	(2,974,526.67)	0.00
Purchase	04/30/2025	61761J3R8	3,500,000.00	MORGAN STANLEY 3.125 07/27/2026	98.591	4.30%	(3,450,685.00)	(28,255.21)	(3,478,940.21)	0.00
Purchase	04/30/2025	02665WEK3	3,500,000.00	AMERICAN HONDA FINANCE CORP 5.25 07/07/2026	101.000	4.37%	(3,535,000.00)	(57,677.08)	(3,592,677.08)	0.00
Purchase	04/30/2025	91282CGA3	5,000,000.00	UNITED STATES TREASURY 4.0 12/15/2025	99.992	4.01%	(4,999,609.38)	(74,725.27)	(5,074,334.65)	0.00
Purchase	04/30/2025	912797MS3	3,500,000.00	UNITED STATES TREASURY 10/02/2025	98.240	4.22%	(3,438,417.22)	0.00	(3,438,417.22)	0.00
Purchase	04/30/2025	912797PG6	3,500,000.00	UNITED STATES TREASURY 07/31/2025	98.930	4.29%	(3,462,538.87)	0.00	(3,462,538.87)	0.00
Purchase	05/29/2025	63743HFX5	3,500,000.00	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.95 02/07/2030	101.009	4.70%	(3,535,315.00)	(53,900.00)	(3,589,215.00)	0.00
Purchase	05/29/2025	91282CMZ1	3,500,000.00	UNITED STATES TREASURY 3.875 04/30/2030	99.082	4.08%	(3,467,871.09)	(10,687.84)	(3,478,558.93)	0.00
Purchase	06/09/2025	91282CNG2	3,000,000.00	UNITED STATES TREASURY 4.0 05/31/2030	99.504	4.11%	(2,985,117.19)	(2,950.82)	(2,988,068.01)	0.00
Purchase	06/11/2025	3137FPJG1	3,500,000.00	FHMS K-099 A2 2.595 09/25/2029	93.184	4.38%	(3,261,425.78)	(2,522.92)	(3,263,948.70)	0.00
Purchase	06/30/2025	912797QL4	6,500,000.00	UNITED STATES TREASURY 08/26/2025	99.312	4.44%	(6,455,256.98)	0.00	(6,455,256.98)	0.00
Total Purchase			**45,000,000.00**				**(44,534,986.51)**		**(44,772,647.32)**	**0.00**
TOTAL ACQUISITIONS			**45,000,000.00**				**(44,534,986.51)**		**(44,772,647.32)**	**0.00**
DISPOSITIONS										
Call Redemption	04/02/2025	06051GKM0	(1,875,000.00)	BANK OF AMERICA CORP 3.384 04/02/2026	100.000	3.38%	1,875,000.00	0.00	1,875,000.00	0.00

TRANSACTION LEDGER

City of Stockton Reserve | Account #10020|04/01/2025 Through 06/30/2025|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Call Redemption	04/28/2025	6174468Q5	(2,200,000.00)	MORGAN STANLEY 2.188 04/28/2026	100.000	5.29%	2,200,000.00	0.00	2,200,000.00	0.00
Total Call Redemption			**(4,075,000.00)**				**4,075,000.00**	**0.00**	**4,075,000.00**	**0.00**
Maturity	04/13/2025	023135CE4	(2,567,500.00)	AMAZON.COM INC 3.0 04/13/2025	100.000	3.05%	2,567,500.00	0.00	2,567,500.00	0.00
Maturity	04/14/2025	3130AJHU6	(1,560,000.00)	FEDERAL HOME LOAN BANKS 0.5 04/14/2025	100.000	0.60%	1,560,000.00	0.00	1,560,000.00	0.00
Maturity	04/17/2025	96130AWW4	(2,000,000.00)	Westpac Banking Corporation - New York Branch 5.52 04/17/2025	100.000	4.37%	2,000,000.00	0.00	2,000,000.00	(0.00)
Maturity	04/22/2025	3135G03U5	(10,880,000.00)	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.625 04/22/2025	100.000	0.63%	10,880,000.00	0.00	10,880,000.00	0.00
Maturity	04/28/2025	93114ERU3	(4,300,000.00)	Walmart Inc. 04/28/2025	100.000	4.32%	4,300,000.00	0.00	4,300,000.00	0.00
Maturity	05/15/2025	91412HGE7	(760,000.00)	UNIVERSITY CALIF REVS 0.883 05/15/2025	100.000	0.88%	760,000.00	0.00	760,000.00	0.00
Maturity	05/22/2025	38148LAE6	(1,817,500.00)	GOLDMAN SACHS GROUP INC 3.75 05/22/2025	100.000	0.80%	1,817,500.00	0.00	1,817,500.00	0.00
Maturity	06/01/2025	438516CB0	(2,000,000.00)	HONEYWELL INTERNATIONAL INC 1.35 06/01/2025	100.000	0.81%	2,000,000.00	0.00	2,000,000.00	0.00
Maturity	06/17/2025	3135G04Z3	(6,642,500.00)	FEDERAL NATIONAL MORTGAGE ASSOCIATION 0.5 06/17/2025	100.000	0.54%	6,642,500.00	0.00	6,642,500.00	0.00
Total Maturity			**(32,527,500.00)**				**32,527,500.00**	**0.00**	**32,527,500.00**	**(0.00)**
Sale	05/29/2025	63743HFF4	(3,000,000.00)	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 5.45 10/30/2025	100.370	5.26%	3,011,100.00	13,170.83	3,024,270.83	8,880.88
Sale	06/09/2025	912797PG6	(3,500,000.00)	UNITED STATES TREASURY 07/31/2025	99.391	4.29%	3,478,697.15	0.00	3,478,697.15	(129.17)
Total Sale			**(6,500,000.00)**				**6,489,797.15**	**13,170.83**	**6,502,967.98**	**8,751.71**
TOTAL DISPOSITIONS			**(43,102,500.00)**				**43,092,297.15**	**13,170.83**	**43,105,467.98**	**8,751.71**

TRANSACTION LEDGER

CHANDLER ASSET MANAGEMENT

City of Stockton Enhanced Cash | Account #11194|04/01/2025 Through 06/30/2025|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	04/17/2025	313385GT7	4,500,000.00	FEDERAL HOME LOAN BANKS 06/11/2025	99.353	4.32%	(4,470,884.38)	0.00	(4,470,884.38)	0.00
Purchase	04/17/2025	06367DKQ7	250,000.00	Bank of Montreal 5.5 06/11/2025	100.135	4.40%	(250,338.27)	(11,840.28)	(262,178.55)	0.00
Purchase	04/17/2025	06367DKQ7	1,250,000.00	Bank of Montreal 5.5 06/11/2025	100.135	4.40%	(1,251,691.36)	(59,201.39)	(1,310,892.75)	0.00
Purchase	06/30/2025	912797PZ4	30,000,000.00	UNITED STATES TREASURY 07/08/2025	99.909	4.15%	(29,972,710.00)	0.00	(29,972,710.00)	0.00
Total Purchase			**36,000,000.00**				**(35,945,624.01)**	**(71,041.67)**	**(36,016,665.68)**	**0.00**
TOTAL ACQUISITIONS			**36,000,000.00**				**(35,945,624.01)**	**(71,041.67)**	**(36,016,665.68)**	**0.00**
DISPOSITIONS										
Maturity	04/03/2025	912797MV6	(6,000,000.00)	UNITED STATES TREASURY 04/03/2025	100.000	4.29%	6,000,000.00	0.00	6,000,000.00	0.00
Maturity	05/20/2025	912797PJ0	(6,000,000.00)	UNITED STATES TREASURY 05/20/2025	100.000	4.31%	6,000,000.00	0.00	6,000,000.00	0.00
Maturity	05/23/2025	313385FY7	(6,800,000.00)	FEDERAL HOME LOAN BANKS 05/23/2025	100.000	4.32%	6,800,000.00	0.00	6,800,000.00	0.00
Maturity	06/10/2025	912797PR2	(6,600,000.00)	UNITED STATES TREASURY 06/10/2025	100.000	4.30%	6,600,000.00	0.00	6,600,000.00	0.00
Maturity	06/11/2025	313385GT7	(4,500,000.00)	FEDERAL HOME LOAN BANKS 06/11/2025	100.000	4.32%	4,500,000.00	0.00	4,500,000.00	0.00
Maturity	06/11/2025	06367DKQ7	(1,500,000.00)	Bank of Montreal 5.5 06/11/2025	100.000	4.40%	1,500,000.00	0.00	1,500,000.00	(0.00)
Maturity	06/16/2025	62479LTG0	(6,000,000.00)	MUFG Bank, Ltd., New York Branch 06/16/2025	100.000	4.46%	6,000,000.00	0.00	6,000,000.00	0.00
Total Maturity			**(37,400,000.00)**				**37,400,000.00**	**0.00**	**37,400,000.00**	**(0.00)**
TOTAL DISPOSITIONS			**(37,400,000.00)**				**37,400,000.00**	**0.00**	**37,400,000.00**	**(0.00)**

IMPORTANT DISCLOSURES

2025 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc ("IDS"), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

BENCHMARK DISCLOSURES

City of Stockton | As of June 30, 2025

Benchmark	Disclosure
ICE BofA 1-5 Year Gov/Corp A or better	The ICE BofA US Issuers 1-5 Year AAA-A US Corporate & Government Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasury, US agency, foreign government, supranational, and corporate securities. Qualifying securities must be issued from US issuers and be rated AAA through A3 (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to final maturity at point of issuance, a fixed coupon schedule, and a minimum amount outstanding of $1 billion for US Treasuries and $250 million for all other securities.
ICE BofA 1-5 Yr US Treasury & Agency Index	The ICE BofA 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of $1 billion for sovereigns and $250 million for agencies.
ICE BofA 3-Month US Treasury Bill Index	The ICE BofA US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date.

CITY OF STOCKTON

ADMINISTRATIVE SERVICES
City Hall • 425 N. El Dorado Street • Stockton, CA 95202-1997 • 209 / 937-8460 • Fax 209 / 937-8844
www.stocktongov.com

August 1, 2025

SUBJECT **CERTIFICATION OF QUARTERLY INVESTMENT REPORT FOR QUARTER ENDED JUNE 30, 2025**

I hereby certify:

1) All investment actions executed since the last quarterly report have been made in full compliance with California Government Code (CGC) 53601; and

2) That the City of Stockton will meet its expenditure obligations for the next six months, as described in CGC 53646(b)(2) and (3) respectively.

Chad Reed
DEPUTY CITY MANAGER
& INTERIM CHIEF FINANCIAL OFFICER

CR:CB:LS

File #: 25-0797, **Version:** 1

APPROVE MOTION TO ENTER INTO A COOPERATIVE PURCHASING AGREEMENT FOR MAINTENANCE, REPAIR, OPERATING SUPPLIES, INDUSTRIAL SUPPLIES, AND RELATED PRODUCTS AND SERVICES

RECOMMENDATION

It is recommended that the City Council approve a motion to:

1. Approve findings pursuant to Stockton Municipal Code 3.68.070 in support of an exception to the competitive bidding process.

2. Authorize City Manager to execute Omnia Partners Cooperative Purchase Agreement, No. 16154, with The Home Depot U.S.A., Inc., to provide Maintenance, Repair, Operating Supplies (MRO), Industrial Supplies, and Related Products and Services, for a term through December 31, 2026, in a total not-to-exceed amount of $225,000.

It is also recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of this motion.

Summary

The City of Stockton has a need for contracts for Maintenance, Repair, Operating Supplies (MRO), Industrial Supplies and Related Products and Services to support City operations.

For many years the City has been using The Home Depot for MRO, Industrial Supplies and Related products and Services via purchase orders and p-card transactions. The estimated annual cumulative spend exceeds the City's formal procurement threshold; therefore, the City needs to have a formal contract agreement in place.

The City of Stockton has a need to acquire these goods and services to meet its needs and provide services to our community. This contract will be used by all City departments.

Omnia Partners is a cooperative purchasing organization that works with lead public agencies to manage, evaluate, and award national contracts. Once awarded, these cooperative contracts are marketed by Omnia Partners and made available to other public entities, such as counties, municipalities, school districts, special districts, and nonprofit organizations, allowing them to access competitive pricing and services from the selected suppliers. Omnia Partners collaborated with Maricopa County, AZ, to solicit, evaluate and award a contract for the purchase of Maintenance Repair and Operating Supplies and Services. The contract was granted to The Home Depot U.S.A., Inc.

The Home Depot U.S.A., Inc.is the world's largest home improvement retailer that specializes in tools, appliances, and building materials which satisfies our needs for MRO supplies and services. The company has a strong presence in both physical retail locations and e-commerce. There are two (2) The Home Depot U.S.A., Inc. stores located within the City of Stockton area to support City operations. They also have a growing emphasis on digital services and delivery options.

It is recommended that City Council approve a motion authorizing the City Manager to execute the City's Cooperative/Piggyback Agreement with The Home Depot U.S.A., Inc. as specified above.

DISCUSSION

The City requires the acquisition of MRO supplies and services to meet the City's needs and provide services to the community with an estimated amount of $225,000 per year. This contract will be used by all City Departments.

The use of cooperative purchasing agreements leverages the collective buying power of the cooperative partners to negotiate lower prices. The strength in the numbers of cooperative partners enables members to access a contractual solution that could not be achieved on their own.

This solicitation and contract document have been reviewed, and it has been determined that the contract meets the needs of City departments and City Procurement requirements, pursuant to Stockton Municipal Code 3.68.070 and City policies 17.05.010 (General Procurement Policy), 17.05.020 (Formal Procurement Policy), and 17.05.060 (Exemptions to Competitive Bidding Policy).

Present Situation

At present there is no contract for these services, and the annual expenditure exceeds our formal competitive threshold of $100,000 and requires a formal agreement with Council approval.

The Omnia Partners cooperative contract offers Maintenance Repair and Operating Supplies and Services at significant discounts through the two (2) local The Home Depot U.S.A., Inc. stores or through their e-commerce portal.

Utilizing the Omnia Partners cooperative agreement allows the City the opportunity to participate in leveraged negotiated pricing that we could not necessarily obtain on our own. Benefits Summary:

- Rebate: earn up to a 5% rebate
- Paint rewards: 20% off interior, exterior liquids paints, stains and primers at checkout
- Preferred pricing
- Bulk Eligible
- Volume Pricing
- Easy Purchase tracking-Online Account management for Reconciliation
- Emergency preparedness
- Green spend reporting

Staff recommends entering into the City's Cooperative Agreement (Attachment A) to utilize Omnia Partners' contract with The Home Depot U.S.A., Inc. #16154.

Findings

Stockton Municipal Code Section 3.68.070(A)(5) allows an exception to the competitive bidding process, enabling the City to utilize the terms and conditions of a competitively solicited and negotiated cooperative purchasing agreement. The exception applies when the agreement meets the City's procurement and business needs, and the City Council has approved findings that support and justify the exception. The following findings support and justify an exception under Section 3.68.070(A)(5):

1. Cooperative contracts qualify as an exception to the City's competitive bidding process as outlined in City Municipal Code 3.68.070(A)(5) and City Policy 17.05.050, specifically: "Cooperative purchasing agreements authorized by the City Council for the purchase of supplies or services through other governmental jurisdictions or public agencies."

2. The Request for Proposal (RFP) was conducted in line with procurement best practices through an open, competitive, and transparent solicitation process, adhering to all applicable procurement laws and regulations. The contract was solicited, evaluated, and awarded by the lead public agency, Maricopa County, AZ, specifically for MRO supplies and services to The Home Depot U.S.A., Inc.

3. The use of cooperative contracts aligns with procurement best practices by lowering the City's procurement costs, improving time efficiency, and enabling the City to acquire products of equal or superior quality, along with value-added services, at competitive consortium-negotiated pricing.

4. By leveraging the Omnia Partners agreement, the City can take advantage of national pricing, securing discounts off parts and supplies. The City could not achieve this pricing through our own solicitation.

FINANCIAL SUMMARY

Funding for MRO supplies and services is already included within individual departmental operational budgets as part of the City's annual budget process. No additional funding is required to enter into the cooperative purchasing agreement with The Home Depot U.S.A., Inc.

Attachment A - Omnia Partners Cooperative Contract #16154 with The Home Depot U.S.A., Inc.

CITY OF STOCKTON

COOPERATIVE/PIGGYBACK PURCHASE AGREEMENT

AGREEMENT SUMMARY:

1. Cooperative/Piggyback Name:	OMNIA Partners / Maricopa County, AZ
2. Contractor:	The Home Depot U.S.A., Inc.
3. Cooperative Agency Agreement Name and Agreement Number:	Maintenance, Repair, Operating Supplies, Industrial Supplies and Related Products and Services Agreement number 16154
4. Cooperative Agency Initial Agreement Term:	Start Date: February 1 ,2017 End Date: December 31, 2026
5. Cooperative Agency's Agreement-Options to extend:	Maximum of five (5) additional years through December 31, 2026
6. Cooperative Agency Amended Term:	Amendment 1
7. Cooperative Agency Remaining Options to Renew:	The City hereby exercises its option to renew the contract for the period of date of signing of this agreement through December 31, 2026
8. City of Stockton Cooperative Purchase Agreement Term:	Start Date: Date of signing of this agreement End Date: December 31, 2026
9. City of Stockton Cooperative/ Piggyback Purchase Agreement Amount:	Not to Exceed $225,000 for the term of the Agreement.

AGREEMENT

The City of Stockton, a California municipal corporation on behalf of itself and its associated entities ("City"), and the above-named Contractor ("Contractor"), do hereby agree that City shall be granted the pricing, terms, and conditions under the above referenced Maintenance, Repair, Operating Supplies, Industrial Supplies and Related Products and Services Agreement number 16154 ("COOP") as such may be amended from time to time. The COOP and associated documents referenced in the agreement are incorporated herein as Exhibit A to this City Cooperative/Piggyback Purchase Agreement ("Agreement").

Contractor shall grant such pricing, terms, and conditions to City for all procurements of goods and services, whether taking place on a City purchase order, purchasing card (credit card), or other purchasing modality, whether via telephone, via the Contractor website, or via direct purchase at a Contractor retail location.

1. **Agreement Term:** The Term of this Agreement shall remain in effect from date of the signing of this Agreement through December 31, 2026 unless terminated earlier by the City.

2. **Insurance and Hold Harmless:** In addition to the pricing, terms and conditions stated in the COOP and the associated documents incorporated herein as Exhibit A, Contractor shall, at Contractor's sole cost and expense and for the full term of the Agreement or any extension thereof, obtain and maintain at least all the insurance requirements listed in attached Exhibit B.

To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City of Stockton. This obligation is independent of, and shall not in any way be limited by, the minimum Insurance obligations contained in this Agreement. These obligations shall survive the completion or termination of this Agreement.

3. **Compensation:** City and Contractor do hereby enter into this Agreement for Maintenance, Repair, Operating Supplies, Industrial Supplies and Related Products and Services available in the above-named COOP and associated documents incorporated herein as Exhibit A and referenced in the attached quote Exhibit C. In no way, shall payment to the Contractor during the term of this Agreement exceed $225,000 for the purchase of Maintenance, Repair, Operating Supplies, Industrial Supplies and Related Products and Services. Any person signing this Agreement on behalf of City or Contractor does warrants that he or she has full authority to do so.

4. **Governing Law**. California law shall govern any legal action pursuant to this Agreement with venue for all claims in the Superior Court of the County of San Joaquin, Stockton Branch or, where applicable, in the Federal District Court of California, Eastern District, Sacramento Division.

5. **Applicable Law.** Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

This Agreement may be amended only by a written amendment, consistent with the COOP, signed by Contractor and City.

CITY OF STOCKTON

_____
Steve Colangelo, Interim City Manager

Date:_____

ATTEST:

_____
Katherine Roland CMC, CPMC, City Clerk

APPROVED AS TO FORM:

_____
Lori Asuncion, City Attorney

_____
Print name

CONTRACTOR NAME.

By: DocuSigned by: Richard Nyberg 7639612079[illegible] 7/8/2025
Signature

Richard Nyberg
Print name

Title: Director Pro Contracts

[If Contractor is a corporation, signatures must comply with Corporations Code §313]

By: _____
Signature

Print name

Title: _____

EXHIBIT A

(Please see below)

Docusign Envelope ID: 1C86F432-9491-493F-A138-888147CFCC80

SERIAL 16154 RFP MAINTENANCE, REPAIR, OPERATING SUPPLIES, INDUSTRIAL SUPPLIES, AND RELATED PRODUCTS AND SERVICES (U.S. Communities) Contract - Home Depot U.S.A., Inc.

DATE OF LAST REVISION: November 21, 2019 CONTRACT END DATE: December 31, 2026

CONTRACT PERIOD THROUGH DECEMBER 31, ~~2021~~ 2026

TO: All Departments

FROM: Office of Procurement Services

SUBJECT: Contract for **MAINTENANCE, REPAIR, OPERATING SUPPLIES, INDUSTRIAL SUPPLIES, AND RELATED PRODUCTS AND SERVICES**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **January 11, 2017 (Eff. 02/01/17).**

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Kevin Tyne

Kevin Tyne, Chief Procurement Officer
Office of Procurement Services

SA/mm
Attach

Copy to: Office of Procurement Services
Erick Blue, Facilities Management
Beth Cressman, Facilities Management

Docusign Envelope ID: 1C86F432-9491-493F-A138-888147CFCC80

CONTRACT PURSUANT TO RFP

SERIAL 16154-RFP

This Contract is entered into this 11th day of January, 2017 by and between Maricopa County ("County"), a political subdivision of the State of Arizona, and Home Depot U.S.A., Inc., a Delaware corporation ("Contractor") for the purchase of Maintenance Repair and Operating Supplies and Services.

1.0 CONTRACT TERM:

1.1 This Contract is for a term of Five (5) years, beginning on the 1st day of February, 2017 and ending the 31st day of December, ~~2021~~ **2026**.

1.2 The County may, at its option and with the agreement of the Contractor, renew the term of this Contract for additional terms up to a maximum of five (5) additional years, (or at the County's sole discretion, extend the contract on a month-to-month bases for a maximum of six (6) months after expiration). The County shall notify the Contractor in writing of its intent to extend the Contract term at least sixty (60) calendar days prior to the expiration of the original contract term, or any additional term thereafter.

1.3 **CONTRACT COMPLETION:**

The Contractor shall make all reasonable efforts for an orderly transition of its duties and responsibilities to another provider and/or to the County. This may include, but is not limited to preparation of a transition plan and cooperation with the County or other providers in the transition. The transition includes the transfer of all records, and other data in the possession, custody or control of Contractor required to be provided to the County either by the terms of this agreement or as a matter of law. The provisions of this clause shall survive the expiration or termination of this agreement

2.0 FEE ADJUSTMENTS:

2.1 Any request for a fee or rebate offering adjustment must be submitted sixty (60) days prior to the current Contract expiration. Requests for adjustment in cost of labor and/or materials not identified in the awarded proposal must be supported by appropriate documentation. If County agrees to the adjusted fee or rebate offering, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the (Consumer Price Index) or by performing a market survey if the offering was awarded on a fixed price basis.

3.0 PAYMENTS:

3.1 As consideration for performance of the duties described herein, County shall pay Contractor the prices based on the discounts stated in Exhibit "A." or Task Order.

3.2 For non-procurement card transactions, Payment shall be made upon the County's receipt of a properly completed invoice.

3.3 INVOICES (NON-PROCUREMENT CARD TRANSACTIONS):

3.3.1 The Contractor shall submit one (1) legible copy of their detailed invoice before payment(s) can be made. Incomplete invoices will not be processed. At a minimum, the invoice must provide access to the following information:

- Company name, address and contact
- County bill-to name and contact information
- Contract Serial Number or
- County purchase order number
- Invoice number and date
- Payment terms
- Date of service or delivery
- Quantity (number of days or weeks)
- Contract Item number(s)
- Description of Purchase (product or services)
- Pricing per unit of purchase
- Freight (if applicable)
- Extended price
- Mileage w/rate (if applicable)
- Arrival and completion time (if applicable)
- Total Amount Due

3.3.2 Problems regarding billing or invoicing shall be directed to the using agency as listed on the Purchase Order.

3.3.3 Payment shall be made to the Contractor by Accounts Payable through the Maricopa County Vendor Express Payment Program. This is an Electronic Funds Transfer (EFT) process. After Contract Award the Contractor shall complete the Vendor Registration Form located on the County Department of Finance Vendor Registration Web Site (http://www.maricopa.gov/Finance/Vendors.aspx).

3.3.4 Discounts offered in the contract shall be calculated based on the date a properly completed invoice is received by the County (ROI).

3.3.5 EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.

3.3.6 Invoices are required to contain access to the following information: (Maricopa County Facilities Management)

- Company name, address and contact
- County bill-to name and contact information
- Building Name and Building Number
- Contract Serial Number or
- County purchase order number
- Maximo (FMD) service call number
- Invoice number and date
- Date of service or delivery
- Description of Purchase (services performed)
- Pricing per unit of purchase
- Extended price
- Arrival and completion time
- Total Amount Due

3.3.7 Discounts offered in the contract shall be calculated based on the date a properly completed invoice is received by the County (ROI).

3.3.8 Problems regarding billing or invoicing shall be directed to the using agency as listed on the Purchase Order.

3.3.9 Payment shall be made to the Contractor by Accounts Payable through the Maricopa County Vendor Express Payment Program. This is an Electronic Funds Transfer (EFT) process. After Contract Award the Contractor shall complete the Vendor Registration Form located on the County Department of Finance Vendor Registration Web Site (**http://www.maricopa.gov/Finance/Vendors.aspx**).

3.3.10 EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.

3.4 PAYMENT RETENTION: (By Task Order/Project if required)

3.4.1 Ten percent (10%) of monies paid for Project Management and Project Labor earned by CONTRACTOR related to work under this agreement may be retained by COUNTY until Final Completion of the services if mutually agreed to for a specific project. COUNTY may elect to release specific retention payments based on mutually agreed milestones, but in no case shall retention be released prior to Final Completion. All other payment terms and conditions shall not be affected by the retention. In the event of termination or cancellation of this contract by County through no fault of CONTRACTOR, CONTRACTOR shall be entitled to the refund of any funds in the retention account.

3.4.2 The CONTRACTOR shall have the right, pursuant to Arizona Revised Statues, to submit securities in lieu of retention for all work completed. The CONTRACTOR is required to request this option at least ten (10) business days prior to submission of first Application for Payment to allow time for preparation of forms. The CONTRACTOR shall request and obtain securities forms through COUNTY. The COUNTY must identify either securities option or retention option prior to first Application for Payment.

3.5 APPLICABLE TAXES:

3.5.1 **Payment of Taxes:** The Contractor shall pay all applicable taxes. With respect to any installation labor on items that are not attached to real property performed by Contractor under the terms of this Contract, the installation labor cost and the gross receipts for materials provided shall be listed separately on the Contractor's invoices.

3.5.2 **State and Local Transaction Privilege Taxes:** Maricopa County is subject to all applicable state and local transaction privilege taxes. To the extent any state and local transaction privilege taxes apply to sales made under the terms of this contract it is the responsibility of the seller to collect and remit all applicable taxes to the proper taxing jurisdiction of authority.

3.5.3 **Tax Indemnification:** Contractor and all subcontractors shall pay all Federal, state, and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold Maricopa County harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

3.6 TAX: (SERVICES)

~~No tax shall be levied against labor. It is the responsibility of the Contractor to determine any and all taxes and include the same in proposal price.~~

No tax shall be invoiced or paid against Contractor's labor. It is the responsibility of the Contractor to determine any and all applicable taxes and include the cost in the proposal price.

3.7 TAX (COMMODITIES):

~~Tax shall not be levied against labor. Sales/use tax will be determined by County. Tax will not be used in determining low price.~~

Tax shall not be invoiced against Contractor's labor. Sales/use tax will be determined by County. Tax will not be used in determining low price.

3.8 STRATEGIC ALLIANCE for VOLUME EXPENDITURES ($AVE):

3.8.1 The County is a member of the $AVE cooperative purchasing group. $AVE includes the State of Arizona, many Phoenix metropolitan area municipalities, and many K-12 unified school districts. Under the $AVE Cooperative Purchasing Agreement, and with the concurrence of the successful Respondent under this solicitation, a member of $AVE may access a contract resulting from a solicitation issued by the County. If you **do not** want to grant such access to a member of $AVE, **please so state** in your proposal. In the absence of a statement to the contrary, the County will assume that you do wish to grant access to any contract that may result from this Request for Proposal.

3.9 INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENTS (ICPA's)

3.9.1 County currently holds ICPA's with numerous governmental entities throughout the State of Arizona. These agreements allow those entities, with the approval of the Contractor, to purchase their requirements under the terms and conditions of the County Contract. Please indicate on Attachment A, your acceptance or rejection regarding such participation of other governmental entities. Your response will not be considered as an evaluation factor in awarding a contract

3.10 VOLUNTARY EMPLOYEE DISCOUNTS

3.10.1 Vendors may voluntarily offer discounts to County employees for products or services provided under this contract. Whether a vendor offers or does not offer an employee discount is not a factor in nor considered in the evaluation of responses to this solicitation.

3.10.2 Any discount offered is part of a commercial transaction between the vendor and individual County employees and the County is not a party to the transaction. Any disputes or issues arising from an individual commercial transaction between the vendor and an individual County employee are a matter between the vendor and the employee. If a discount is offered, the terms will be announced to County employees.

4.0 AVAILABILITY OF FUNDS:

4.1 The provisions of this Contract relating to payment for services shall become effective when funds assigned for the purpose of compensating the Contractor as herein provided are actually available to County for disbursement. The County shall be the sole judge and authority in determining the availability of funds under this Contract. County shall keep the Contractor fully informed as to the availability of funds.

4.2 If any action is taken by any state agency, Federal department or any other agency or instrumentality to suspend, decrease, or terminate its fiscal obligations under, or in connection with, this Contract, County may amend, suspend, decrease, or terminate its obligations under, or in connection with, this Contract. In the event of termination, County shall be liable for payment only for services rendered prior to the effective date of the termination, provided that such services are performed in accordance with the provisions of this Contract. County shall give written notice of the effective date of any suspension, amendment, or termination under this Section, at least ten (10) days in advance.

5.0 DUTIES:

5.1 The Contractor shall perform all duties stated in Exhibit "B", Task Order or as otherwise directed in writing by the Procurement Officer.

6.0 TERMS and CONDITIONS:

6.1 INDEMNIFICATION AND LIMITATION OF LIABILITY:

To the fullest extent permitted by law, and to the extent that claims, damages, losses or expenses are not covered and paid by insurance purchased by the Contractor, the Contractor shall defend indemnify and hold harmless the County (as Owner), its agents, representatives, agents, officers, directors, officials, and employees from and against all claims, damages, losses, and expenses (including, but not limited to attorneys' fees, court costs, expert witness fees, and the costs and attorneys' fees for appellate proceedings) arising out of, or alleged to have resulted from the negligence or willful misconduct relating to the performance of this Contract.

Contractor's duty to defend, indemnify, and hold harmless the County, its agents, representatives, agents, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss, or expense that is attributable to bodily injury, sickness, disease, death or injury to, impairment of, or destruction of tangible property, including loss of use resulting there from, caused by gross negligence or willful misconduct in the performance of this Contract, but only to the extent caused by the negligent acts or omissions of the Contractor, a subcontractor, any one directly or indirectly employed by them, or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss, or expense is caused in part by a party indemnified hereunder.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the sole negligence of County.

CONTRACTOR WILL NOT BE LIABLE TO COUNTY FOR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, LIQUIDATED, EXEMPLARY, MORAL, OR CONSEQUENTIAL DAMAGES, EXPENSES, COST, PROFITS, LOST SAVINGS OR EARNINGS, LOST OR CORRUPTED DATA, OR OTHER LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT.

6.2 INSURANCE.

6.2.1 Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of County. The form of any insurance policies and forms must be acceptable to County.

6.2.2 All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily

completed and formally accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.

6.2.3 Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.

6.2.4 Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect the County's right to coverage afforded under the insurance policies.

6.2.5 The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to County under such policies. Contractor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

6.2.6 Notwithstanding anything to the contrary contained herein, **CONTRACTOR** shall have the right to self-insure part or all of any of the insurance it is required to maintain hereunder in its sole discretion so long as **CONTRACTOR** maintains a net worth of not less than One Hundred Million ($100,000,000) Dollars. Such net worth shall be documented to **COUNTY** and **COUNTY** shall be advised in writing in the event such net worth requirement is not met. In the event that **CONTRACTOR** elects to self-insure all or any part of any risk that would be insured under the policies and limits described herein, and an event occurs where insurance proceeds would have been available but for the election to self-insure, **CONTRACTOR** shall make funds available to the same extent that they would have been available had such insurance policy been carried, unless specifically provided to the contrary herein.

6.2.7 The policies required hereunder, except Workers' Compensation and Errors and Omissions, shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

6.2.8 **Commercial General Liability.**

Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than $2,000,000 for each occurrence, $4,000,000 Products/Completed Operations Aggregate, and $4,000,000 General Aggregate Limit. The policy shall include coverage for premises liability, bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provisions which would serve to limit third party action over claims. There shall be no endorsement or modifications of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

6.2.9 **Automobile Liability.**

Commercial/Business Automobile Liability insurance and, if necessary, Commercial Umbrella insurance with a combined single limit for bodily injury and property damage of not less than $1,000,000 each occurrence with respect to any of the Contractor's owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work or services or use or maintenance of the Premises under this Contract.

6.2.10 **Workers' Compensation.**

Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services under this Contract; and Employer's Liability insurance of not less than

$1,000,000 for each accident, $1,000,000 disease for each employee, and $1,000,000 disease policy limit.
Contractor, its contractors and its subcontractors waive all rights against Contract and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Contractor, its contractors and its subcontractors pursuant to this Contract.

6.2.11 **Errors and Omissions (Professional Liability) Insurance.**

Errors and Omissions (Professional Liability) insurance and, if necessary, Commercial Umbrella insurance, which will insure and provide coverage for errors or omissions or professional liability of the **CONTRACTOR**, with limits of no less than $2,000,000 for each claim.

6.2.12 **Builder's Risk (Property) Insurance.**

CONTRACTOR shall purchase and maintain, on a replacement cost basis, Builders' Risk insurance and, if necessary, Commercial Umbrella insurance in the amount of the initial Contract amount as well as subsequent modifications thereto for the entire work at the site. Such Builders' Risk insurance shall be maintained until final payment has been made or until no person or entity other than COUNTY has an insurable interest in the property required to be covered, whichever is earlier. This insurance shall include interests of COUNTY, CONTRACTOR, and all subcontractors and sub-subcontractors in the work during the life of the Contract and course of construction, and shall continue until the work is completed and accepted by COUNTY. For new construction projects, CONTRACTOR agrees to assume full responsibility for loss or damage to the work being performed and to the structures under construction. For renovation construction projects, CONTRACTOR agrees to assume responsibility for loss or damage to the work being performed at least up to the full Contract amount, unless otherwise required by the Contract documents or amendments thereto. Builders' Risk insurance shall be on a special form and shall also cover false work and temporary buildings and shall insure against risk of direct physical loss or damage from external causes including debris removal, demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for architect's service and expenses required as a result of such insured loss and other "soft costs" as required by the Contract. Builders' Risk insurance must provide coverage from the time any covered property comes under CONTRACTOR'S control and/or responsibility, and continue without interruption during construction, renovation, or installation, including any time during which the covered property is being transported to the construction installation site, and while on the construction or installation site awaiting installation. The policy will provide coverage while the covered premises or any part thereof are occupied. Builders' Risk insurance shall be primary and any insurance or self-insurance maintained by the County is not contributory. If the Contract requires testing of equipment or other similar operations, at the option of COUNTY, CONTRACTOR will be responsible for providing property insurance for these exposures under a Boiler Machinery insurance policy or the Builders' Risk Insurance policy.

6.2.13 Certificates of Insurance.

6.2.13.1 Prior to Contract **AWARD,** Contractor shall furnish the County with valid and complete certificates of insurance, or formal endorsements as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall identify this contract number and title. Alternatively the County will accept an insurance industry recognized Memorandum of Insurance

6.2.13.2 In the event any insurance policy (ies) required by this contract is (are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of Contractor's work or services and as evidenced by annual Certificates of Insurance.

6.2.13.3 If a policy does expire during the life of the Contract, a renewal certificate must be sent to County fifteen (15) days prior to the expiration date.

6.2.14 Cancellation and Expiration Notice.

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to Maricopa County. Contractor must provide to Maricopa County, within 2 business days of receipt, if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to Maricopa County Office of Procurement Services and shall be mailed or hand delivered to **160 South 4th Avenue** ~~320 West Lincoln Street~~, Phoenix, AZ 85003, or emailed to Procurement Officer noted in solicitation.

6.3 BOND REQUIREMENT: (If required by an individual Project/Task Order)

6.3.1 If requested for an individual Order and concurrently with the submittal of the proposal associated with the Order, the Contractor shall furnish the Contracting Agency the following bonds, which shall become binding upon the award of the contract to the Contractor

6.3.1.1 A Performance Bond equal to the full Contract amount ($_____or as specified) conditioned upon the faithful performance of the Order in accordance with plans, specifications and conditions thereof. Such bond shall be solely for the protection of the Contracting Agency awarding the Order.

6.3.1.2 A Payment Bond equal to the full contract amount ($_____or as specified) solely for the protection of claimants supplying labor and materials to the Contractor or his Subcontractors in the prosecution of the work provided for in such Order.

6.3.2 Each such bond shall include a provision allowing the prevailing party in a suit on such bond to recover as a part of his judgment such reasonable attorney's fees as may be fixed by a judge of the court.

6.3.3 Each bond shall be executed by a surety company or companies holding a certificate of authority to transact surety business in the State of Arizona issued by the Director of the Department of Insurance. The bonds shall not be executed by an individual surety or sureties. The bonds shall be made payable and acceptable to the Contracting Agency. The bonds shall be written or countersigned by an authorized representative of the surety who is either a resident of the State of Arizona or whose principal office is maintained in this state, as by law required, and the bonds shall have attached thereto a certified copy of the Power of Attorney of the signing official. In addition, said company or companies shall be rated "Best-A" or better as required by the Contracting Agency, as currently listed in the most recent Best Key Rating Guide, published by the A.M. Best Company.

6.4 FORCE MAJEURE

6.4.1 Neither party shall be liable for failure of performance, nor incur any liability to the other party on account of any loss or damage resulting from any delay or failure to perform all or any part of this Contract if such delay or failure is caused by events, occurrences, or causes beyond the reasonable control and without negligence of the parties. Such events,

occurrences, or causes will include Acts of God/Nature (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (whether war is declared or not), civil war, riots, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, lockout, blockage, embargo, labor dispute, strike, interruption or failure of electricity or telecommunication service.

6.4.2 Each party, as applicable, shall give the other party notice of its inability to perform and particulars in reasonable detail of the cause of the inability. Each party must use best efforts to remedy the situation and remove, as soon as practicable, the cause of its inability to perform or comply.

6.4.3 The party asserting *Force Majeure* as a cause for non-performance shall have the burden of proving that reasonable steps were taken to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

6.4.4 The County shall reserve the right to terminate this Contract and/or any applicable order or contract release purchase order upon non-performance by Contractor. The County shall reserve the right to extend the Contract and time for performance at its discretion.

6.5 WARRANTY OF SERVICES:

6.5.1 The Contractor warrants that all services provided hereunder will conform to the requirements of the Contract, including all descriptions, specifications and attachments made a part of this Contract. County's acceptance of services or goods provided by the Contractor shall not relieve the Contractor from its obligations under this warranty.

6.5.2 In addition to its other remedies, County may, at the Contractor's expense, require prompt correction of any services failing to meet the Contractor's warranty herein for one year following the performance of those services. Services corrected by the Contractor shall be subject to all the provisions of this Contract in the manner and to the same extent as services originally furnished hereunder.

6.5.3 DISCLAIMER OF WARRANTIES FOR PRODUCTS. COUNTY'S SOLE AND EXCLUSIVE WARRANTY FOR PRODUCTS, IF ANY, IS THAT PROVIDED BY THE PRODUCT MANUFACTURER. CONTRACTOR DISCLAIMS ALL EXPRESSED, IMPLIED OR STATUTORY WARRANTIES, WHETHER IMPLIED BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE LANGUAGE OF THIS PARAGRAPH SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT

6.6 INSPECTION OF SERVICES:

6.6.1 The Contractor shall provide and maintain an inspection system acceptable to County covering the services under this Contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to County during contract performance and for as long afterwards as the Contract requires.

6.6.2 County has the right to inspect and test all services called for by the Contract, to the extent practicable at all times and places during the term of the Contract. County shall perform inspections and tests in a manner that will not unduly delay the work.

6.6.3 If prior to completion of an Order any of the services required by that Order do not conform to Contract requirements, County may require the Contractor to perform the services again in conformity with Contract requirements, at no cost to the County. When the defects in services cannot be corrected by re-performance, County may:

6.6.3.1 Require the Contractor to take necessary action to ensure that future performance conforms to Contract requirements; and

6.6.3.2 Reduce the Contract price to reflect the reduced value of the services performed.

6.6.4 If the Contractor fails to promptly perform the services again as provided in Section 6.6.3 or to take the necessary action to ensure future performance in conformity with Contract requirements, County may:

6.6.4.1 By Contract or otherwise, perform the services and charge to the Contractor, through direct billing or through payment reduction, any cost incurred by County that is directly related to the performance of such service; or

6.6.4.2 Terminate the Contract for default.

~~6.7 REQUIREMENTS CONTRACT:~~

~~6.7.1 Contractors signify their understanding and agreement by signing a bid submittal, that the Contract resulting from the bid is a requirements contract. However, the Contract does not guarantee any minimum or maximum number of purchases will be made. It only indicates that if purchases are made for the materials or services contained in the Contract, they will be purchased from the Contractor awarded that item if the Contractor can meet all the delivery requirements of the County. Orders will only be placed when the County identifies a need and proper authorization and documentation have been approved.~~

~~6.7.2 County reserves the right to cancel Purchase Orders within a reasonable period of time after issuance. Should a Purchase Order be canceled, the County agrees to reimburse the Contractor for actual and documentable costs incurred by the Contractor in response to the Purchase Order. The County will not reimburse the Contractor for any costs incurred after receipt of County notice of cancellation, or for lost profits, shipment of product prior to issuance of Purchase Order, etc.~~

~~6.7.3 Contractors agree to accept verbal notification of cancellation of Purchase Orders from the County Procurement Officer with written notification to follow. By submitting a bid in response to this Invitation for Bids, the Contractor specifically acknowledges to be bound by this cancellation policy.~~

6.8 BACKGROUND CHECK:

Contractors need to be aware that there may be multiple background checks (Sheriff's Office, County Attorney's Office, Courts as well as Maricopa County general government) to determine if the respondents employees are acceptable for the contractor to do business with the County. This applies to (but is not limited to) the company and sub-contractors. Employees or others who fail to pass these checks shall not be allowed to work on County projects. Failure to meet these requirements may lead to termination of the contract.

6.9 SUSPENSION OF WORK

The Procurement Officer may order the Contractor, in writing, to suspend, delay, or interrupt all or any part of the work of this contract for the period of time that the Procurement Officer determines appropriate for the convenience of the County. No adjustment shall be made under this clause for any suspension, delay, or interruption to the extent that performance would have been so suspended, delayed, or interrupted by any other cause, including the fault or negligence of the Contractor. No request for adjustment under this clause shall be granted unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the suspension, delay, or interruption, but not later than the date of final payment under the contract.

6.10 STOP WORK ORDER

The Procurement Officer may, at any time, by written order to the Contractor, require the Contractor to stop all, or any part, of the work called for by this contract for a period of 90 days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of 90 days after a stop-work is delivered to the Contractor, or within any extension of that period to which the parties shall have agreed, the Procurement Officer shall either—

6.10.1 Cancel the stop-work order; or

6.10.2 Terminate the work covered by the order as provided in the Default, or the Termination for Convenience of the County, clause of this contract.

6.10.3 The Procurement Officer may make an equitable adjustment in the delivery schedule and/or contract price, or otherwise, and the contract shall be modified, in writing, accordingly, if the Contractor demonstrates that the stop work order resulted in an increase in costs to the Contractor.

6.11 UNCONDITIONAL TERMINATION FOR CONVENIENCE:

Maricopa County may terminate the resultant Contract for convenience by providing sixty (60) calendar days advance notice to the Contractor.

6.12 TERMINATION FOR DEFAULT:

The County may, by written notice of default to the Contractor, terminate this contract in whole or in part if the Contractor fails to:

6.12.1 Deliver the supplies or to perform the services within the time specified in this contract or any extension;

6.12.2 Make progress, so as to endanger performance of this contract; or

6.12.3 Perform any of the other provisions of this contract.

6.12.4 The County's right to terminate this contract under these subparagraph may be exercised if the Contractor does not cure such failure within 10 days (or more if authorized in writing by the County) after receipt of the notice from the Procurement Officer specifying the failure.

6.13 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:

Notice is given that pursuant to A.R.S. § 38-511 the County may cancel any Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S § 38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

6.14 CONTRACTOR LICENSE REQUIREMENT:

6.14.1 The Respondent shall procure all permits, insurance, licenses and pay the charges and fees necessary and incidental to the lawful conduct of his/her business, and as necessary complete any required certification requirements, required by any and all governmental or non-governmental entities as mandated to maintain compliance with and in good standing for all permits and/or licenses. The Respondent shall keep fully informed of existing and future trade or industry requirements, Federal, State and Local laws, ordinances, and regulations which in any manner affect the fulfillment of a Contract and shall comply with the same. Contractor shall immediately notify both Office of Procurement Services and the using agency of any and all changes concerning permits, insurance or licenses.

6.14.2 Respondents furnishing finished products, materials or articles of merchandise that will require installation or attachment as part of the Contract, shall possess any licenses required. A Respondent is not relieved of its obligation to posses the required licenses by subcontracting of the labor portion of the Contract. Respondents are advised to contact the Arizona Registrar of Contractors, Chief of Licensing, at (602) 542-1525 to ascertain licensing requirements for a particular contract. Respondents shall identify which license(s), if any, the Registrar of Contractors requires for performance of the Contract.

6.15 SUBCONTRACTING:

6.15.1 The Contractor may not assign to another Contractor or Subcontract to another party for performance of the terms and conditions hereof without the written consent of the County. All correspondence authorizing subcontracting must reference the Bid Serial Number and identify the job project. The County hereby consents to Contractor's subcontracting work to Authorized Service Providers under contract with Contractor.

6.15.2 The Subcontractor's rate for the job shall not exceed that of the Prime Contractor's rate, as bid in the pricing section, unless the Prime Contractor is willing to absorb any higher rates or the County has approved the increase. The Subcontractor's invoice shall be invoiced directly to the Prime Contractor, who in turn shall pass-through the costs to the County, without mark-up. A copy of the Subcontractor's invoice must accompany the Prime Contractor's invoice.

6.16 AMENDMENTS:

All amendments to this Contract shall be in writing and approved/signed by both parties. Maricopa County Office of Procurement Services shall be responsible for approving all amendments for Maricopa County.

6.17 ADDITIONS/DELETIONS OF SERVICE:

6.17.1 The County reserves the right to add and/or delete materials and services to a Contract. If a service requirement is deleted, payment to the Contractor will be reduced proportionately, to the amount of service reduced in accordance with the bid price. If additional materials or services are required from a Contract, prices for such additions will be negotiated between the Contractor and the County.

~~6.17.2 The County reserves the right of final approval on proposed staff for all Task Orders. Also, upon request by the County, the Contractor will be required to remove any employees working on County projects and substitute personnel based on the discretion of the County within two business days, unless previously approved by the County.~~

6.18 VALIDITY:

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of the Contract.

6.19 SEVERABILITY:

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of this Contract.

6.20 RIGHTS IN DATA:

The County shall have the use of data and reports resulting from a Contract without additional cost or other restriction except as may be established by law or applicable regulation. Each party shall supply to the other party, upon request, any available information that is relevant to a Contract and to the performance thereunder.

6.21 NON-DISCRIMINATION:

~~CONTRACTOR agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 including flow down of all provisions and requirements to any subcontractors. Executive Order 2009-09 supersedes Executive order 99-4 and amends Executive order 75-5 and may be viewed and downloaded at the Governor of the State of Arizona's website http://azmemory.azlibrary.gov/cdm/singleitem/collection/execorders/id/680/rec/1 which is hereby incorporated into this contract as if set forth in full herein. During the performance of this contract, CONTRACTOR shall not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.~~

Contractor agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 including flow down of all provisions and requirements to any subcontractors. Executive Order 2009-09 supersedes Executive order 99-4 and amends Executive order 75-5 and may be viewed and downloaded at the Arizona State Library Research website (http://azmemory.azlibrary.gov/cdm/singleitem/collection/execorders/id/680/rec/1) which is hereby incorporated into this contract as if set forth in full herein. During the performance of this Contract, Contractor shall not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

~~6.22 ISRAEL BOYCOTT:~~

~~By signing this Contract, the Contractor certifies that they are in compliance with Article 9, Arizona Revised Statutes Section 35-393 *et seq*.~~

6.23 CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

~~The undersigned (authorized official signing for the Contractor) certifies to the best of his or her knowledge and belief, that the Contractor~~

~~is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;~~

~~have not within 3 year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statues or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;~~

~~are not presently indicted or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and~~

~~have not within a 3 year period preceding this Contract had one or more public transaction (Federal, State or local) terminated for cause of default.~~

~~The Contractor agrees to include, without modification, this clause in all lower tier covered transactions (i.e. transactions with subcontractors) and in all solicitations for lower tier covered transactions related to this Contract.~~

6.23.1 **The undersigned (authorized official signing on behalf of the Contractor) certifies to the best of his or her knowledge and belief that the Contractor, its current officers and directors;**

6.23.1.1 **are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from being awarded any contract or grant by any United States Department or Agency or any state, or local jurisdiction;**

6.23.1.2 **have not within three (3) year period preceding this Contract;**

6.23.1.2.1 **been convicted of fraud or any criminal offense in connection with obtaining, attempting to obtain, or as the result of performing a government entity (Federal, State or local) transaction or contract; and**

6.23.1.2.2 **been convicted of violation of any Federal or State antitrust statues or conviction for embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property regarding a government entity transaction or contract; and**

6.23.1.2.3 **are not presently indicted or criminally charged by a government entity (Federal, State or local) with commission of any criminal offenses in connection with obtaining, attempting to obtain, or as the result of performing a government entity public (Federal, State or local) transaction or contract; and are not presently facing any civil charges from any governmental entity regarding obtaining, attempting to obtain, or from performing any governmental entity contract or other transaction; and have not within a three (3) year period preceding this Contract had any public transaction (Federal, State or local) terminated for cause or default.**

6.23.1.3 **If any of the above circumstances described in the paragraph are applicable to the entity submitting a bid for this requirement, include with your bid an explanation of the matter including any final resolution.**

6.23.2 **The Contractor shall include, without modification, this clause in all lower tier covered transactions (i.e. transactions with subcontractors) and in all solicitations for lower tier covered transactions related to this Contract.**

6.24 VERIFICATION REGARDING COMPLIANCE WITH ARIZONA REVISED STATUTES §41-4401 AND FEDERAL IMMIGRATION LAWS AND REGULATIONS:

6.24.1 By entering into the Contract, the Contractor warrants compliance with the Immigration and Nationality Act (INA using e-verify) and all other federal immigration laws and regulations related to the immigration status of its employees and A.R.S. §23-214(A). The contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the Immigration Reform and Control Act of 1986, as amended from time to time, for all

employees performing work under the Contract and verify employee compliance using the E-verify system and shall keep a record of the verification for the duration of the employee's employment or at least three years, whichever is longer. I-9 forms are available for download at USCIS.GOV.

6.24.2 The County retains the legal right to inspect contractor and subcontractor employee documents performing work under this Contract to verify compliance with paragraph 6.24.1 of this Section. Contractor and subcontractor shall be given reasonable notice of the County's intent to inspect and shall make the documents available at the time and date specified. Should the County suspect or find that the Contractor or any of its subcontractors are not in compliance, the County will consider this a material breach of the contract and may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

6.25 INFLUENCE

As prescribed in ~~MC1-1202~~ **MC1-1203** of the Maricopa County Procurement Code, any effort to influence an employee or agent to breach the Maricopa County Ethical Code of Conduct or any ethical conduct may be grounds for Disbarment or Suspension under MC1-902.
An attempt to influence includes, but is not limited to:

6.25.1 A Person offering or providing a gratuity, gift, tip, present, donation, money, entertainment or educational passes or tickets, or any type valuable contribution or subsidy,

6.25.2 That is offered or given with the intent to influence a decision, obtain a contract, garner favorable treatment, or gain favorable consideration of any kind.

If a Person attempts to influence any employee or agent of Maricopa County, the Chief Procurement Officer, or his designee, reserves the right to seek any remedy provided by the Maricopa County Procurement Code, any remedy in equity or in the law, or any remedy provided by this contract.

6.26 CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS.

6.26.1 The Parties agree that this Contract and employees working on this Contract will be subject to the whistleblower rights and remedies in the pilot program on contractor employee whistleblower protections established at 41 U.S.C. § 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112–239) and section 3.908 of the Federal Acquisition Regulation;

6.26.2 Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. § 4712, as described in section 3.908 of the Federal Acquisition Regulation. Documentation of such employee notification must be kept on file by Contractor and copies provided to County upon request.

6.26.3 Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold ($150,000 as of September 2013).

6.27 ACCESS TO AND RETENTION OF RECORDS FOR THE PURPOSE OF AUDIT AND/OR OTHER REVIEW:

6.27.1 In accordance with section MCI 371 of the Maricopa County Procurement Code the Contractor agrees to retain all books, records, accounts, statements, reports, files, and other records and back-up documentation relevant to this Contract for six (6) years after

final payment or until after the resolution of any audit questions which could be more than six (6) years, whichever is latest. The County, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine, copy and make use of, any and all said materials.

6.27.2 If the Contractor's books, records , accounts, statements, reports, files, and other records and back-up documentation relevant to this Contract are not sufficient to support and document that requested services were provided, the Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.

6.27.3 If at any time it is determined by the County that a cost for which payment has been made is a disallowed cost, the County shall notify the Contractor in writing of the disallowance. The course of action to address the disallowance shall be at sole discretion of the County, and may include either an adjustment to future invoices, request for credit, request for a check or deduction from current billings Submitted by the Contractor by the amount of the disallowance, or to require reimbursement forthwith of the disallowed amount by the Contractor by issuing a check payable to Maricopa County.

6.28 AUDIT DISALLOWANCES:

If at any time, County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. County shall also state the means of correction, which may be but shall not be limited to adjustment of any future claim submitted by the Contractor by the amount of the disallowance, or to require repayment of the disallowed amount by the Contractor.

6.29 OFFSET FOR DAMAGES;

In addition to all other remedies at Law or Equity, the County may offset from any money due to the Contractor any amounts Contractor owes to the County for damages resulting from breach or deficiencies in performance of the contract.

6.30 PUBLIC RECORDS:

Under Arizona law, all Offers submitted and opened are public records and must be retained by the Records Manager at the Office of Procurement Services. Offers shall be open to public inspection and copying after Contract award and execution, except for such Offers or sections thereof determined to contain proprietary or confidential information. by the Office of Procurement Services. If an Offeror believes that information in its Offer or any resulting Contract should not be released in response to a public record request under Arizona law, the Offeror shall indicate the specific information deemed confidential or proprietary and submit a statement with its offer detailing the reasons that the information should not be disclosed. Such reasons shall include the specific harm or prejudice which may arise from disclosure. The Records Manager of the Office of Procurement Services shall determine whether the identified information is confidential pursuant to the Maricopa County Procurement Code.

6.31 PRICES:

Contractor warrants that prices extended to County under this Contract are no higher than those paid by any other similar customer for these or similar services under similar terms.

6.32 INTEGRATION:

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, communications, understandings, representations, or agreements, whether oral or written, express or implied.

6.33 RELATIONSHIPS:

~~In the performance of the services described herein, the Contractor shall act solely as an independent contractor, and nothing herein or implied herein shall at any time be construed as to create the relationship of employer and employee, co-employee, partnership, principal and agent, or joint venture between the County and the Contractor.~~

6.33.1 **In the performance of the services described herein, the Contractor shall act solely as an independent contractor, and nothing herein or implied herein shall at any time be construed as to create the relationship of employer and employee, co-employee, partnership, principal and agent, or joint venture between the County and the Contractor.**

6.33.2 **The County reserves the right of final approval on proposed staff for all Task Orders. Also, upon request by the County, the Contractor will be required to remove any employees working on County projects and substitute personnel based on the discretion of the County within two business days, unless previously approved by the County.**

6.34 GOVERNING LAW:

This Contract shall be governed by the laws of the state of Arizona. Venue for any actions or lawsuits involving this Contract will be in Maricopa County Superior Court or in the United States District Court for the District of Arizona, sitting in Phoenix, Arizona

6.35 ORDER OF PRECEDENCE:

In the event of a conflict in the provisions of this Contract and Contractor's license agreement, if applicable, the terms of this Contract shall prevail.

6.36 **ORDERING AUTHORITY:**

Any request for purchase shall be accompanied by a valid purchase order, issued by Office of Procurement Services, a Purchase Order issued by the using Department or direction by a Certified Agency Procurement Aid (CAPA) with a Purchase Card for payment.

6.37 **NO MINIMUM OR MAXIMUM PURCHASE OBLIGATION:**

6.37.1 **This Contract does not guarantee any minimum or maximum purchases will be made. Orders will only be placed under this Contract when the County identifies a need and proper authorization and documentation have been approved.**

6.37.2 **Contractors agree to accept verbal notification of cancellation of Purchase Orders from the County Procurement Officer with written notification to follow. Contractor specifically acknowledges to be bound by this cancellation policy.**

6.38 **PURCHASE ORDERS:**

County reserves the right to cancel Purchase Orders within a reasonable period of time after issuance. Should a Purchase Order be canceled, the County agrees to reimburse the Contractor for actual and documentable costs incurred by the Contractor in response to the Purchase Order. The County will not reimburse the Contractor for any costs incurred after receipt of County notice of cancellation, or for lost profits, shipment of product prior to issuance of Purchase Order, etc.

6.39 **UNIFORM ADMINISTRATIVE REQUIREMENTS:**

By entering into this Contract, the Contractor agrees to comply with all applicable provisions of Title 2, Subtitle A, Chapter II, PART 200—UNIFORM ADMINISTRATIVE

REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS contained in Title 2 C.F.R. § 200 et seq.

For purchases of $50,000 or greater under this agreement, the applicable participating entity must disclose to THD when it is receiving any federal funds related to that requested purchase prior to THD agreeing to that purchase.

6.40 **CONFIDENTIAL INFORMATION:**

Any information obtained in the course of performing this Contract may include information that is proprietary or confidential to the County. This provision establishes the Contractor's obligation regarding such information.

The Contractor shall establish and maintain procedures and controls that are adequate to assure that no information contained in its records and/or obtained from the County or from others in carrying out its functions (services) under the Contract shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the Contract. The Contractor's procedures and controls at a minimum must be the same procedures and controls it uses to protect its own proprietary or confidential information. If, at any time during the duration of the Contract, the County determines that the procedures and controls in place are not adequate, the Contractor shall institute any new and/or additional measures requested by the County within fifteen (15) calendar days of the written request to do so.

Any requests to the Contractor for County proprietary or confidential information shall be referred to the County for review and approval, prior to any dissemination.

6.41 INCORPORATION OF DOCUMENTS:

The following are to be attached to and made part of this Contract:

6.41.1 Exhibit A, Pricing;

6.41.2 Exhibit B, Scope of Work;

6.41.3 Exhibit C Facilities Management Requirements

NOTICES:

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:

Maricopa County
Office of Procurement Services
ATTN: Contract Administration
~~320 West Lincoln Street~~ **160 South 4th Avenue**
Phoenix, Arizona 85003-2494

For Contractor:
Home Depot U.S.A., Inc.
~~2455 Paces Ferry Road~~ **PO BOX 193176,**
~~Atlanta, GA. 30339~~ **Columbus, OH 43218**
ATTN: Contract Administration

Docusign Envelope ID: 1C86F432-9491-493F-A138-888147CFCC80

IN WITNESS WHEREOF, this Contract is executed on the date set forth above.

CONTRACTOR

AUTHORIZED SIGNATURE

J. T. Rieves, Vice President, Pro Business
PRINTED NAME AND TITLE

2455 Paces Ferry Road Atlanta, GA 30339
ADDRESS

1-4-2017
DATE

MARICOPA COUNTY

CHAIRMAN, BOARD OF SUPERVISORS — JAN 17 2017 — DATE

ATTESTED:

CLERK OF THE BOARD 01/17 — JAN 17 2017 — DATE

APPROVED AS TO FORM:

DEPUTY COUNTY ATTORNEY — Jan 12, 2017 — DATE

EXHIBIT A
PRICING

SERIAL 16154-RFP	
NIGP CODE: 45041	
RESPONDENT'S NAME:	Home Depot U.S.A., Inc.
COUNTY VENDOR NUMBER :	W000001453
ADDRESS:	~~2455 Paces Ferry Road~~ **PO BOX 193176,**
	A~~tlanta, GA 30339~~ **Columbus OH 43218**
P.O. ADDRESS:	Each local The Home Depot stores
TELEPHONE NUMBER:	866-589-0690
FACSIMILE NUMBER:	866-589-0691
WEB SITE:	www.homedepot.com
CONTACT (REPRESENTATIVE):	Richard Nyberg
REPRESENTATIVE'S E-MAIL ADDRESS:	richard_nyberg@homedepot.com

	YES
WILL ALLOW OTHER GOVERNMENTAL ENTITIES TO PURCHASE FROM THIS CONTRACT	[X]
WILL ACCEPT PROCUREMENT CARD FOR PAYMENT:	[X]
PAYMENT TERMS. [X] NET 30 DAYS (See Below)	
Note: Net 30 is for Home Depot Account transactions only. Payment is required at the time of each transaction.	
Note: Net 60 payment terms for Home Depot Accounts may be available upon review of a customer's account information.	

1.0 PRICING:				
1.1	Do you offer a Rebate in lieu of a discount			Yes
	Details of your Rebate Program			
	· **At least $10,000 to $25,000 Annual Net Sales (Pretax) = 1% Rebate**			
	· **At least $25,000 to $100,000 Annual Net Sales (Pretax) = 2% Rebate**			
	· **Over $100,000 Annual Net Sales (Pretax) = 5% Rebate**			
1.2	**Pro Rewards Paint Program**			
	Level	**Discount %**	**Minimum Annual Spend on Paint**	
	Gold	**20%**	**$ 7,500**	
	Silver	**15%**	**$ 4,000**	
	Bronze	**10%**	**$ 2,000**	
1.3	**Volume Pricing Program**			
	For any purchase over $1,500 more aggressive pricing may be available through the Volume Pricing Program.			
	For any planned order over $1,500, call in the request for quote to the ProDesk of your local The Home Depot			
	store and ask for it to be submitted for volume pricing consideration.			

EXHIBIT B
STATEMENT OF WORK

CONTRACT FOR MAINTENANCE, REPAIR, OPERATING SUPPLIES, INDUSTRIAL SUPPLIES, AND RELATED PRODUCTS AND SERVICES (U.S. Communities)

1.0 INTENT:

The Contractor shall have a strong national presence for a vast array of supplies and equipment necessary for maintenance and repair in residential, commercial and industrial environments for use by various public entities nationwide.

Other governmental entities under agreement with the County may have access to services provided hereunder.

The County reserves the right to award in whole or in part, by item or group of items, by section or geographic area, or make multiple awards, where such action serves the County's best interest.

The County reserves the right to add additional contractors, at the County's sole discretion, in cases where the currently listed contractors are of an insufficient number or skill-set to satisfy the County's needs or to ensure adequate competition on any project or task order work.

1.1 INTRODUCTION, BACKGROUND AND INTENT: MASTER AGREEMENT

Maricopa County, AZ (herein "Lead Public Agency" on behalf of itself and all states, local governments, school districts, and higher education institutions in the United States of America, and other government agencies and nonprofit organizations (herein "Participating Public Agencies") is awarding a contract to a qualified supplier to enter into a Master Agreement for a complete line of Maintenance, Repair and Operating (MRO) Supplies and Industrial Supplies in a Retail and Wholesale environment; and Related Products and Services (herein "Products and Services").

1.2 GENERAL DEFINITION OF PRODUCTS AND/OR SERVICES

Contractors are to have the broadest possible selection of MAINTENANCE, REPAIR, OPERATING SUPPLIES, INDUSTRIAL SUPPLIES AND RELATED PRODUCTS AND SERVICES they offer. The intent of this contract is to provide Participating Public Agencies with a comprehensive offering of products and services to meet their various needs.

1.2.1 **Maintenance, Repair, Operating (MRO) Supplies and Related Services (Installation, Repair and Renovation)** – A complete and comprehensive offering of wholesale and/or retail MRO supplies such as appliances, building materials, hardware, HVAC, kitchen and bath cabinets, janitorial supplies, landscaping equipment and supplies, motors, pumps, paints and coatings, plumbing, pool chemicals and supplies, hand-held general purpose tools, power tools, flooring, window coverings, and any other miscellaneous MRO supplies offered by Supplier.

In addition, a complete range of services available through the Supplier such as, but not limited to, installation, renovation services, repair services, training services and any other related services offered by Supplier.

1.2.2 **Related Products and Services (Including Installation, Repair and Renovation Services) –** A complete range of related products and services offered by Supplier including, but not limited to, installation, repair and renovation services for replacements, upgrades, and remodeling in the residential, commercial and industrial environments relating to any of the following (non-inclusive): roofing, gutters, downspouts, HVAC, plumbing, electrical, exterior decks, patios and porches, exterior siding, windows and

doors, interior and exterior painting, weatherization, ADA improvements, hose fabrication, hydraulic repairs, gearbox repairs, conveyor system repairs, vulcanizing, rubber fabrication, and any other types of residential, commercial and industrial environments.

2.0 SCOPE OF WORK:

2.1 MAINTENANCE, REPAIR, OPERATING SUPPLIES (MRO) AND RELATED SERVICES (INSTALLATION, REPAIR AND RENOVATION):

Provide a complete and comprehensive offering of Retail MRO supplies such as appliances, building materials, hardware, HVAC, kitchen and bath cabinets, janitorial supplies, landscaping equipment and supplies, motors, pumps, paints and coatings, plumbing, pool chemicals and supplies, hand-held general purpose tools, power tools, flooring, window coverings, and any other miscellaneous MRO supplies offered by Supplier.

In addition, a complete range of services available through the Supplier such as, but not limited to, installation, renovation services, repair services, training services and any other related services offered by Supplier.

2.2 RELATED PRODUCTS AND SERVICES (INSTALLATION, REPAIR AND RENOVATION SERVICES)**:**

2.2.1 Any related products offered by Supplier.

2.2.2 Services may also include replacements, upgrades, remodeling; and product, turnkey and major category installations.

2.2.3 Services performed shall be non-structural in nature.

2.2.4 Products used in performing these services shall be procured under the awarded contract, at contract prices.

2.2.5 These services may be required in the residential and commercial environments and may be any of the following (non-inclusive):

2.2.5.1 Roofing, Gutters, Downspouts
2.2.5.2 HVAC
2.2.5.3 Plumbing
2.2.5.4 Electrical
2.2.5.5 Exterior decks, patios and porches
2.2.5.6 Exterior Siding
2.2.5.7 Windows, Doors
2.2.5.8 Interior/Exterior Painting
2.2.5.9 Weatherization – Storm Windows/Doors, Insulation, Weather Stripping
2.2.5.10 ADA Improvements

2.2.6 Services:

2.2.6.1 Providing and managing qualified contractors

2.2.6.2 Budget management in keeping projects on budget

2.2.6.3 Project management services in design, planning, organizing, scheduling and managing all stages of a project.

2.2.7 Service Providers (Labor):

2.2.7.1 Contractor shall serve as the single point of contact between Participating Public Agencies and Service Providers.

2.2.7.2 Contractor shall verify that all Service Providers are fully licensed for the type of work being performed in the respective state(s).

2.2.7.3 Contractor shall verify each Service Provider maintains at a minimum, the levels of insurance specified under in draft contract.

2.2.7.4 Contractor shall perform a background screen of all Service Providers consisting of (at a minimum):

2.2.7.4.1 National Employee Database
2.2.7.4.2 SSN Verification
2.2.7.4.3 National Criminal Database Check
2.2.7.4.4 Two County Search
2.2.7.4.5 Sex Offender Search
2.2.7.4.6 Annual Review (National Criminal Database)
2.2.7.4.7 Two (2) Year Complete Re-Screen and Renewal
2.2.7.4.8 Financial Background

2.2.7.5 All Service Provider employees shall wear a Service Provider's issued picture identification badge at all times.

2.3 PRODUCT CATEGORIES:

This Agreement is to establish a nationwide purchasing agreement for the acquisition of MRO and related products/services. The category descriptive examples below are not to be considered restrictive, but rather, provide a general, non-inclusive, description of the category. These are standard use in the residential, commercial, and industrial environments. .

All products offered shall be new, unused and of the latest design and technology.

The intent is for each Proposer to submit their complete product line so that Participating Public Agencies may order a wide array of product as appropriate for their needs. You may subcontract items your firm does not supply.

2.3.1 CATEGORY 1: APPLIANCES
Large appliances: refrigerators, washers, dryers, dishwashing machines, stoves, cooktops, range hoods and ovens; TVs, DVR's, small appliances: mixers, toasters, microwave ovens, food processors, disposals, trash compactors, and all ancillary supplies, tools, and components.

2.3.2 CATEGORY 2: BUILDING MATERIALS
Lumber (dimensional and timber), millwork, roofing, siding, plywood, paneling, hardwood, trim, molding, fencing, decking, gates, brick, block, doors, windows, bagged goods (concrete, mortar, sand, or asphalt), drywall, rebar, acoustical tiles, rain gutters, garage door openers, insulation, and all ancillary supplies, tools, and components.

2.3.3 CATEGORY 3: HARDWARE
Fasteners (nuts/bolts, screws, washers, rivets, nails), builders hardware (hinges, gate hardware, barrel bolts/hasps, corner braces, shelf brackets, closet hardware, springs), threaded rod/steel shapes, anchors, padlocks, lock sets, wheels, casters, ball bearings, rope, chain, metal stock, dry cell batteries, fire extinguishers, signs, cabinet hardware, mail boxes, safes, drop boxes, weatherization products, and all ancillary supplies, tools, and components.

2.3.4 CATEGORY 4: HEATING, VENTILATION, AND AIR CONDITIONING (HVAC)
Equipment, package units, evaporative coolers, tools, parts, ducting, air filtration, thermostats, portable and fixed heaters, fans, and all ancillary supplies, tools, and components.

2.3.5 CATEGORY 5: KITCHEN AND BATH CABINETS
Kitchen cabinets, bath vanities, countertops, medicine cabinets, mirrors, and all ancillary supplies, tools, and components.

2.3.6 CATEGORY 6: JANITORIAL SUPPLIES
Cleaners, soaps, waxes, strippers, polishes, vacuums, brooms, mops, buckets, gloves, carts, paper goods, and all ancillary supplies, tools, and components.

2.3.7 CATEGORY 7: LANDSCAPING EQUIPMENT AND SUPPLIES
Lawn and landscape equipment (gasoline and electric), shovels, rakes, axes, hoes, hoses, nozzles, insect control, herbicides, fertilizers, plants, trees, sprinkler/irrigation equipment and supplies and all ancillary supplies, tools, an components.

2.3.8 CATEGORY 8: MOTORS/PUMPS
Fractional and full horse, starters, pulleys, belts, fans, motor controls, and all ancillary supplies, tools, and components.

2.3.9 CATEGORY 9: PAINTS AND COATINGS
All types of paints and coatings, wall paper, caulking, spray equipment, aerosol paints, pressure washers, sand blasters, finishes, abrasives, epoxy, cleaners, drywall supplies, tarps, compounds, adhesives, accessories, and all ancillary supplies, tools, and components.

2.3.10 CATEGORY 10: PLUMBING
Equipment, parts, piping and fittings, water heaters, furnaces, disposals, pneumatic piping, filters, commodes, sinks, bathtubs, showers, shower doors, faucets, water conditioning equipment, water dispensing equipment, salt, and all ancillary supplies, tools, and components.

2.3.11 CATEGORY 11: POOL SUPPLIES
Pool chemicals, tools, timers, pump/motor units, vacuum equipment, patio furniture, parts, and all ancillary supplies, tools, and components.

2.3.12 CATEGORY 12: TOOLS, HAND-HELD GENERAL PURPOSE
Hand-held (electric, battery, or pneumatic operated), including accessories, automotive type tools, welding equipment, testing and measuring tools, carts and hand trucks, work benches, tool cabinets, ladders, and all ancillary supplies and components.

2.3.13 CATEGORY 13: TOOLS, POWER TYPE
Electric or gas operated, mobile or stationary, bench or floor mounted, including accessories, and all ancillary supplies and components.

2.3.14 CATEGORY 14: FLOORING AND WINDOW COVERINGS
All flooring, including but not limited to, vinyl plank, VCT, vinyl tile, ceramic tile, hardwood, carpet tile, carpet and cove base; blinds, shades, screens, window glass, mirrors, parts, and all ancillary supplies, tools, and components.

2.3.15 CATEGORY 15: HOSPITALITY

Guest room supplies and appliances, personal care amenities, telephones, bed and bath linens, housekeeping cleaning supplies, public restroom supplies, carts, banquet and conference room supplies, guest room and suite furniture, fixtures, and equipment, pool and patio equipment, and other hospitality supplies.

2.3.16 CATEGORY 16: WATER AND WASTE WATER TREATMENT

Aeration, chart and data recorders, chemical feed, collection systems, flow metering, gauges, grounds maintenance, hose, hydrants, lab chemicals, equipment, and testing, location and leak detection, level and pressure, pipe, plugs, process analysis, pumps, sampling equipment, storm water, tanks, tools, valves, and water treatment.

2.3.17 CATEGORY 17: MISCELLANEOUS

Including, but not limited to: shelving (metal or wood composite), safety and emergency equipment, first aid supplies, conditioning salt, scaffolding (purchased), packaging supplies, communication supplies, electrical supplies, lighting supplies, office products, and property management products.

2.3.18 CATEGORY 18: IN STORE SERVICES

Including, but not limited to: glass cutting, pipe threading, planning services (flooring and cabinet), verbal technical advice, special orders, rental equipment, etc.

2.4 PRODUCT ORDERING:

2.4.1 Contractor's limited product line (Wholesale or Retail) shall be available for internet ordering 24/7.

2.4.2 Products may be ordered by any of the following methods:

2.4.2.1 Retail Stores (Point of Sale)
2.4.2.2 Internet (Homedepot.com)
2.4.2.3 Other eProcurement options
2.4.2.4 Will Call (Phone or FAX order)

2.5 PRODUCT PRICING:

Retail:

Products shall be sold at their retail price. An annual volume rebate will be paid to Participating Public Agencies (see Exhibit A). For any purchase over $1,500, more aggressive pricing may be available through the Volume Pricing Program. The discount offered through this program will depend on dollar value, quantity and type of material. In addition, the Pro Rewards Paint program offers Participating Public Agencies further discounts on their paint only purchases (see Exhibit A).

2.6 ON-LINE CATALOG DISCOUNT PRICING:

Presently, the capability exists to access a limited on-line catalog reflecting contract pricing of products.

2.7 RELATED PRODUCTS AND SERVICES (INSTALLATION, REPAIR AND RENOVATION SERVICES) PRICING**:**

2.7.1 All Participating Public Agencies shall receive a detailed written quotation for all services to be performed, and product(s) to be provided.

2.7.2 All quotations shall be for a "not to exceed" amount.

2.7.3 As an audit tool, the Contractor(s) shall provide a copy of the most current R.S. Means Bare Cost Data (including any city cost index adjustment) pertaining to all written quotations.

2.7.4 Spending on services shall be included in the annual volume rebate (see Exhibit A).

2.8 SALES REPORTING:

2.8.1 Sales Dollars
2.8.2 Sales histories by manufacturer, item description, part number, quantity, NIGP codes
2.8.3 Procurement card (MasterCard or Visa brand)

2.9 BRAND NAMES:

The County reserves the right to request samples to determine quality and acceptability of materials bid by Contractor. . Materials substantially equivalent to those designated shall qualify for consideration of an order.

2.10 DELIVERY, FREIGHT REQUIREMENTS:

2.10.1 All domestic ground shipments shall be FOB Destination, Freight Prepaid and Included. Any handling fees shall also be included in the pricing.

2.10.2 Any requests for local delivery of orders placed at local stores shall be subject to local delivery fees, if applicable.

2.10.3 Shipping and handling fees are allowable to destinations outside the continental U.S.

2.10.4 A packing list or other suitable shipping document shall accompany each shipment and shall include the following:

2.10.4.1 Contract Serial number
2.10.4.2 Contractor's name and address
2.10.4.3 Participating Public Agency's name and address
2.10.4.4 Participating Public Agency's purchase order number
2.10.4.5 A description of product(s) shipped, including item number(s), quantity (is), number of containers and package number(s), as applicable

3.0 PROCUREMENT REQUIREMENTS:

3.1 SHIPPING TERMS:

Bid price(s) and terms shall be F.O.B. Destination at ordering Agencies locations for those items requested to be delivered. Delivery charges may apply based on location.

3.2 OPERATING MANUALS (If required):

Upon delivery, Contractor shall provide comprehensive operational manuals, service manuals and schematic diagrams, if required by the Using Agency.

3.3 INSTALLATION: (If required):

The Contractor's price shall include delivery and installation of all equipment in a complete operating condition.

3.4 ACCEPTANCE: (If required):

Upon delivery and successful installation, the material(s) shall be deemed accepted and the warranty period shall begin. All documentation shall be completed prior to final acceptance.

3.5 CONTRACTOR EMPLOYEE MANAGEMENT:

3.5.1 Contractor shall endeavor to maintain the personnel proposed in their offer throughout the implementation of the Agreement. In the event that Contractor personnel's employment status changes, Contractor shall provide County a list of replacement personnel. . Under no circumstances is it acceptable for the implementation schedule to be impacted by a personnel change on the part of the Contractor.

3.5.2 County reserves the right to immediately remove from its premises any Contractor personnel it determines is a risk to County operations.

3.5.3 County reserves the right to request the replacement of Contractor personnel at any time, for any reason.

3.6 WARRANTY:

Home Depot SOW Information: All repair and renovation services performed by Home Depot carries a one (1) year workmanship warranty and all manufacturers' product warranties shall be passed on to the end customer as further detailed in Contract section 6.5. Home Depot also offers a robust return policy on product purchases, whereas (most) returns within 90 days of purchase are accommodated with a valid sales receipt for exchange, refund, credited to an associated Home Depot

3.6.1 All items furnished under this Contract shall conform to the requirements of this Contract and shall be free from defects in design, materials and workmanship.

3.6.2 The warranty period for workmanship shall be for an initial period of twelve (12) months and commence upon acceptance by County.

3.6.2.1 The Contractor agrees that he will, at his own expense, provide all labor and parts required to remove, repair or replace, and reinstall any such defective workmanship and/or materials which becomes or is found to be defective during the term of this warranty. The Contractor shall guarantee the equipment to be supplied complies with all applicable regulations.

3.7 FACTORY AUTHORIZED SERVICE AVAILABILITY (if required):

The Contractor shall have and maintain a local factory authorized service facility within the Phoenix, Arizona metropolitan area. The facility shall be capable of supplying and installing component parts, troubleshooting, repairing and maintaining the products. Minimum service hours shall be from 8:00 A.M. through 5:00 P.M., Arizona Time, Monday through Friday.

3.8 USAGE REPORT:

The Contractor shall furnish the County a usage report upon request delineating the acquisition activity governed by the Contract. The format of the report shall be approved by the County and shall disclose the quantity and dollar value of each contract item by individual unit.

16154 EXHIBIT C

FACILITIES MANAGEMENT REQUIREMENTS

Maricopa County Facilities Management operation requirements.

1.0 HOURS OF SERVICE:

1.1 REGULAR HOURS are between 6:00 AM and 6:00 PM, Monday through Friday, excluding County holidays.

1.2 AFTER HOURS is after 6:00 PM and prior to 6:00 AM, Monday through Friday.

1.3 WEEKENDS are anytime Saturday or, Sunday.

1.4 HOLIDAYS are County Holidays (See County holiday schedule attachment).

1.5 Services shall be available 24 hours per day, 7 days per week, 365 days per year.

1.6 Contractor shall provide 24 hours per day, 7 days per week, 365 days per year telephone access, and strive to respond to a call for services within thirty (30) minutes of receipt.

2.0 RESPONSE TIMES:

2.1 During REGULAR HOURS, AFTER HOURS, WEEKEND or HOLIDAYs, Contractor shall strive to respond on site within four (4) hours of receipt of a service request if a site visit is mutually determined to be required.

2.2 If the request is designated by the County as an EMERGENCY, the contractor shall strive to respond on site within two (2) hours of receipt of a service request regardless of the time of day, WEEKEND or HOLIDAY if a site visit is mutually determined to be required.

3.0 TRIP CHARGE:

Trip charges are permitted when time and material work is requested at the following sites only:

3.1 MCSO Lake Aid Stations (Apache, Bartlett, Blue Point, Canyon and Saguaro)

3.2 County offices located in Gila Bend, AZ

3.3 County offices located in Buckeye, AZ

3.4 County offices located in Aguila, AZ

3.5 Only one trip charge may be charged per service call.

3.6 If the contractor arrives onsite and is unable to locate a County representative familiar with the work or unable to gain access to the work site, the Contractor may only bill for a trip charge (maximum one time daily trip charge not to exceed $50.00). The Contractor is not authorized to incur nor will the County accepting billing for any labor charges.

4.0 CONTRACTOR REQUIREMENTS:

4.1 Contractor(s) shall supply all labor, supervision, materials, tools, equipment, and effort necessary to perform the Scope of Work presented.

4.2 The Contractor's service truck fleet and/or warehouse shall carry sufficient supply of repair parts and equipment to perform services per Scope of Work presented.

4.3 The Contractor agrees to utilize only experienced, responsible and capable people in the performance of the work.

4.4 All employees of the Contractor shall wear a company uniform identified with the company name that may include one of the following:

4.4.1 Shirt/blouse

4.4.2 Vest

4.4.3 Cap

4.4.4 Badging that identifies the business they work for

4.5 No one except authorized employees of the Contractor is allowed on the premises of Maricopa County. Contractor's employees are NOT to be accompanied in their work area by acquaintances, family members, assistants, or any other person unless said person is an authorized employee of the Contractor.

4.6 The Contractor shall perform the work in a way to minimize disruption to the normal operation of building occupants. Upon completion of work the Contractor shall clean and remove from the job site all debris, materials and equipment associated with the work performed.

4.7 Contractor shall adhere to all regulations, rules, ordinances, and standards set by Federal, State, County, and Municipal governments pertaining to safety on the job site.

5.0 BUILDING SECURITY (KEYS):

5.1 The Contractor may be provided keys to required County Facilities at the discretion of FMD. Keys may be acquired by:

5.2 The Contractor being provided permanent key(s), wherein the Contractor verifies receipt of and accepts responsibility for keys. The keys must be returned at the completion of the work or at the direction of FMD. Keys not returned may cause the County to re-key the ENTIRE building or locations that the set of keys opened with the cost being borne by the Contractor.

5.3 In lieu of or in addition to keys, the Contractor may be provided card access badges at the discretion of FMD.

5.4 The Contractor shall notify FMD within twenty four (24) hours if any keys are lost, misplaced, stolen or otherwise not within the Contractor's control.

6.0 Once the Purchase Order is complete, expired, or terminated the Contractor shall immediately return all badges and keys to FMD.SALVAGE:

Salvage rights shall be evaluated on a project by project basis by the County and shall be determined prior to incorporation in the contractor's bid price. Salvage rights automatically apply for all work if in the best interest to the County. Salvageable materials without pre approved contractor salvage rights shall be securely stored and are not to be transported off the site without written permission from Maricopa County. If contractor is given salvage rights, salvageable materials shall be removed daily. No on site storage of contractor's salvaged materials will be permitted.

7.0 INVOICES AND PAYMENTS:

For transactions using a Home Depot Net 30 Account, Invoices are required to contain the following information and should be e-mailed to FMD-ACCOUNTSPAYABLE@MAIL.MARICOPA.GOV If invoices cannot be e-mailed, U.S. Mail is acceptable to Maricopa County Facilities Management, Accounts Payable, 401W. Jefferson, Phoenix, Arizona 85003 or to the address that was used in establishing the associated Home Depot Account.

7.1 Company name, address and contact information

7.2 County bill-to name and contact/requestor information

7.3 Building Name and Building Number

7.4 County purchase order number

7.5 County contract number

7.6 Maximo (FMD) service call number

7.7 Invoice number and date

7.8 Date of service or delivery

7.9 Description of Purchase (services performed)

7.10 Labor breakdown: rate per hour x no. of hours by personnel type (time & materials)

7.11 Material breakdown: itemized parts list to contain unit price x quantity, indicating mark-ups as contracted (time & materials)

7.12 Arrival and completion time

7.13 Total Amount Due with tax amounts separated. Must also clearly indicate the tax rate being applied

7.14 Payment Terms

For Time & Material work, Contractor(s) must provide, all equipment, expendable shop supplies (rags, cleaners, solvents, gasses, etc.), miscellaneous parts (screws, bolts nuts, small items etc.), tools, etc. necessary to perform all the required services. Contractor(s) are allowed a one time Misc. Shop fee charge of up to $25.00 per work order to cover these type of expenses. Anything beyond the $25 limit, will be provided at the contractor's own expense.

8.0 CONTRACTOR EMPLOYEE BACKGROUND CHECK:

A background check is required for all Contractor employees providing services to the County. The cost of this service shall be incurred by the County. No Contractor employee may access County property without approval of FMD.

Docusign Envelope ID: 1C86F432-9491-493F-A138-888147CFCC80

16154 EXHIBIT C

FACILITIES MANAGEMENT REQUIREMENTS

Maricopa County Facilities Management operation requirements.

1.0 **HOURS OF SERVICE (any fluctuations to these hours will be handled in the Solicitation):**

1.1 **REGULAR HOURS are between the hours of 6:00 a.m. and 6:00 p.m., Monday through Friday, excluding County holidays.**

1.2 **AFTER HOURS are between the hours of 6:00 p.m. and prior to 6:00 a.m., Monday through Friday.**

1.3 **WEEKENDS are anytime on a Saturday or a Sunday.**

1.4 **HOLIDAYS are County holidays.**

1.5 **Services shall be available 24 hours per day, 7 days per week, 365 days per year.**

1.6 **The Facilities Management Parts Warehouse is open for deliveries between the hours of 7:00 a.m. to 3:00 p.m. weekdays except for County holidays.**

2.0 **BEGINNING OF WORK:**

2.1 **Contractor shall provide 24 hours per day, 7 days per week, 365 days per year telephone access, and use best efforts to respond to a call for services within thirty (30) minutes of receipt via phone or email.**

2.2 **During REGULAR HOURS, AFTER HOURS, WEEKEND or HOLIDAYs, Contractor shall strive to respond on-site to begin work within four (4) hours of receipt of a service request unless arranged for a later date/time with the County per the work order or notice to proceed.**

2.3 **The four (4) hour response time shall carryover to the next working day if called into Contractor's office as a non-emergency call after 2:00 p.m. The Contractor will be required to begin work by 8:00 a.m. the following day, as mutually agreed to by the Parties.**

2.4 **Contractors shall strive to respond to EMERGENCY requests immediately and report on-site to begin work within two (2) hours service call request regardless of the time of day, WEEKEND or HOLIDAY.**

3.0 **TRIP CHARGE:**

One-time trip charges of $50.00, or other amount only if previously identified to the Maricopa County contact and agreed to by them (one per work order), are permitted when Time and Materials work is requested at the following sites ONLY:

3.1 **MCSO Lake Aid Stations (Apache, Bartlett, Blue Point, Canyon and Saguaro)**

3.2 **County offices located in Gila Bend, AZ**

3.3 **County offices located in Buckeye, AZ**

3.4 **County offices located in Aguila, AZ**

4.0 **DEAD END CHARGE:**

If the Contractor is unable to locate a County representative familiar with the work or is unable to gain access to the work site, the Contractor shall call the County Boiler Room (602-506-3310). The Boiler Room technician will give Contractors further instruction at this time. If the Contractor is delayed or turned away, a $50.00 trip charge shall be authorized by the County.

5.0 **CONTRACTOR REQUIREMENTS:**

5.1 **Contractor shall provide and maintain during the entire period of this contract, all labor, supervision, materials, effort, tools, and equipment sufficient in number, condition and capacity to efficiently perform the work and render the services required by this contract. Contractor shall provide evidence of his ability to furnish equipment and personnel. The Contractor's service truck fleet and/or warehouse shall carry sufficient supply of repair parts and equipment to perform services per Scope of Work presented.**

5.2 **The Contractor shall perform the work in such a way as to minimize disruption to the normal operation of the County site and building occupants. Upon completion of work, the Contractor is responsible for cleaning and removing from the job site; all debris, materials, and equipment associated with the work performed and County property is restored to the same condition prior to start of the job. Such disturbances may include, but are not limited to: loose dirt, dislocated gravel; removed vegetation; footprints; old asphalt/concrete; etc. Documentation will be performed through an audit and feedback system of contract administration. If an inspection reveals that the Contractor failed to clean up after work has been performed, the County will notify the Contractor of the discrepancy and the Contractor will have twenty-four (24) hours to make the needed correction. Should the Contractor fail to correct noted issues, the County reserves the right to make other arrangements to have the area cleaned and the cost of such work shall be offset from any monies due the Contractor.**

5.3 **The Contractor shall perform all services in such a manner that does not damage County property. In the event damage occurs to Maricopa County property, or any adjacent property due to any services performed under this contract, the Contractor shall notify the County representative immediately of damages and replace or repair the same at no cost to the County. If damage caused by the Contractor has to be repaired or replaced by the County, and the cost of such work shall be deducted from the monies due the Contractor.**

5.4 **Contractor's bidding on this solicitation may visit the sites to determine conditions that would affect prices and work performance. As some sites do have internal restrictions, a site visit may be scheduled if necessary. See GIS link for site directions: https://gisportal.maricopa.gov/FMD/Facility/Index.html.**

5.5 **Contractors must have a facility sufficient to support the work contemplated by this contract within fifty (50) miles of 401 W. Jefferson St., Phoenix AZ 85003.**

5.6 **The Contractor agrees to utilize only experienced, responsible, and capable people in the performance of the work.**

5.7 **All vehicles used by Contractor shall be clearly identified with the name of the company on each side of the equipment, including personnel transportation vehicles, or consistent with the Contractor's business practices. The letters shall be of such size that they are distinguishable from a reasonable distance or consistent with the Contractor's business practices.**

5.8 **All employees of the Contractor shall wear a company uniform identified with the company name that may include of one of the following:**

- **Shirt/blouse**

- **Vest**
- **Cap**

5.9 **Only authorized employees of the Contractor are allowed on the premises of Maricopa County. Contractor's employees are NOT to be accompanied in their work area by acquaintances, family members, assistants, or any other person unless said person is an authorized employee of the Contractor.**

5.10 **All work must comply with EPA, OSHA, and any State, County, or local regulations in effect at each service location. Contractor shall adhere to all regulations, rules, ordinances, and standards set by Federal, State, County, and Municipal governments pertaining to safety on the jobsite. If the Contractor is found not to be in compliance with Federal, State, County, and/or Municipal safety rules, ordinances, policy, procedure, or codes, the County may, in accordance with the "Suspension of Work" clause of the contract, suspend the work without cost to the County until such non-compliant issues are rectified to the satisfaction of the Using Agency. Continued non-compliance may result in termination.**

6.0 **BUILDING ACCESS:**

6.1 **The Contractor may be provided access to County Facilities at the discretion of Facilities Management. keys, badges, or access cards will be provided per the following guidelines:**

6.2 **Contractor employees may sign out a set of keys (all looped on a single key ring) upon arrival at site, and must turn-in key set after completion of duties unless they are issued a permanent key.**

6.3 **Permanent keys may be provided to Contractor employees on a case-by-case basis. Should an employee leave the Contractor's work force, Contractor must immediately notify the County and keys, badges, and access cards must be returned to the County.**

6.4 **The Contractor shall notify the County within twenty-four (24) hours if any keys, badges, or access cards are lost, misplaced, stolen or otherwise not within the Contractor's control.**

6.5 **Once this agreement is complete, expired, or terminated, the Contractor shall immediately return all keys, badges, or access cards to the County.**

6.6 **Failure to comply with these requirements may result in the Contractor being assessed the cost of replacing keys or access cards and any associated cost to ensure the security of County facilities including but not limited to, re-keying the ENTIRE building at the expense of the Contractor.**

7.0 **CANCELLATION COST:**

Any scheduled work cancelled without a minimum of 48 hours prior notice to the County will be rescheduled with the Contractor and is subject up-to a 25% reduction of the cost.

8.0 **SALVAGE:**

Salvage and trade-in rights shall be evaluated on a project-by-project basis by the County and shall be determined prior to incorporation in the Contractor's bid price. Salvageable materials without pre-approved Contractor salvage rights shall be securely stored and are not to be transported off the site without written permission from Maricopa County. If Contractor is given salvage rights, salvageable materials shall be removed daily. On-site storage of Contractor's salvaged materials is not permitted.

9.0 **DELIVERY:**

9.1 **Delivery shall be made to the County no later than 3:00 p.m. on the seventh (7th) calendar day after order is received.**

9.2 **Exceptions to delivery schedule will be special order items that must be identified to the County.**

9.3 **Maricopa County reserves the right to obtain material on the open market in the event vendors fail to make delivery and charge any price differential to the vendor.**

9.4 **Delivery will be made to the following address:**

FACILITIES MANAGEMENT DIVISION (FMD) WAREHOUSE
2401 S. 28th Dr.
Phoenix, AZ 85009

Warehouse Manager: 602-506-1935
Warehouse Specialist: 602-506-1943
Receiving hours: 7:00 a.m. – 3:00 p.m.

10.0 **FACILITIES MANAGEMENT INVOICES AND PAYMENTS:**

10.1 **Payment terms shall be calculated based on the date a properly completed invoice is received by the County.**

10.2 **For transactions using a Home Depot Net 30 Account, Contractors shall provide the County with invoices no later than fourteen (14) days after all services and delivery of goods are complete and accepted by the County rendered final.**

10.3 **Home Depot Account invoices should contain access to the following information:**

- **Company name, address and contact information**
- **County bill-to name and contact/requestor information**
- **Building name and building number**
- **County purchase order number**
- **Contract or BidSync agreement number**
- **Maximo (Facilities Management) work order number**
- **Invoice number and date**
- **Date of service or delivery (for Project work: use "Completion date")**
- **Description of services performed**
- **Line item description of parts and materials (Time and Materials work)**
- **Line item labor breakdown: arrival and completion time, rate per hour x no. of hours by personnel type (Time & Materials work)**
- **Total amount due with tax amounts separated (Time and Materials work).**
  ***On a separate line, clearly indicate the tax rate being applied**

- **Payment Terms as stated in the agreement**

10.4 **Questions regarding billing or invoicing shall be directed to the email address below.**

10.5 **Invoices shall be e-mailed to: FMD-ACCOUNTSPAYABLE@MAIL.MARICOPA.GOV**

10.6 **If invoices cannot be e-mailed, send by mail to:**

Maricopa County Facilities Management – Accounts Payable
401 W. Jefferson St.
Phoenix, Arizona 85003

10.7 **Payment shall be made to the Contractor by the Accounts Payable/Finance department through an Electronic Funds Transfer (EFT) process. After Contract Award the Contractor shall complete the Contractor Registration Form located on the County Department of Finance Contractor Registration Web Site (http://www.maricopa.gov/922/Vendors).**

10.8 **EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.**

HOME DEPOT U.S.A., INC., PO BOX 193176, COLUMBUS OH 43218
~~2455 PACES FERRY ROAD, ATLANTA, GA. 30339~~

PRICING SHEET: NIGP CODE 45041

Terms:	NET 30
Vendor Number:	VC0000005735
Certificates of Insurance	Required
Contract Period:	To cover the period ending **December 31,** ~~2021~~ **2026.**

EXHIBIT B
INSURANCE REQUIREMENTS

(Please see below)

Exhibit B:
Insurance Requirements for Services
(Equipment Setup Removal Maintenance & Repair)

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL)**: Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability**: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than **$1,000,000** per accident for bodily injury and property damage.

3. **Workers' Compensation**: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status
The City of Stockton, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or

equipment furnished in connection with such work or operations. Coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 if a later edition is used). Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

Primary Coverage

For any claims related to this contract, the **Contractor's insurance coverage shall be primary and non-contributory** and at least as broad as ISO CG 20 01 12 19 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies. The City of Stockton does not accept endorsements limiting the Contractor's insurance coverage to the sole negligence of the Named Insured.

Umbrella or Excess Policy

The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City of Stockton.

Waiver of Subrogation

Contractor hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Stockton has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton.

Acceptability of Insurers
Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Stockton.

Claims Made Policies (Professional & Pollution only)
If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained, and evidence of insurance must be provided *for at least five (5) years after completion of the contract of work*.

3. If coverage is canceled or non-renewed, and not replaced *with another claims-made policy form with a Retroactive Date prior to* the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of *five (5)* years after completion of work.

Verification of Coverage

Contractor shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause All documents are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Special Risks or Circumstances
City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees, and Volunteers
425 N El Dorado Street
Stockton, CA 95202

File #: 25-0850, **Version:** 1

APPROVE REVISED GANN LIMIT FOR FISCAL YEAR 2023-24

RECOMMENDATION

It is recommended that the City Council approve by resolution the revised Fiscal Year (FY) 2023-24 California Constitutional (Gann) Appropriations Limit of $463,417,917.

Summary

The Gann Limit establishes a general fund appropriation limit tied to historic size of government. On June 20, 2023, the Proposed Annual Budget for FY 2023-24 was presented to City Council, and Resolution 2023-06-20-1601 was adopted, establishing a Gann Limit of $441,817,074. Total General Fund appropriations of $259,884,645 were under the limit. The Gann Limit presented in the resolution should have been $463,417,917.

DISCUSSION

Background

Propositions 4 (1970) and 11 (1990) established state and local government General Fund appropriations limits. The limit for the growth rate of those appropriations is the percentage increase in the cost of living and the percentage increase in the population. Each year City staff calculates the appropriation limit using information provided by the California State Department of Finance.

The amount presented in Resolution 2023-06-20-1601 adopting the FY 2023-24 Budget was $441,817,917 and should have been $463,471,917. There was no financial impact on the FY 2023-24 Budget as the Gann Limit was underreported and higher than the proposed General Fund appropriations. A resolution documenting this change is required for clerical purposes only.

Legislation Text:

FY 2023-24 Gann Appropriation Limit

The California Constitution limits growth in local government spending and establishes a maximum limit for expenditures from general taxes. The law, commonly known as the Gann Limit, requires that the limit is recalculated and approved annually by the City Council at the beginning of each fiscal year. The Gann Limit is indexed to specified growth factors approved by the Legislature and applied to revenue appropriations. The City's FY 2023-24 Gann Limit, as calculated is $463,417,917, and exceeds the proposed appropriations subject to the limit of $259,884,645. The City's appropriations remain well within the Constitutional appropriations limit.

Resolution 2023-06-20-1601 text:

An appropriation limit is established in the amount of $441,817,074 for FY 2023-24 pursuant to the requirements of the California Government Code. The City of Stockton selected the "change in California per capita personal income" for the "change in cost of living" component and the change in annual population for the County of San Joaquin as of January 1, 2023, component in the calculation of the appropriation limit.

Present Situation

As part of the Annual Comprehensive Financial Report (ACFR) compliance, the revised FY 2023-24 Gann Limit of $463,417,917 is presented to City Council for approval.

FINANCIAL SUMMARY

There is no financial impact as a result of taking the recommended action.

Attachment A - GANN Limit Legislation

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*** CALIFORNIA CONSTITUTION - CONS**

ARTICLE XIII B GOVERNMENT SPENDING LIMITATION [SEC. 1 - SEC. 15] *(Article 13B added Nov. 6, 1979, by Prop. 4. Initiative measure.)*

SEC. 1. The total annual appropriations subject to limitation of the State and of each local government shall not exceed the appropriations limit of the entity of government for the prior year adjusted for the change in the cost of living and the change in population, except as otherwise provided in this article.

(Sec. 1 amended June 5, 1990, by Prop. 111. Res.Ch. 66, 1989. Effective July 1, 1990.)

SEC. 1.5. The annual calculation of the appropriations limit under this article for each entity of local government shall be reviewed as part of an annual financial audit.

(Sec. 1.5 added June 5, 1990, by Prop. 111. Res.Ch. 66, 1989. Effective July 1, 1990.)

SEC. 2. (a) (1) Fifty percent of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount which may be appropriated by the State in compliance with this article during that fiscal year and the fiscal year immediately following it shall be transferred and allocated, from a fund established for that purpose, pursuant to Section 8.5 of Article XVI.

(2) Fifty percent of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount which may be appropriated by the State in compliance with this article during that fiscal year and the fiscal year immediately following it shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years.

(b) All revenues received by an entity of government, other than the State, in a fiscal year and in the fiscal year immediately following it in excess of the amount which may be appropriated by the entity in compliance with this article during that fiscal year and the fiscal year immediately following it shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years.

(Sec. 2 amended June 5, 1990, by Prop. 111. Res.Ch. 66, 1989. Effective July 1, 1990.)

SEC. 3. The appropriations limit for any fiscal year pursuant to Sec. 1 shall be adjusted as follows:

(a) In the event that the financial responsibility of providing services is transferred, in whole or in part, whether by annexation, incorporation or otherwise, from one entity of government to another, then for the year in which such transfer becomes effective the appropriations limit of the transferee entity shall be increased by such reasonable amount as the said entities shall mutually agree and the appropriations limit of the transferor entity shall be decreased by the same amount.

(b) In the event that the financial responsibility of providing services is transferred, in whole or in part, from an entity of government to a private entity, or the financial source for the provision of services is transferred, in whole or in part, from other revenues of an entity of government, to regulatory licenses, user charges or user fees, then for the year of such transfer the appropriations limit of such entity of government shall be decreased accordingly.

(c) (1) In the event an emergency is declared by the legislative body of an entity of government, the appropriations limit of the affected entity of government may be exceeded provided that the appropriations limits in the following three years are reduced accordingly to prevent an aggregate increase in appropriations resulting from the emergency.

(2) In the event an emergency is declared by the Governor, appropriations approved by a two-thirds vote of the legislative body of an affected entity of government to an emergency account for expenditures relating to that

emergency shall not constitute appropriations subject to limitation. As used in this paragraph, "emergency" means the existence, as declared by the Governor, of conditions of disaster or of extreme peril to the safety of persons and property within the State, or parts thereof, caused by such conditions as attack or probable or imminent attack by an enemy of the United States, fire, flood, drought, storm, civil disorder, earthquake, or volcanic eruption.

(Subdivision (c) amended June 5, 1990, by Prop. 111. Res.Ch. 66, 1989. Effective July 1, 1990. Other Source: Entire Sec. 3 was added Nov. 6, 1979, by Prop. 4; initiative measure.)

SEC. 4. The appropriations limit imposed on any new or existing entity of government by this Article may be established or changed by the electors of such entity, subject to and in conformity with constitutional and statutory voting requirements. The duration of any such change shall be as determined by said electors, but shall in no event exceed four years from the most recent vote of said electors creating or continuing such change.

(Sec. 4 added Nov. 6, 1979, by Prop. 4. Initiative measure.)

SEC. 5. Each entity of government may establish such contingency, emergency, unemployment, reserve, retirement, sinking fund, trust, or similar funds as it shall deem reasonable and proper. Contributions to any such fund, to the extent that such contributions are derived from the proceeds of taxes, shall for purposes of this Article constitute appropriations subject to limitation in the year of contribution. Neither withdrawals from any such fund, nor expenditures of (or authorizations to expend) such withdrawals, nor transfers between or among such funds, shall for purposes of this Article constitute appropriations subject to limitation.

(Sec. 5 added Nov. 6, 1979, by Prop. 4. Initiative measure.)

SECTION 5.5. Prudent State Reserve. The Legislature shall establish a prudent state reserve fund in such amount as it shall deem reasonable and necessary. Contributions to, and withdrawals from, the fund shall be subject to the provisions of Section 5 of this Article.

(Sec. 5.5 added Nov. 8, 1988, by Prop. 98. Initiative measure.)

SEC. 6. (a) Whenever the Legislature or any state agency mandates a new program or higher level of service on any local government, the State shall provide a subvention of funds to reimburse that local government for the costs of the program or increased level of service, except that the Legislature may, but need not, provide a subvention of funds for the following mandates:

(1) Legislative mandates requested by the local agency affected.

(2) Legislation defining a new crime or changing an existing definition of a crime.

(3) Legislative mandates enacted prior to January 1, 1975, or executive orders or regulations initially implementing legislation enacted prior to January 1, 1975.

(4) Legislative mandates contained in statutes within the scope of paragraph (7) of subdivision (b) of Section 3 of Article I.

(b) (1) Except as provided in paragraph (2), for the 2005–06 fiscal year and every subsequent fiscal year, for a mandate for which the costs of a local government claimant have been determined in a preceding fiscal year to be payable by the State pursuant to law, the Legislature shall either appropriate, in the annual Budget Act, the full payable amount that has not been previously paid, or suspend the operation of the mandate for the fiscal year for which the annual Budget Act is applicable in a manner prescribed by law.

(2) Payable claims for costs incurred prior to the 2004–05 fiscal year that have not been paid prior to the 2005–06 fiscal year may be paid over a term of years, as prescribed by law.

(3) Ad valorem property tax revenues shall not be used to reimburse a local government for the costs of a new program or higher level of service.

(4) This subdivision applies to a mandate only as it affects a city, county, city and county, or special district.

(5) This subdivision shall not apply to a requirement to provide or recognize any procedural or substantive protection, right, benefit, or employment status of any local government employee or retiree, or of any local

government employee organization, that arises from, affects, or directly relates to future, current, or past local government employment and that constitutes a mandate subject to this section.

(c) A mandated new program or higher level of service includes a transfer by the Legislature from the State to cities, counties, cities and counties, or special districts of complete or partial financial responsibility for a required program for which the State previously had complete or partial financial responsibility.

(Sec. 6 amended June 3, 2014, by Prop. 42. Res.Ch. 123, 2013.)

SEC. 7. Nothing in this Article shall be construed to impair the ability of the State or of any local government to meet its obligations with respect to existing or future bonded indebtedness.

(Sec. 7 added Nov. 6, 1979, by Prop. 4. Initiative measure.)

SEC. 8. As used in this article and except as otherwise expressly provided herein:

(a) "Appropriations subject to limitation" of the State means any authorization to expend during a fiscal year the proceeds of taxes levied by or for the State, exclusive of state subventions for the use and operation of local government (other than subventions made pursuant to Section 6) and further exclusive of refunds of taxes, benefit payments from retirement, unemployment insurance, and disability insurance funds.

(b) "Appropriations subject to limitation" of an entity of local government means any authorization to expend during a fiscal year the proceeds of taxes levied by or for that entity and the proceeds of state subventions to that entity (other than subventions made pursuant to Section 6) exclusive of refunds of taxes.

(c) "Proceeds of taxes" shall include, but not be restricted to, all tax revenues and the proceeds to an entity of government, from (1) regulatory licenses, user charges, and user fees to the extent that those proceeds exceed the costs reasonably borne by that entity in providing the regulation, product, or service, and (2) the investment of tax revenues. With respect to any local government, "proceeds of taxes" shall include subventions received from the State, other than pursuant to Section 6, and, with respect to the State, proceeds of taxes shall exclude such subventions.

(d) "Local government" means any city, county, city and county, school district, special district, authority, or other political subdivision of or within the State.

(e) (1) "Change in the cost of living" for the State, a school district, or a community college district means the percentage change in California per capita personal income from the preceding year.

(2) "Change in the cost of living" for an entity of local government, other than a school district or a community college district, shall be either (A) the percentage change in California per capita personal income from the preceding year, or (B) the percentage change in the local assessment roll from the preceding year for the jurisdiction due to the addition of local nonresidential new construction. Each entity of local government shall select its change in the cost of living pursuant to this paragraph annually by a recorded vote of the entity's governing body.

(f) "Change in population" of any entity of government, other than the State, a school district, or a community college district, shall be determined by a method prescribed by the Legislature.

"Change in population" of a school district or a community college district shall be the percentage change in the average daily attendance of the school district or community college district from the preceding fiscal year, as determined by a method prescribed by the Legislature.

"Change in population" of the State shall be determined by adding (1) the percentage change in the State's population multiplied by the percentage of the State's budget in the prior fiscal year that is expended for other than educational purposes for kindergarten and grades one to 12, inclusive, and the community colleges, and (2) the percentage change in the total statewide average daily attendance in kindergarten and grades one to 12, inclusive, and the community colleges, multiplied by the percentage of the State's budget in the prior fiscal year that is expended for educational purposes for kindergarten and grades one to 12, inclusive, and the community colleges.

Any determination of population pursuant to this subdivision, other than that measured by average daily attendance, shall be revised, as necessary, to reflect the periodic census conducted by the United States Department of Commerce, or successor department.

(g) "Debt service" means appropriations required to pay the cost of interest and redemption charges, including the funding of any reserve or sinking fund required in connection therewith, on indebtedness existing or legally authorized as of January 1, 1979, or on bonded indebtedness thereafter approved according to law by a vote of the electors of the issuing entity voting in an election for that purpose.

(h) The "appropriations limit" of each entity of government for each fiscal year is that amount which total annual appropriations subject to limitation may not exceed under Sections 1 and 3. However, the "appropriations limit" of each entity of government for fiscal year 1978–79 is the total of the appropriations subject to limitation of the entity for that fiscal year. For fiscal year 1978–79, state subventions to local governments, exclusive of federal grants, are deemed to have been derived from the proceeds of state taxes.

(i) Except as otherwise provided in Section 5, "appropriations subject to limitation" do not include local agency loan funds or indebtedness funds, investment (or authorizations to invest) funds of the State, or of an entity of local government in accounts at banks or savings and loan associations or in liquid securities.

(Sec. 8 amended June 5, 1990, by Prop. 111. Res.Ch. 66, 1989. Effective July 1, 1990.)

SEC. 9. "Appropriations subject to limitation" for each entity of government do not include:

(a) Appropriations for debt service.

(b) Appropriations required to comply with mandates of the courts or the federal government which, without discretion, require an expenditure for additional services or which unavoidably make the provision of existing services more costly.

(c) Appropriations of any special district which existed on January 1, 1978, and which did not as of the 1977–78 fiscal year levy an ad valorem tax on property in excess of $12^1/_2$ cents per $100 of assessed value; or the appropriations of any special district then existing or thereafter created by a vote of the people, which is totally funded by other than the proceeds of taxes.

(d) Appropriations for all qualified capital outlay projects, as defined by the Legislature.

(e) Appropriations of revenue which are derived from any of the following:

(1) That portion of the taxes imposed on motor vehicle fuels for use in motor vehicles upon public streets and highways at a rate of more than nine cents ($0.09) per gallon.

(2) Sales and use taxes collected on that increment of the tax specified in paragraph (1).

(3) That portion of the weight fee imposed on commercial vehicles which exceeds the weight fee imposed on those vehicles on January 1, 1990.

(Sec. 9 amended June 5, 1990, by Prop. 111. Res.Ch. 66, 1989. Effective July 1, 1990.)

SEC. 10. This Article shall be effective commencing with the first day of the fiscal year following its adoption.

(Sec. 10 added Nov. 6, 1979, by Prop. 4. Initiative measure.)

SEC. 10.5. For fiscal years beginning on or after July 1, 1990, the appropriations limit of each entity of government shall be the appropriations limit for the 1986–87 fiscal year adjusted for the changes made from that fiscal year pursuant to this article, as amended by the measure adding this section, adjusted for the changes required by Section 3.

(Sec. 10.5 added June 5, 1990, by Prop. 111. Res.Ch. 66, 1989. Effective July 1, 1990.)

SEC. 11. If any appropriation category shall be added to or removed from appropriations subject to limitation, pursuant to final judgment of any court of competent jurisdiction and any appeal therefrom, the appropriations limit shall be adjusted accordingly. If any section, part, clause or phrase in this Article is for any reason held invalid or unconstitutional, the remaining portions of this Article shall not be affected but shall remain in full force and effect.

(Sec. 11 added Nov. 6, 1979, by Prop. 4. Initiative measure.)

SEC. 12. "Appropriations subject to limitation" of each entity of government shall not include appropriations of revenue from the Cigarette and Tobacco Products Surtax Fund created by the Tobacco Tax and Health Protection Act of 1988. No adjustment in the appropriations limit of any entity of government shall be required pursuant to Section 3 as a result of revenue being deposited in or appropriated from the Cigarette and Tobacco Products Surtax Fund created by the Tobacco Tax and Health Protection Act of 1988.

(Sec. 12 added Nov. 8, 1988, by Prop. 99. Initiative measure.)

SEC. 13. "Appropriations subject to limitation" of each entity of government shall not include appropriations of revenue from the California Children and Families First Trust Fund created by the California Children and Families

First Act of 1998. No adjustment in the appropriations limit of any entity of government shall be required pursuant to Section 3 as a result of revenue being deposited in or appropriated from the California Children and Families First Trust Fund. The surtax created by the California Children and Families First Act of 1998 shall not be considered General Fund revenues for the purposes of Section 8 of Article XVI.

(Sec. 13 added Nov. 3, 1998, by Prop. 10. Initiative measure. Effective on date election results were certified.)

SEC. 14. "Appropriations subject to limitation" of each entity of government shall not include appropriations of revenue from the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund created by the California Healthcare, Research and Prevention Tobacco Tax Act of 2016. No adjustment in the appropriations limit of any entity of government shall be required pursuant to Section 3 as a result of revenue being deposited in or appropriated from the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 Fund.

(Sec. 14 added Nov. 8, 2016, by Prop. 56. Initiative measure.)

SEC. 15. "Appropriations subject to limitation" of each entity of government shall not include appropriations of revenues from the Road Maintenance and Rehabilitation Account created by the Road Repair and Accountability Act of 2017, or any other revenues deposited into any other funds pursuant to the act. No adjustment in the appropriations limit of any entity of government shall be required pursuant to Section 3 as a result of revenues being deposited in or appropriated from the Road Maintenance and Rehabilitation Account created by the Road Repair and Accountability Act of 2017 or any other account pursuant to the act.

(Sec. 15 added June 5, 2018, by Prop. 69. Res.Ch. 30, 2017.)

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION APPROVING REVISED GANN LIMIT FOR FISCAL YEAR 2023-24

On June 20, 2023, in accordance with Proposition 4 (1970) and Proposition 11 (1990), Resolution 2023-06-20-1601 established the Fiscal Year (FY) 2023-24 California Constitutional (Gann) Appropriations Limit of $441,817,074; and

The FY 2023-24 California Constitutional (Gann) Appropriations Limit should have been $463,417,917; and

A resolution documenting this change is required for clerical purposes; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. An appropriation limit is established in the amount of $463,417,917 for FY 2023-24 pursuant to the requirements of the California Government Code. The City of Stockton selected the “change in California per capita personal income” for the “change in cost of living” component and the change in annual population for the County of San Joaquin as of January 1, 2023, component in the calculation of the appropriation limit.

PASSED, APPROVED, and ADOPTED August 12, 2025 .

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

File #: 25-0898, **Version:** 1

APPOINTMENT OF INTERIM CITY MANAGER

RECOMMENDATION

It is recommended that the City Council adopt a resolution:

1. Appointing Steve Colangelo as the Interim City Manager for the City of Stockton; and

2. Authorizing the Mayor, on behalf of the City Council, to execute an employment contract with Steve Colangelo setting forth the conditions of employment.

DISCUSSION

Background

On February 4, 2025, the City Council appointed Steve Colangelo as Interim City Manager for the City of Stockton effective February 11, 2025. The contract with Steve Colangelo for the Interim City Manager position expired on August 9, 2025.

The City Council appointed William Crew as Acting City Manager effective August 9, 2025.

On July 29, 2025, the City Council met in Closed Session and deliberated regarding the appointment of Steve Colangelo as Interim City Manager and directed the City Attorney to make an offer and negotiate an employment contract with Steve Colangelo.

Present Situation

An employment contract with Steve Colangelo to serve as Interim City Manager is now presented for Council consideration and approval (Exhibit 1 to the Resolution).

CONCLUSION

Council is asked to review and consider the appointment of Steve Colangelo as Interim City Manager subject to the terms and conditions of the employment contract.

Resolution No.

STOCKTON CITY COUNCIL

ADOPT A RESOLUTION APPOINTING STEVE COLANGELO AS INTERIM CITY MANAGER FOR THE CITY OF STOCKTON

On February 4, 2025, the City Council appointed Steve Colangelo as Interim City Manager for the City of Stockton effective February 11, 2025; and

The contract with Steve Colangelo for the Interim City Manager position expired on August 9, 2025; and

The City Council appointed William Crew as Acting City Manager effective August 9, 2025; and

On July 29, 2025, the City Council met in Closed Session and deliberated regarding the appointment of Steve Colangelo as Interim City Manager and directed the City Attorney to make an offer and negotiate an employment contract with Steve Colangelo; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. Steve Colangelo is appointed as Interim City Manager of the City of Stockton.

2. The Mayor is authorized, on behalf of the City Council, to execute the attached employment agreement with Steve Colangelo marked as Exhibit 1, setting forth the terms and conditions of employment, effective August __, 2025.

3. The Acting City Manager or designee is authorized to take such other actions as necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED August 12, 2025.

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

AT-WILL EMPLOYMENT AGREEMENT BETWEEN

CITY OF STOCKTON AND STEVE COLANGELO AS INTERIM CITY MANAGER

(AT-WILL AND NON-CLASSIFIED POSITION)

This At-Will Employment Agreement is made and entered into on August __ 2025, by and between the City of Stockton, a California charter city and municipal corporation **("CITY")** and Steve Colangelo, an individual, **("EMPLOYEE")** on the following terms and conditions set forth below **("AGREEMENT")**. **CITY** and **EMPLOYEE** shall be collectively referred to as "**PARTIES"** or individually referred to as **"PARTY."**

RECITALS

WHEREAS, the **CITY** is in the process of recruiting a full-time replacement for its City Manager, and the **CITY** requires the services of an Interim City Manager; and

WHEREAS, **EMPLOYEE** represents that he has the necessary and specialized experience, skills, and expertise required to serve as the City's Interim City Manager; and

WHEREAS, the City Council of the City ("**CITY COUNCIL**") desires to appoint **EMPLOYEE** to the position of Interim City Manager subject to the terms and conditions of the **AGREEMENT**; and

NOW THEREFORE, it is hereby agreed by **CITY** and **EMPLOYEE** as follows:

AGREEMENT

1. **INTERIM CITY EMPLOYMENT.** The **CITY** hereby appoints **EMPLOYEE** as its Interim City Manager, effective August ___, 2025 ("Effective Date"), and **EMPLOYEE** hereby accepts such employment.

2. **AT-WILL AGREEMENT. EMPLOYEE** is at-will and serves at the pleasure of **CITY COUNCIL** and can be terminated at any time with or without cause. **Employee's** at-will status means there is no guarantee as to length of time for employment. No **CITY** representative has authority to agree to anything contrary to employee at-will status unless it is specific, in writing, and signed by **CITY COUNCIL**.

3. **TERM.** This **AGREEMENT** shall commence on the Effective Date. This AGREEMENT shall expire as of the first of the following to occur: (1) A permanent City Manager assumes that office; (2) by the end of the day November 4, 2025; or (3) upon termination of the **AGREEMENT** by either **EMPLOYEE** or **CITY** as provided in Section 7 [SEPARATION] of this **AGREEMENT**.

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4. **INTERIM CITY MANAGER'S COMMITMENTS.**

a. **DUTIES AND RESPONSIBILITIES.**

i. **EMPLOYEE** shall perform all of the functions and duties of the City Manager as set forth in: the City Manager class specification attached hereto and incorporated herein by reference as Attachment "A," which may be amended from time to time; the **CITY's** Charter, Municipal Code, rules, policies, procedures, regulations, ordinances and resolutions, which may also be subsequently amended from time to time. **EMPLOYEE** shall also perform other legally permissible and/or customary and appropriate duties and functions of the City Manager as the **CITY COUNCIL** may assign from time to time, together with such additional services consistent with the laws of the United States and State of California.

ii. **EMPLOYEE** shall perform his duties to the best of his ability in accordance with the highest professional and ethical standards of the profession. **EMPLOYEE** shall devote his attention, skill, ability, and productive time to the performance of **EMPLOYEE'S** duties and responsibilities and **CITY's** business.

iii. The **CITY's** personnel rules, policies, procedures, regulations, ordinances and resolutions shall apply to **EMPLOYEE** in the same manner as applied to other non-classified at-will Department Heads. As feasible, their provisions shall be read to apply in tandem with the terms of this **AGREEMENT.** However, to the extent an express provision of this **AGREEMENT** conflicts, this **AGREEMENT** shall govern.

b. **CONFLICT OF INTEREST.**

i. **EMPLOYEE** shall not engage in any business or transaction or shall have a financial or other personal interest or association, direct or indirect, which is in conflict with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of official duties. Personal as distinguished from financial interest includes an interest arising from blood or marriage relationships or close business, personal, or political associations.

ii. **EMPLOYEE** shall also comply with the conflict-of-interest provisions under California law and any conflict-of-interest code applicable to **EMPLOYEE**'s **CITY** employment. **EMPLOYEE** is responsible for submitting to Human Resources the appropriate Conflict of Interest Statements prior to performing any services under this **AGREEMENT**, and thereafter as required by law.

c. **HOURS OF WORK.**

i. **EMPLOYEE** is expected to engage in those hours of work that are necessary to perform the duties and fulfill the obligations of the Interim City Manager position, which fall both within and outside of customary and normal business hours. The position of Interim City Manager shall be deemed an exempt position under state and federal wage and hour laws. **EMPLOYEE'S** compensation (whether salary or benefits or other allowances) is not based on hours worked and **EMPLOYEE** shall not be entitled to any compensation for overtime.

ii. **EMPLOYEE** may engage in teaching, consulting, speaking, or perform other non-**CITY** connected activities for which he is compensated only with the express prior consent of the **CITY COUNCIL**.

d. **DISABILITY OR INABILITY TO PERFORM.** If, as the result of long-term or permanent disability, sickness, accident, injury, mental incapacity or other personal health-related reason, the **CITY** determines that **EMPLOYEE** is unable to perform his essential duties, with or without reasonable accommodation, after exhausting all available and authorized use of accrued sick leave, vacation, or other authorized paid/unpaid leave available under applicable **CITY** policies or state or federal law, the **CITY COUNCIL** may terminate **EMPLOYEE**. If the **CITY COUNCIL** does elect to terminate **EMPLOYEE** due to incapacity, **Employee** shall be terminated without cause, as provided in Section 7.c [TERMINATION WITHOUT CAUSE] below. In exercising this option, the **CITY** will comply with its obligations under applicable state and federal disability laws.

5. **BASE SALARY.**

a. On the Effective Date of this **AGREEMENT, CITY** shall compensate **EMPLOYEE** for his services rendered pursuant to this **AGREEMENT** a gross monthly salary of $20,833.33 payable in installments at the same time and in accordance with the **CITY's** payroll procedures for other **CITY** employees, and subject to all applicable payroll taxes and withholdings. Effective the first day of the pay period that includes July 1, 2025, Employee shall receive a three percent (3%) increase to his base salary.

b. At the discretion of the **CITY COUNCIL**, this **AGREEMENT** may be amended to incorporate any salary and/or benefit adjustments granted, provided, or required by the **CITY COUNCIL**. The **CITY** shall not at any time during the term of this **AGREEMENT** reduce the base salary, compensation, or other economic benefits of **EMPLOYEE**, unless as part of a general **CITY** management reduction, and then in no greater percentage than the average

reduction of all **CITY** Department Heads whose salaries, compensation or economic benefits are reduced.

6. **BENEFITS.**

a. **ECONOMIC BENEFITS.** Except as set forth in this **AGREEMENT, CITY** agrees to provide **EMPLOYEE** with the economic benefits provided under the "City of Stockton Unrepresented Management/Confidential and Law Employees' Compensation Plan" for employees designated under the Management Plan "MA" and/or "Department Heads," dated July 1, 2023, and as may be amended by the **CITY COUNCIL** from time to time, as set forth in Section 5.b, above.

i. **No Retirement Benefits.** Pursuant to Government Code § 20305 and related California Public Employees' Retirement System (CalPERS) regulations and policy statements, EMPLOYEE shall not receive any retirement benefits CITY commonly provides to its employees including those pension benefits in "City of Stockton Unrepresented Management/Confidential and Law Employees' Compensation Plan" plan, unless required by law. CalPERS service credit will not be accrued, and no additional retirement rights or benefits will be granted to EMPLOYEE unless required by law.

b. **CITY VEHICLE. EMPLOYEE** shall be assigned a city vehicle for use during the term of employment under this **AGREEMENT**. Use of the city vehicle shall be subject to and consistent with the rules under Administrative Directive MAN-16 which govern use of city vehicles for other city employees.

c. **PROFESSIONAL DEVELOPMENT.** The **CITY** agrees to pay for reasonable sums of professional dues, subscriptions, travel and subsistence expenses of **EMPLOYEE** for professional participation in appropriate organizations such as, but not limited to, the League of California Cities, subject to prior review and approval by **CITY**. Notwithstanding the foregoing, the **CITY COUNCIL** shall have discretion to establish appropriate amounts, in the annual **CITY** budget or otherwise, of official and professional development expenses and travel costs.

7. **SEPARATION.**

a. **RESIGNATION. EMPLOYEE** may resign from the position of Interim City Manager at any time and agrees to provide the **CITY COUNCIL** with a minimum of 30 days advanced written notice of the effective date of **EMPLOYEE's** resignation, unless the **PARTIES** otherwise agree in writing. If **EMPLOYEE** separates from **CITY** employment, **EMPLOYEE** shall be entitled to only the compensation accrued up to the date of termination, and such other termination benefits and payments as may be required by law or applicable provisions of the "City of Stockton Unrepresented

Management/Confidential and Law Employees' Compensation Plan" for employees designated under the Management Plan "MA" and/or "Department Heads. This **AGREEMENT** shall terminate upon the effective date of **EMPLOYEE's** resignation.

b. **REMOVAL.**

i. **EMPLOYEE** is an at-will employee serving at the pleasure of the **CITY COUNCIL. EMPLOYEE** has no constitutionally protected property or other interest in his employment as Interim City Manager. Nothing in this **AGREEMENT** shall be construed to create a property interest for **EMPLOYEE** in the position of Interim City Manager.

ii. The **CITY COUNCIL** may terminate **EMPLOYEE** at any time, with or without cause, by a majority vote of its members. This **AGREEMENT** shall terminate upon the effective date of **EMPLOYEE's** termination.

c. **TERMINATION WITHOUT CAUSE.** If the **CITY COUNCIL** terminates **EMPLOYEE** as the Interim City Manager without cause, (cause is defined in Section 7.d. below). **EMPLOYEE** shall be entitled to only the compensation accrued up to the date of termination, and such other termination benefits and payments as may be required by law or applicable provisions of the "City of Stockton Unrepresented Management/Confidential and Law Employees' Compensation Plan" for employees designated under the Management Plan "MA" and/or "Department Heads. In the event the CITY terminates EMPLOYEE without cause, then the CITY may terminate this AGREEMENT immediately, and EMPLOYEE shall no longer be employed by the CITY and this AGREEMENT shall terminate.

d. **TERMINATION FOR CAUSE.**

i. Notwithstanding the provisions of Section 6.C. [TERMINATION WITHOUT CAUSE], the **CITY COUNCIL** may terminate **EMPLOYEE** for cause. As used in this section, "cause" shall mean only one or more of the following:

(1) Incompetency such as failure of **EMPLOYEE** to comply with the minimum standards for the position of Interim City Manager

(2) Neglect of duty, such as failure to timely perform the duties required of **EMPLOYEE**'s position or failure to implement policy directions of the **CITY COUNCIL**

(3) Any grossly negligent action or inaction by **EMPLOYEE** that materially and adversely: (a) impedes or disrupts the operations of **CITY** or its organizational units; (b) is

detrimental to employees or public safety; or (c) violates **CITY**'**s** properly established rules or procedures

(4) Dishonesty involving employment

(5) Being under the influence of alcohol or intoxicating drugs while on duty

(6) Absence without leave

(7) Conviction of a crime or conduct constituting a violation of state or federal law that renders it more difficult for **EMPLOYEE** to deliver public service. "Conviction" includes entry of a plea of nolo contendere or a plea bargain

(8) Improper or unauthorized use of **CITY** property

(9) Failure to engage or participate in good faith in an interactive process to attempt to identify an effective reasonable accommodation to resolve a physical or mental infirmity(s) or defect(s) affecting job performance when it is within the capacity of the employee to do so.

(10) Acceptance from any source of any emolument, reward, gift, or other form of remuneration in addition to **EMPLOYEE**'s regular compensation, as a personal benefit to **EMPLOYEE** in connection with actions performed in the normal course of **EMPLOYEE**'s assigned duties

(11) Falsification of any **CITY** report or record or of any report or record required to be, or, filed by **EMPLOYEE**

(12) Engagement in prohibited harassment, discrimination, retaliation, or abusive conduct

(13) Engaging in any incompatible activity or prohibited conflict-of-interest

(14) A material breach of this **AGREEMENT**

ii. For purposes of this provision, a determination that "cause" exists shall be based on demonstrable, or otherwise reasonably proven, sustained, corroborated, or admitted conduct.

iii. In the event the **CITY** terminates **EMPLOYEE** for cause, then the **CITY** may terminate this **AGREEMENT** immediately, and **EMPLOYEE** shall no longer be employed by the **CITY** and this **AGREEMENT** shall terminate. **EMPLOYEE** shall be entitled to only

the compensation accrued up to the date of termination, and such other termination benefits and payments as may be required by law or applicable provisions of the "City of Stockton Unrepresented Management/Confidential and Law Employees' Compensation Plan" for employees designated under the Management Plan "MA" and/or "Department Heads.

e. **NO SEVERANCE. EMPLOYEE** shall not be entitled to any severance pay Manager upon the termination or expiration of this **AGREEMENT** for any reason or **EMPLOYEE's** resignation or termination from the Interim City Manager position or from CITY employment for any reason.

f. **RETURN OF CITY PROPERTY.** Upon the termination or expiration of this AGREEMENT for any reason, EMPLOYEE's resignation or termination from the Interim City position or from CITY employment for any reason, EMPLOYEE agrees to immediately surrender any and all writings containing information relating to the conduct of the CITY's business prepared, owned, used, or retained by EMPLOYEE regardless of physical form or characteristics, and any and all equipment, tools, or other materials of whatever nature provided to EMPLOYEE by CITY in his capacity of Interim City Manager.

8. **INDEMNIFICATION.**

a. In accordance with and to the extent provided by California's Tort Claims Act (Gov. Code § 825 et seq.) and Government Code sections 995-996.6, the **CITY** shall defend and indemnify **EMPLOYEE** against and for all losses sustained by **EMPLOYEE** in direct consequences of the discharge of **EMPLOYEE's** duties on the **CITY's** behalf for the period of **EMPLOYEE's** employment.

b. Nothing in this **AGREEMENT** shall expand the **CITY's** defense and indemnification obligations beyond those provided in the Government Code Tort Claims Act (Gov. Code § 825, et seq.) and Government Code sections 995-996.6. Further, in the event **CITY** provides funds for legal criminal defense pursuant to this sub-section and terms of the Government Code, **EMPLOYEE** shall reimburse the **CITY** for such legal criminal defense funds if **EMPLOYEE** is convicted of a crime involving an abuse of office or position, as provided by Government Code sections 53243 — 53243.4.

c. **CITY** and **EMPLOYEE** agree that it is their mutual intent to fully comply with Government Code sections 53243 – 53244, as applicable. Upon conviction as set forth in Government Code sections 7522.72 or 7522.74, **EMPLOYEE** may forfeit the benefits in accordance with those sections.

d. This Section 8 [INDEMNIFICATION] shall survive termination of this **AGREEMENT**.

9. **BONDING**. **CITY** shall bear the full cost of any fidelity or other bonds the **CITY** requires of **EMPLOYEE** under any law or ordinance or otherwise.

10. **AMENDMENTS.** This **AGREEMENT** may only be modified in writing and duly authorized and executed by both **PARTIES**.

11. **SEVERABILITY.** If any provision of this **AGREEMENT** is found by a court of competent jurisdiction over the **PARTIES** to be illegal or unenforceable, the remainder of this **AGREEMENT** shall not be affected and shall remain in full force and effect to the greatest extent permitted by law, unless the parts found to be illegal or unenforceable are wholly inseparable from the remaining portion of this **AGREEMENT**.

12. **JURISDICTION AND VENUE.** Any dispute concerning this **AGREEMENT** shall be governed by the laws of the State of California, and the **PARTIES** agree that venue shall be in San Joaquin County, California.

13. **ENTIRE AGREEMENT.** This **AGREEMENT** and its Attachment contains the entire agreement of the **PARTIES.** No promise, representation, warrant or covenant not included in this **AGREEMENT** has been or is relied on by any **PARTY** hereto.

14. **NOTICE.**

Any notices, including change of address of either **PARTY** during the term of this **AGREEMENT**, which **EMPLOYEE** or the **CITY** shall be required, or may desire, to make pursuant to this **AGREEMENT** shall be in writing and shall be either hand-delivered or sent by prepaid first class mail and addressed as follows:

TO CITY: Mayor

City of Stockton
425 N. El Dorado St
Stockton, CA 95202

TO EMPLOYEE: Steve Colangelo
[Most recent address on file with Human Resources]

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IN WITNESS WHEREOF **CITY** has caused this **AGREEMENT** to be signed and executed on its behalf by its Mayor, and duly attested by City Clerk, and **EMPLOYEE** has signed and executed this **AGREEMENT**, as of the day and year first above written.

EMPLOYEE	CITY OF STOCKTON
STEVE COLANGELO INTERIM CITY MANAGER	CHRISTINA FUGAZI MAYOR
ATTEST:	APPROVED AS TO FORM:
KATHERINE D. ROLAND, CMC, CPMC CITY CLERK	LORI M. ASUNCION CITY ATTORNEY

Attachment "A"

[ATTACH CITY MANAGER CLASS SPECIFICATION HERE]

File #: 25-0888, **Version:** 1

APPROVAL OF CITY COUNCIL MINUTES

RECOMMENDATION

Approve the minutes from the City Council meeting of July 15, 2025

Attachment A - 2025-07-15

MINUTES
CITY COUNCIL AND CONCURRENT AUTHORITIES
MEETING OF JULY 15, 2025

Council Chamber, City Hall, 425 N. El Dorado St. Stockton, CA

1. CLOSED SESSION CALL TO ORDER/ROLL CALL - 4:00 PM

Roll Call
Present:
Christina Fugazi
Michael Blower
Brando Villapudua
Michele Padilla
Mariela Ponce
Mario Enríquez
Jason Lee

2. ADDITIONS TO CLOSED SESSION AGENDA

None

3. ANNOUNCEMENT OF CLOSED SESSION

3.1 25-0730 CONFERENCE WITH LABOR NEGOTIATOR

Legislation Text

3.2 25-0729 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Number of Cases: Four Name of Case: Fire Captain Sean Caywood, (Workers' Compensation Appeals Board Case Nos. ADJ5585248; ADJ7867140; ADJ7390593 and ADJ12707782) Name of Case: Fire Captain Vidal Fortuna, (Workers' Compensation Appeals Board Case Nos. ADJ1842981, ADJ9085285, and ADJ9381665) Name of Case: Police Officer Martin Gonzalez, (Workers' Compensation Appeals Board Case Nos. ADJ1842981, ADJ9085285, and ADJ9381665) Name of Case: Fire Captain Jeffrey Young, (Workers' Compensation Appeals Board Case No. ADJ1270320) This Closed Session is authorized pursuant to section 54956.9(d)(1) of the Government Code to discuss matters pertaining to existing litigation.

Legislation Text

3.3 25-0789 PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

Legislation Text

3.4 25-0790 PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

Legislation Text

3.5 25-0801 PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

Legislation Text

3.6 25-0798 PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL RELEASE

This Closed Session is authorized pursuant to Government Code Section 54957.

Legislation Text

3.7 25-0800 PUBLIC EMPLOYEE APPOINTMENT

This Closed Session is authorized pursuant to Government Code section 54957.
Title: City Manager

Legislation Text

4. CLOSED SESSION PUBLIC COMMENT

Tony Noceti - Interim City Manager, fairgrounds, asparagus festival

Wayne Pierce - Stockton history, Tony Manner, Public Information Officer, Interim City Manager

Devin Robson - Local 456 president, public safety, retain and recruit firefighters

Pat Barrett - City Clerk; Interim City Manager; recruitment process, unhoused community in the City

Andy Abbott - Interim City Manager, recall of Mayor; 209 times; Ad Hoc committee for City Manager recruitment process

Ralph White - Interim City Manager, recall of Mayor

Council Correspondence - Public Comment

5. RECESS TO CLOSED SESSION

The Council recessed to Closed Session at 4:13 PM. The Council returned from Closed Session and adjourned at 6:45 PM

6. REGULAR SESSION CALL TO ORDER/ROLL CALL - 6:55 PM

Roll Call
Present:
Christina Fugazi
Michael Blower
Brando Villapudua
Michele Padilla
Mariela Ponce
Mario Enríquez
Jason Lee

7. INVOCATION/PLEDGE TO FLAG

The invocation was led by Deputy Chaplin Bennet and the Pledge of Allegiance was led by Abigale Fogg

8. REPORT OF ACTION TAKEN IN CLOSED SESSION

Lori Asuncion, City Attorney reported their was none

9. ADDITIONS TO REGULAR SESSION AGENDA

None

10. RECOGNITIONS, ANNOUNCEMENTS, OR REPORTS

None

11. PUBLIC COMMENTS - MATTERS NOT ON THE AGENDA

Santy Frazier-Mayfield - Interim City Manager, Vice Mayor Lee, strong city; Mayor Fugazi

Yolonda Amen - community awareness of recall; supporting Councilmember Enriquez; public being split, united council

Gabby Gonzales - Diversity Equity Inclusion items; behavior of Councilmembers, transparency for community, Interim City Manager funds; treatment of Vice Mayor Lee

Matt Ellis - water sewer; city moving unhoused citizens; clean drinking water, housing encampment safety

Dionne Smith - James Rivera anniversary, police reports

Mary Elizabeth - liquor/alcohol permits, tobacco concerns, enforcement of rules; water bill (Document Filed)

Document Filed - Mary Elizabeth

Dan Richardson - councilmembers relationship, focused enforcement on Pershing

Julie Dunning - course of city council

Nancy Lamb - Chief of Police, police department contract

Dr. Danielle Hibbitts - Citizens Advisory Committee for the California Department of Correctional Facilities member; garage and water thoughts, AVA

Pattie Lewis - City of Stockton treatment of community members, pig in city limits, causing property damage

Jessica Velez - last council meeting clarification, trinity parkway clean up; thanked Councilmember Enriquez, invited council to community clean up; ADA request for

trinity parkway, road base is being dumped there

Cynthia Gale Boyd - interaction with Councilmember Padilla; dead tree at McKinley Park; loud parties, Police Department condition blue

Denise Friday - thanked Mayor and council, son killed in 2016 in Kentfield; new bench reveal, backpack giveaway August 2, 2025 10:00 AM - 3:00 PM (Document Filed)

Document Filed - Dennis Friday

Andy Abbot - Councilmember Enriquez treatment, Mayor Fugazi leadership, recall

Nancy Cochran - Interim City Management interaction

Latrell Green - living situation; I am Ready Program

Kimberly Aiston - Vice Mayor Lee; first black firefighter (Diversity Equity Inclusion); Stockton history; dog park

Pat Barrett - interaction with Councilmember Villapudua (Document filed)

Document Filed - Pat Barrett

Nuri Muhammad - City of Stockton Diversity Equity Inclusion policy, investigation; City of Stockton treatment of public

Nasya Whiteside-Rhodes - condolence to Mayor for loss of father; Stockton run by men, supporting mens mental health and well being

Alyssa Leiva - Angela Flores trial; Stockton Unified School District, Vice Mayor Lee

Tamica Small - summer youth program

Nyhla Benton - Hollywood Cares; thanked Vice Mayor Lee; condolences to Mayor Fugazi

Rupinder (Roger) Mangat - councilmembers working relationship

Brandie Boyd - Vice Mayor Lee, substations; Mayor Fugazi; substations needed in South Stockton, South Stockton

Pandora Crowder - condolences to Mayor Fugazi; councilmembers accountability, social media slander; promises given to citizens

Council Correspondence - Public Comment

12. CONSENT AGENDA

Approve the Consent agenda with a single vote save for items 12.3, 12.8, 12.17, and 12.19 which were considered separately

Moved by: Michael Blower, seconded by Mariela Ponce.

Vote: Motion carried 7-0

Yes: Christina Fugazi , Michael Blower, Brando Villapudua, Michele Padilla, Mariela Ponce, Mario Enríquez, and Jason Lee.

12.1 25-0769 APPROVAL OF CITY COUNCIL MINUTES

Motion 2025-07-15-1201 approving the minutes from the City Council meeting of April 29, 2025, May 13, 2025, June 2, 2025, June 3, 2025, June 4, 2025, June 5, 2025, and June 24, 2025

Legislation Text

Attachment A - 2025-04-29

Attachment B - 2025-05-13

Attachment C - 2025-06-02

Attachment D - 2025-06-03

Attachment E - 2025-06-04

Attachment F - 2025-06-05

Attachment G - 2025-06-24

12.2 25-0747 APPOINTMENTS TO THE CLIMATE ACTION PLAN ADVISORY COMMITTEE

Resolution 2025-07-15-1202 appointing the Mayor's seven recommended community members to serve on the seven-member Climate Action Plan Advisory Committee for four-year terms effective immediately and ending January 31, 2029.

Legislation Text

Attachment A - Resolution 2013-09-24-1210

Attachment B - Redacted Applications

Around The Bench Memo

Approved Resolution 2025-07-15-1202

12.3 25-0619 ADOPTION OF PROPOSED COUNCIL POLICY MANUAL CHAPTER 2.09 - PUBLIC RECORDS REQUESTS

Legislation Text

Attachment A - Administrative Directive LAW - 02

Attachment B - Draft CPM Chapter 2.09

Proposed Resolution

Exhibit 1

Approved Resolution 2025-07-15-1203

Approve **Resolution 2025-07-15-1203** adopting the proposed Council Policy Manual (CPM) Chapter 2.09 - Public Records Requests.

Moved by: Jason Lee, seconded by Mario Enríquez.
Vote: Motion carried 7-0

Yes: Christina Fugazi , Michael Blower, Brando Villapudua, Michele Padilla, Mariela Ponce, Mario Enríquez, and Jason Lee.

12.4 25-0752 ADOPT A RESOLUTION APPOINTING A MEMBER OF THE MEASURE A CITIZENS' ADVISORY COMMITTEE

Resolution 2025-07-15-1204 ratifying the appointment of Duwayne Chavez to the Measure A Citizens' Advisory Committee for a term beginning immediately upon appointment and ending January 31, 2029.

Legislation Text

Attachment A - Redacted Application

Proposed Resolution

Approved Resolution 2025-07-15-1204

12.5 25-0770 APPROVE A MOTION TO ENTER INTO AN AGREEMENT FOR A ONE-TIME GENERAL FUND TRANSFER OF FUNDS TO GOSPEL CENTER RESCUE MISSION IN THE AMOUNT OF $150,000

Motion 2025-07-15-1205 approving an agreement with Gospel Center Rescue Mission Inc. for a one-time transfer of funds in the amount of $150,000 from the City Council's Fiscal Year 2023-24 Year-End Discretionary fund.
Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the motion.

Legislation Text

Attachment A - Resolution 2025-04-15-1501

Attachment B - Agreement with Gospel Center Rescue Mission

12.6 25-0692 RESOLUTION APPOINTING MIKAELA CABANG TO THE STOCKTON ARTS COMMISSION AS YOUTH ARTS COMMISSIONER

Resolution 2025-07-15-1206 appointing Mikaela Cabang to the Stockton Arts Commission as the Youth Arts Commissioner for a one-year term beginning immediately and ending June 30, 2026.

Authorizing the City Manager to take whatever actions are appropriate and necessary to carry out the purpose and intent of this Resolution.

Legislation Text

Attachment A - Redacted Applications

Proposed Resolution

Approved Resolution 2025-07-15-1206

12.7 25-0713 ADOPT A RESOLUTION AUTHORIZING THE ACCEPTANCE, APPROPRIATION, AND BUDGETING OF GRANT FUNDING FROM THE STATE

OF CALIFORNIA DIVISION OF BOATING AND WATERWAYS UNDER THE WATERWAY CONNECTIONS INITIATIVE GRANT

Resolution 2025-07-15-1207:

1. Authorizing the City Manager, or designee, to accept and appropriate the grant award, conduct all negotiations, sign and submit all documents including applications, agreements, amendments, and payment requests, and make all necessary and appropriate actions in compliance with the grant terms and provisions of the State of California Division of Boating and Waterways funding

2. Authorizing the filing of an appropriate environmental review under the California Environmental Quality Act (CEQA) by December 31, 2025

3. Authorizing the City Manager to take whatever actions are necessary and appropriate to carry out the purpose and intent of this resolution.

Legislation Text

Attachment A - Louis Park Boat Launch Rendering

Attachment B - Resolution 2024-12-03-1210

Attachment C - CEQA Louis Park Boating Facilities Grant

Proposed Resolution - DBAW Boat Launch

Exhibit 1 - Louis Park WCI Award Letter

Exhibit 2 - Louis Park WCI Standard Agreement

Approved Resolution 2025-07-15-1207

12.8 25-0262 ADOPT A RESOLUTION TO ALLOCATE GRANT FUNDING FROM THE HOMELESS HOUSING, ASSISTANCE AND PREVENTION (HHAP) PROGRAM TO PERMANENT AND INTERIM HOUSING PROJECTS AND APPLY FOR, ACCEPT, AND APPROPRIATE GRANT FUNDING FROM HHAP ROUND 6

Legislation Text

Attachment A - Resolution 2022-06-21-1203

Attachment B - Approved Motion 2022-11-15-1602

Attachment C - HHAP Project Recommendations

Attachment D - Regional Goals

Attachment E - HHAP Funding and Expenditure Timelines

Proposed Resolution

Approved Resolution 2025-07-15-1208

Approve **Resolution 2025-07-15-1208:**

1. Approving and allocating the following HHAP recommendations for funding in the total of $3,886,680, which includes the following 4 projects:

* $409,010.00 to Children's Home of Stockton for the Catalyst Project.

* $409,010.00 to Lutheran Social Services of Stockton for Project Hope.

* $409,010.00 to PREVAIL of Stockton for the Propel Project.

* $1,415,440.00 to Delta Community Developers Corp. for Harding Way Apartments.

2. Authorizing staff to apply for, accept, and appropriate grant funding for Round 6 of the Homeless Housing, Assistance and Prevention Grant Program.

3. Authorizing the City Manager, or designee, to enter into and execute any associated documents and take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Moved by: Michele Padilla, seconded by Jason Lee.
Vote: Motion carried 7-0

Yes: Christina Fugazi , Michael Blower, Brando Villapudua, Michele Padilla, Mariela Ponce, Mario Enríquez, and Jason Lee.

12.9 25-0719 AUTHORIZE A COOPERATIVE PURCHASING AGREEMENT WITH BENCHMARK SOLUTIONS LLC FOR PREDICTIVE ANALYTICS SERVICES

Resolution 2025-07-15-1209:

1. Approving the findings pursuant to Stockton Municipal Code 3.68.070 in support of an exception to the competitive bidding process.

2. Authorizing the City Manager to enter into a Cooperative Purchasing Agreement with Benchmark Solutions LLC (Attachment A - PRISM MSA), for an annual not-to-exceed amount of $120,960.

Authorizing the City Manager to take necessary and appropriate actions to carry out the purpose and intent of this resolution.

Legislation Text

Attachment A - PRISM MSA

Proposed Resolution

Approved Resolution 2025-07-15-1209

12.10 25-0683 APPROVE MOTION TO AMEND COOPERATIVE AGREEMENT WITH ROBERT HALF, INC.

Resolution 2025-07-15-1210:

1. Approving the findings pursuant to Stockton Municipal Code 3.68.070 in support of an exception to the competitive bidding process.

2. Authorizing the City Manager to extend Cooperative/Piggyback Agreement, Contract No. 21-1160-6025, with Robert Half, Inc., to provide temporary support services, in the total not to exceed amount of $400,000.

Authorizing the City Manager take appropriate and necessary actions to carry out the purpose and intent of this motion.

Legislation Text

Attachment A - Amendment 1 to the Agreement with Robert Half Inc.

Attachment B - Agreement with Robert Half Inc.

Proposed Resolution

Approved Resolution 2025-07-15-1210

12.11 25-0693 APPROVE FINDINGS AND AWARD A CONTRACT TO VERDANTAS INC. TO COMPLETE AN URBAN WATER MANAGEMENT PLAN

Resolution 2025-07-15-1211:

1. Approving the findings pursuant to Stockton Municipal Code section 3.68.070 which support and justify an exception to the competitive bidding process.

2. Awarding a two-year contract to Verdantas Inc. in the amount of $104,467 to complete an Urban Water Management Plan to satisfy all Department of Water Resources (DWR) requirements.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Legislation Text

Proposed Resolution

Exhibit 1 - Contract

Approved Resolution 2025-07-15-1211

12.12 25-0554 APPROVE FINDINGS AND AWARD A CONTRACT TO VERDANTAS INC. TO COMPLETE A WATERSHED SANITARY SURVEY FOR THE WATER UTILITY

Resolution 2025-07-15-1212:

1. Approving the findings pursuant to Stockton Municipal Code section 3.68.070 which support and justify an exception to the competitive bidding process.

2. Awarding a two-year contract to Verdantas Inc. in the amount of $103,257, to complete a Watershed Sanitary Survey to satisfy the California Surface Water Treatment Rule requirements. (Exhibit 1 to the Resolution).

Authorizing the City Manager take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Legislation Text

Proposed Resolution

Exhibit 1 - Contract

12.13 25-0632 APPROVE FINDINGS AND AWARD AN ENGINEERING SERVICES CONTRACT TO CAROLLO ENGINEERS, INC. FOR THE WESTSIDE SEWER INTERCEPTOR CONDITION ASSESSMENT (UW20018)

Resolution 2025-07-15-1213:

1. Approving the findings pursuant to Stockton Municipal Code section 3.68.070, which support and justify an exception to the competitive bidding process.

2. Authorizing a Professional Engineering Services Contract in the amount of $183,124 with Carollo Engineers, Inc. of Sacramento, CA, to perform a condition assessment of the Westside Sewer Interceptor. (Exhibit 1 to the Resolution).

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Legislation Text

Proposed Resolution

Exhibit 1 - Contract

Approved Resolution 2025-07-15-1213

12.14 25-0634 APPROVE MOTION TO EXECUTE A TWO-YEAR COOPERATIVE/PIGGYBACK PURCHASE AGREEMENT WITH UP TO TWO (2) ADDITIONAL YEARS OPTION TO EXTEND WITH REGION 4 EDUCATION SERVICE CENTER (ESC) FOR PEREGRINE IN AN AMOUNT NOT TO EXCEED $467,000

Motion 2025-07-15-1214:

1. Authorizing the City Manager to execute a two (2) year Cooperative/Piggyback Purchase Agreement with an option to extend for up to two (2) additional years between the City of Stockton and Peregrine for a real-time data visualization platform to integrate a broad range of current and evolving technologies, not to exceed $467,000.

2. Approving the findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process

3. Authorizing the City Manager and directed to make any and all expenditures on behalf of the City as appropriate and necessary to carry out the purpose and intent of this motion.

Legislation Text

Attachment A - Carahsoft Cooperative Agreement

12.15 25-0620 APPROVE MOTION TO EXECUTE AN AMENDMENT TO THE STANDARD AGREEMENT WITH KRUEG THERAPY SERVICES, INC. IN THE AMOUNT OF $108,700

Motion 2025-07-15-1215:

1. Authorizing the City Manager to approve Amendment No. 1 with Krueg Therapy Services (Krueg), in the amount of $108,700

2. Approving the findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process

3. Authorizing the City Manager and directed to make any and all expenditures and appropriations on behalf of the City as appropriate and necessary to carry out the purpose and intent of this motion.

Legislation Text

Attachment A - Krueg Therapy Services Amendment 1

Attachment B - Krueg Therapy Services Standard Agreement

12.16 25-0670 ADOPT A RESOLUTION AND RATIFY THE EMERGENCY CONSTRUCTION CONTRACT FOR THE WEBER POINT EVENT CENTER FOUNTAIN REPAIRS PROJECT

Resolution 2025-07-15-1216:

1. Appropriating funds in the amount of $260,182 from Fiscal Year 2022-23 Discretionary Projects Contingency Funds to the Parks Special Services Operating Account.

2. Approving Notice of Exemption No. NOE28-25 under the California Environmental Quality Act for the Weber Point Event Center Fountain Repairs, Project No. OM-25-130.

3. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process.

4. Approving the findings and ratify the City Manager's approval to execute an Emergency Construction Contract to Soracco, Inc. of Lodi, CA, in the amount of $260,181.40, for the Weber Point Event Center Fountain Repairs, Project No. OM-25-130.

Authorizing the City Manager take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Legislation Text

Proposed Resolution

Exhibit 1 - NOE28-25

Exhibit 2 - Executed Contract

Approved Resolution 2025-07-15-1216

12.17 25-0572 ADOPT RESOLUTION TO AUTHORIZE THE MATTIE HARRELL PLAYGROUND REPLACEMENT PROJECT

Legislation Text

Attachment A - Vicinity Map

Attachment B - Plans and Specifications

Proposed Resolution

Exhibit 1 - Notice of Exemption

Exhibit 2 - Construction Contract

Approved Resolution 2025-07-15-1217

The following person spoke to this item: Cynthia Gail Boyd

Approve **Resolution 2025-07-15-1217:**

1. Approving the findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process.

2. Approving the Notice of Exemption No. NOE21-25 under the California Environmental Quality Act for the Mattie Harrell Playground Replacement, Project No. WP24045.

3. Approving the plans and specifications for the Mattie Harrell Playground Replacement, Project No. WP24045.

4. Awarding a Construction Contract in the amount of $387,868.75 to Ross Recreation Equipment Company, Inc. of Santa Rosa, CA, for the Mattie Harrell Playground Replacement, Project No. WP24045.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Moved by: Jason Lee, seconded by Michael Blower.

Vote: Motion carried 7-0

Yes: Christina Fugazi , Michael Blower, Brando Villapudua, Michele Padilla, Mariela Ponce, Mario Enríquez, and Jason Lee.

12.18 25-0278 APPROVE MOTION TO AUTHORIZE THE WATER PIPELINE UPSIZING - PRIORITY 1 AND 2 PROJECTS

Motion 2025-07-15-1218:

1. Approving the findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process.

2. Awarding a Professional Services Contract to West Yost Associates, Inc. of Davis, CA, in the amount of $994,984, for design of the Water Pipeline Upsizing - Priority 1 and 2, Project Nos. UH22006 and UH22007.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of this motion.

Legislation Text

Attachment A - Vicinity Map and List of Locations

Attachment B - Professional Services Contract

12.19 25-0551 ADOPT RESOLUTION TO AUTHORIZE THE SOUTH TUXEDO AVENUE SEWER TRUNK REHABILITATION PROJECT

Legislation Text

Attachment A - Vicinity Map

Proposed Resolution

Exhibit 1 - Notice of Exemption

Exhibit 2 - Construction Contract

Approved Resolution 2025-07-15-1219

Approve **Resolution 2025-07-15-1219:**

1. Approving Notice of Exemption No. NOE17-23 under the California Environmental Quality Act for the South Tuxedo Avenue Sewer Trunk Rehabilitation, Project No. UW23007.

2. Approving the plans and specifications for the South Tuxedo Avenue Sewer Trunk Rehabilitation, Project No. UW23007.

3. Awarding a Construction Contract in the amount of $991,570 to Insituform Technologies, LLC of Chesterfield, MO, for the South Tuxedo Avenue Sewer Trunk Rehabilitation, Project No. UW23007.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Moved by: Mario Enríquez, seconded by Michael Blower.

Vote: Motion carried 6-0

Yes: Christina Fugazi , Michael Blower, Brando Villapudua, Michele Padilla, Mariela Ponce, and Mario Enríquez.
Absent: Jason Lee.

16. HEARINGS

16.1 25-0664 ADOPTION OF A MITIGATED NEGATIVE DECLARATION AND AN ORDINANCE FOR THE PREZONING OF 6505 SOUTH MCKINLEY AVENUE (APN 193-020-34) TO INDUSTRIAL, LIMITED (IL) ZONING FOR THE PURPOSES OF FUTURE INDUSTRIAL DEVELOPMENT (APPLICATION NO. P23-0125)

Legislation Text

Attachment A - Location Map and Aerial Photo

Attachment B - Zoning Map

Attachment C - General Plan Land Use Map

Attachment D - Conceptual Project Plans

Attachment E - Annexation Map

Attachment F - Prezoning Description

Proposed Resolution - Mitigated Negative Declaration

Exhibit 1 - Mitigated Negative Declaration

Proposed Ordinance

Exhibit 1 - Prezoning Map

Proposed Resolution - Annexation

Exhibit 1 - City Services Plan

Exhibit 2 - Annexation Map

Approved Resolution 2025-07-15-1601-01

Approved Resolution 2025-07-15-1601-02

Approved Ordinance 2025-07-15-1601

PPT - 16.1 - McKinley Avenue

The following person(s) spoke to this item: Jorge Polo Tomas; Liz Sutton; Juan Perez; Pat Barrett; and Alyssa Leiva

Document Filed - Liz Sutton

Approve **Resolution 2025-07-15-1601-01:** certifying a Mitigated Negative Declaration for the Project

Ordinance 2025-07-15-1601: adopting the Prezoning of Assessor Parcel Number 193-020-34 to Industrial, Limited (IL)

Resolution 2025-07-15-1601-02: authorizing the filing of an annexation application with the San Joaquin Local Agency Formation Commission

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the approved resolutions and ordinance.

Moved by: Jason Lee, seconded by Brando Villapudua.

Vote: Motion carried 7-0

Yes: Christina Fugazi , Michael Blower, Brando Villapudua, Michele Padilla, Mariela Ponce, Mario Enríquez, and Jason Lee.

16.2 25-0384 REQUEST FOR ANNEXATION AND PREZONING FOR A PROPOSED 217 LOT SINGLE-FAMILY RESIDENTIAL DEVELOPMENT (MURRAY RANCH) AT 2560 HALL AVENUE (APNS 173-030-110 & 173-040-750) (P23-0346)

RECOMMENDATION It is recommended that the City Council: 1. Find no further environmental review is necessary under the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183 (Projects Consistent with a Community Plan, General Plan, or

Zoning); 2. Adopt an ordinance for the Prezoning of APNs 173-030-11 and 173-040-75 to Residential, Low (RL), 3. Adopt a Resolution authorizing the filing of an annexation application with the San Joaquin Local Agency Formation Commission; and 4. Authorize the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the approved resolutions and ordinances.

Legislation Text

Attachment A - Location Map and Aerial Photo

Attachment B - General Plan Land Use Map

Attachment C - Zoning Map

Attachment D - Annexation Map

Attachment E - Prezoning Description and Map

Prezone Ordinance

Exhibit 1 - Prezone Map

Proposed Resolution - Annexation

Exhibit 1 - Murray Ranch City Services Plan

Exhibit 2 - Prezoning Map

PPT - 16.2 - Murray Ranch

The following person(s) spoke to this item: Tim Mora; Loneta Colbert; Cinloa Barajas; Nuri Muhammad; Andrea Blanson; and Dan Richardson

Council Correspondence - Public Comment

Approve **Motion 2025-07-15-1602** continuing this item to the July 29, 2025 City Council meeting

Moved by: Christina Fugazi , seconded by Jason Lee.

Vote: Motion carried 7-0

Yes: Christina Fugazi , Michael Blower, Brando Villapudua, Michele Padilla, Mariela Ponce, Mario Enríquez, and Jason Lee.

13. ADMINISTRATIVE MATTERS

None

14. UNFINISHED BUSINESS

None

15. NEW BUSINESS

15.1 25-0674 COMMUNITY WELL-BEING PROJECT UPDATES: MOBILE COMMUNITY RESPONSE TEAM, OPIOID SETTLEMENT AGREEMENTS, AND CARE SOLACE COORDINATION HUB SERVICES

Informational item only. No action taken.

Legislation Text

PPT - 15.1 - Community Well-Being Project Update

The following person spoke to this item: Pat Barrett

15.2 25-0721 AUTHORIZE APPROVAL OF FINDINGS AND RATIFY FINAL EXPENSES FOR THE SALVAGE AND DISPOSAL OF THE DERELICT MOTOR VESSEL AURORA

Legislation Text

Proposed Resolution - Aurora Ratification 062225

Approved Resolution 2025-07-15-1502

PPT - 15.2 - Final Expenses for the Salvage and Disposal of Aurora

Approve **Resolution 2025-07-15-1502:**

1. Approving findings pursuant to Stockton Municipal Code section 3.68.070 which support and justify an exception to the competitive bidding process.

2. Ratifying the final expenses in the amount of $8,290,874.96 to Lind Marine of Vallejo, California, and associated contractors, for all costs related to the salvage and disposal of the derelict, motor vessel (M/V) Aurora.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Moved by: Jason Lee, seconded by Michael Blower.

Vote: Motion carried 7-0

Yes: Christina Fugazi , Michael Blower, Brando Villapudua, Michele Padilla, Mariela Ponce, Mario Enríquez, and Jason Lee.

15.3 25-0793 COUNCIL DISCUSSION REGARDING THE CREATION AND DISSOLUTION OF THE AD HOC COMMITTEE FOR CITY MANAGER SELECTION

Legislation Text

Attachment A - Resolution 2025-02-04-1505

Attachment B - Recruitment Contract.pdf

The following person(s) spoke to this item: Yolanda Amen; Julie Dunning; Gabby Gonzalez; Pat Barrett; and David Sengthay

Document Filed - Jason Lee

Note: The Council directed staff to send the item to the Grand Jury and District Attorney for investigation of brown act violation

Council Correspondence - Public Comment

17. CITY MANAGER'S UPDATE

Interim City Manager, Steve Colangelo - thanked Council; achievements

18. COUNCIL COMMENTS

Councilmember Padilla - Councilmembers working relationship; community event accomplishments, thanked Police Department and Fire Department for attending

Vice Mayor Lee - thanked public; welcome investigation; last week meeting "gavel gate"; Diversity Equity Inclusion; Jose Rodriguez Concillio; investigation of Diversity Equity Inclusion; item for next council meeting regarding Interim City Manager email about communication Councilmembers and Mayor; optics department update; Republic Services trash concerns; Police Chief

Councilmember Enriquez - Legislative/Environmental committee agenda item, Charter policy amendments, Charter Review Commission; June 30, 2025 quad meeting; July 12, 2025 park clean up; Balloons over Bullets event; July 8, 2025 Caltrans meeting; Victory Pool opening in August; thanked Police Department; appointed to water policy program by Mayor Fugazi; July 30, 2025 5:00 PM - 7:00 PM meet and greet; infrastructure updates; abandoned vehicle clean up; trash picked up; Councilmember working relationships

Councilmember Villapudua - thanked public; Columbus Park renovation complete; Chop Shop backpack giveaway and haircuts; previous interactions with Councilmembers; thanked Police and Fire department

Councilmember Blower - thanked public; Fourth of July parade; mural unveiled at Ed Coy Garage; July 16, 2025 community office hours at Mountain Mikes from 4:45 PM - 5:45 PM; July 22, 2025 community forum regarding Stockton Maritime Museum and USS Lucid; thanked Stockton Fire Department

Mayor Fugazi - social media; trash pickup; thanked Deputy City Manager Reed and Deputy Director Jordan Peterson; Fourth of July parade; Sister Cities visit; Mayfair in escrow; Summer Youth Program; San Diego trip with Police Department, Washington DC trip

19. ADJOURNMENT - 12:48 AM

KATHERINE ROLAND, CMC, CPMC
STOCKTON CITY CLERK

File #: 25-0914, **Version:** 1

RATIFY APPOINTMENT TO PLANNING COMMISSION

RECOMMENDATION

It is recommended that City Council adopt a resolution ratifying an appointment to the Stockton Planning Commission to fill a vacated term representing Council District 1. The partial term will begin upon appointment and end January 31, 2027.

Summary

Due to the resignation of the District 1 representative on the Planning Commission, there is one vacancy to be filled by Council ratification this evening.

DISCUSSION

Background

Charter Article XXIV requires that each Councilmember nominate a candidate from the district he/she represents to sit on the Planning Commission and the City Council ratifies the appointments. The term of office is four-years and may be reappointed for a second term but may not serve more than two consecutive terms.

Present Situation

Councilmember Padilla has received applications to fill the partial term on the Planning Commission. Below is the recommendation presented to Council for ratification this evening.

Planning Commission partial term will begin immediately and end January 31, 2027:

District 1: Jazmine Hernandez

FINANCIAL SUMMARY

There is no financial impact to the General Fund from the appointment of Planning Commissioners. Planning Commissioners receive a $25 per meeting stipend and sufficient funding is available in account 048-1810-510 (Community Development).

Attachment A - Redacted Application

Application for appointment and background information for City of Stockton Boards, Commissions, and Committees

Submit Date: Aug 07, 2025

Profile

Email Address

Jazmine (First Name) | G (Middle Initial) | Hernandez (Last Name)

Street Address

Stockton (City) | CA (State) | Postal Code

Ethnicity

Gender

What district do you live in? *

- [x] District 1

Primary Phone | Alternate Phone

The City of Stockton uses email as the preferred method of communication regarding your application. Is this acceptable to you?

- (•) Yes
- ( ) No

Are you currently serving on a City of Stockton Board, Commission, or Committee?

- ( ) Yes
- (•) No

Which Boards would you like to apply for?

Planning Commission: Submitted

Question applies to multiple boards

NOTE: This Board requires membership with one of the following groups. If none, please remove board from your application. Are you knowledgeable, have experience in, or extensive background in any of the following areas? Select all that apply. *

- [x] Active in community activities significant enough to confirm knowledge of issues and individuals within the community
- [x] Possess decision-making abilities
- [x] Understanding of Ethnic/Gender Diversity
- [x] Willingness to tolerate/promote change

Interests & Experiences

Please tell us about yourself and why you want to serve.

I am a lifelong Stocktonian, raised in South Stockton, and I have witnessed our city go through many changes, both challenges and opportunities. My deep roots in Stockton have given me a firsthand understanding of our community's diverse needs and the importance of thoughtful, balanced growth. I now live in District 1 in North Stockton, where I am raising my young children, and I want to help shape a future for them and for all families in our city.

Please state the reason you would like to be a member of this board/commission.

I believe in the leadership Stockton has today, and I want to contribute my perspective, local knowledge, and commitment to service to ensure that our planning decisions promote sustainable development, protect neighborhood character, and create opportunities for the next generation. Serving on the Planning Commission would be both an honor and a responsibility I would approach with integrity, fairness, and dedication.

Have you served on an advisory group before?

- ○ Yes
- ◉ No

City Council Policy 3.03 states that Commissioners are required to attend meetings on a regular basis. If appointed, will you be able to attend meetings regularly and devote the time necessary to fulfill your duties as a member?

- ◉ Yes
- ○ No

Do you or immediate family members have any relationship (professional, financial, other) that may present a potential conflict of interest for this advisory group?

○ Yes ◉ No

Background Information

Based on your best judgment, does this Commission make decisions that may affect any sources of income, interests in real property, or investments of you or your spouse?

○ Yes ◉ No

Voter Registration (Questions appear if required)

Submit Application

Enter Your Initials:

JGH

Date Signed

8/7/25

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION APPOINTING ONE MEMBER THE STOCKTON PLANNING COMMISISON

Positions on the Planning Commission are directly appointed by City Councilmembers with terms that coincide with the appointing Councilmember; and

The District 1 position has been vacated due to the resignation of Esperanza Vielma; and

Councilmember Padilla has reviewed applications and has made a nomination for appointment; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The following applicant is found to have met the criteria for appointment and is authorized to serve as a member of the Planning Commission for a partial term to commence on appointment and ending January 31, 2027:

District 1: Jazmine Hernandez

2. The City Manager is authorized to take such other actions as are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED and ADOPTED August 12, 2025.

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

File #: 25-0795, **Version:** 1

APPROVE A MOTION AWARDING PROFESSIONAL SERVICES AGREEMENTS FOR ACCELA PERMIT SOFTWARE TECHNICAL SUPPORT AND ENHANCEMENT

RECOMMENDATION

It is recommended that the City Council approve a motion to:

1. Award a three-year Professional Services Agreement to Byrne Software Technologies, Inc. for Accela Software Professional Services for a total not-to-exceed contract amount of $220,000.
2. Award a three-year Professional Services Agreement to TruePoint Solutions LLC for Accela Software Professional Services for a total not-to-exceed contract amount of $65,000.
3. Award a three-year Professional Services Agreement to 3SG Plus LLC for Accela Software Professional Services for a total not-to-exceed contract amount of $65,000.
4. Authorize the City Manager to take all necessary and appropriate actions to carry out the purpose and intent of this motion.

Summary

The Community Development Department requires the specialized knowledge of a consulting firm for ongoing technical support to maintain the Accela permitting system, expand online permitting offerings, enhance system configuration to increase efficiencies, enhance ease-of-use for customers and staff, and increase access to data within the system.

On March 30, 2025, the City advertised a Request for Proposals (RFP) for Accela Technical and Professional Services, Project No. PUR-25-028. Six (6) firms submitted proposals for this project. The Selection Committee evaluated proposals, interviewed applicants and selected three (3) vendors based on their qualifications and experience, technical criteria, management and organization, customer support and services, cost, and applicant interview. Byrne Software Technologies, Inc., TruePoint Solutions LLC, and 3SG Plus LLC were found to be the most qualified and highest-ranking firms.

It is recommended that Council approve a motion authorizing the City Manager to execute three (3) Professional Service Agreements, one with Byrne Software Technologies, Inc. for a not-to-exceed contract amount of $220,000, one with TruePoint Solutions LLC for a not-to-exceed contract amount of $65,000, and one with 3SG Plus LLC for a not-to-exceed contract amount of $65,000.

The contracts will each be for three (3) years with one (1) two-year extension options, for a maximum of five (5) years. The contracts will be funded by the Community Development Department's Operating Budget.

DISCUSSION

Background

On May 20, 2014, by Resolution 2014-05-20-1501, City Council approved a contract to implement the Accela Civic Platform Software as the City's new permit tracking software. The Council also approved by the same motion a contract with TruePoint Solutions, Inc. to provide implementation and technical support services for the above Accela Civic Platform Software product. The implementation was completed in late 2015.

On June 14, 2017, a new agreement with TruePoint Solutions was approved to continue to provide technical support services for the Accela software, as well as expanding their role to implement online payment capabilities and a basic online permitting program. This contract expired December 31, 2020.

An RFP was issued on June 18, 2020, (PUR 20-012) to solicit proposals to continue on-call support, maintenance, and enhancements to Accela. As a result of this process the City selected two vendors, Gray Quarter, Inc. (Gray Quarter) and Byrne Software Technologies, Inc. (Byrne) to provide these services. Two vendors were selected to allow workload balance between the two, as well as gain access to both companies' varying expertise. Both contracts are set to expire on September 30, 2025.

The current and past contracts for Accela technical support have delivered on-call support, implemented new features of Accela, which include enabling online payment of fees, continued expansion of online permit application submittal, and many other enhancements. These enhancements have supported internal performance monitoring, have assisted in streamlining permitting services, and met the needs of citizens for online services. This additional service became vital during the 2020 COVID-19 pandemic, which required improving the City's online services and reducing in-person contact as much as possible.

The technical support services have been invaluable to ensure the system maintains its current level of function, in addition to pursuing configuration updates to optimize the system to increase efficiency for both staff and customers. There are plans to continue system buildout and refinement aimed at increased efficiency and enhanced online services for customers.

Present Situation

On March 30, 2025, the City advertised an RFP for Accela Technical and Professional Services, Project No. PUR-25-028. On April 24, 2025, six (6) proposals were received from the following firms:

- Avocette Technologies Inc.
- Byrne Software Technologies
- Consultadd Inc.
- 3SG Plus, LLC
- TruePoint Solutions LLC*
- SEP Technology Consulting, LLC

*NOTE: The Community Development Department has a current contract with Gray Quarter for Accela technical support which expires on September 30th, 2025. During this RFP process, Gray Quarter and TruePoint Solutions LLC merged, retaining the TruePoint Solutions name.

A Selection Committee evaluated and ranked all proposals based on each firm's qualifications and experience, technical criteria, management and organization, customer support and services, cost and applicant interview. Byrne Software Technologies, TruePoint Solutions, LLC, and 3SG Plus, LLC, received the highest rankings based on the noted criteria and were determined to be the most qualified firms for this project. During their first contract term, both Byrne and Gray Quarter/Truepoint have proven to be highly technically competent and have an in-depth understanding of Stockton's Accela configuration. CDD wishes to retain Byrne and Gray Quarter/Truepoint for our ongoing support needs. CDD desires to add a third vendor (3SG) to further balance workload as well as gain access to additional expertise as we work to continue our streamlining and efficiency efforts related to the Accela permitting system.

Compensation will be on a time basis for services rendered. Staff recommends Council approve a motion to award

- A three-year Service Agreement with a not to exceed amount of $220,000 to Byrne Software Technologies; and
- A three-year Service Agreement with a not to exceed amount of $65,000 to Truepoint Solutions, LLC; and
- A three-year Service Agreement with a not to exceed amount of $65,000 to 3SG Plus, LLC

for Accela Technical and Professional Services, Project No. PUR-25-028. Contracted services will begin October 1, 2025, and expire September 30, 2028, with the option of one (1) two-year extension for each.

Findings

Pursuant to Stockton Municipal Code (SMC) Section 3.68.070, the Council may approve findings that support an exception to the competitive bidding process. The following findings justify such an exception:

1. The City has a need for specialized support of the Accela platform and does not have staff that possess the highly technical skills needed for these changes.

2. In selecting a vendor to provide these services, the most important criteria are experience, specialized programming capability, knowledge of the Accela platform, and how it will interface with the City's Tyler Munis ERP system.

3. Use of the RFP process is appropriate for these Professional Service Agreements because it relies on the evaluation of professional qualifications and performance as the basis for selection of a vendor. The selected vendors were the most qualified in separate complementary areas.

4. The City negotiated the contracts following solicitation of competitive proposals in accordance with SMC Section 3.68.070.A.3.

FINANCIAL SUMMARY

The FY 2025-26 Annual Budget includes an appropriation of $150,000 in the 220-221 Development Services Fund, Business Operations Division (5510) budget. Fund 220-221 is anticipated to have sufficient funds to sustain these expenditures each year, as outlined by the table below. Fund appropriations will be budgeted in subsequent fiscal years and subject to Council approval during the annual budget development process. Staff anticipates that annual contract amounts shall be as follows:

	25/26	26/27	27/28	Contract Totals
Byrne	100,000	60,000	60,000	**220,000**
TruePoint	25,000	20,000	20,000	**65,000**
3SG Plus	25,000	20,000	20,000	**65,000**
Annual Totals	**150,000**	**100,000**	**100,000**	**350,000**

These figures are based on the anticipated workload for each consultant based on their respective skill sets and the City's Accela needs.

This contract is fully funded by the Development Services Fund and there is no impact to the City's General Fund or any other unrestricted fund as a result of taking the recommended action.

Attachment A - Byrne Software Technologies Professional Services Agreement
Attachment B - TruePoint Solutions LLC Professional Services Agreement
Attachment C - 3SG Plus, LLC Professional Services Agreement

CITY OF STOCKTON
STANDARD AGREEMENT

Agreement Number:

1. This Agreement is entered into between the City of Stockton ("City") and Byrne Software Technologies ("Contractor") to provide Accela Professional Services as set forth in Exhibit A to this Agreement.

2. The term of this Agreement is as follows, unless amended as described in Exhibit A and Exhibit C section 8:
Commences on: 10/1/2025 Terminates on: 9/30/2028

3. The maximum not to exceed amount to be paid to Contractor for the term of this Agreement, including if authorized, reimbursement of expenses, is: $ 220,000

4. The complete Agreement consists of all the following Agreement documents which by reference are incorporated and made a part of this Agreement. The parties agree to comply with the terms and conditions of this Agreement.

(a) Exhibit A – Statement of Work
(b) Exhibit B – Insurance
(c) Exhibit C – General Terms & Conditions
(d) Exhibit D – Professional Services Special Terms & Conditions
(e) Exhibit E – Compensation Schedule
(f) Exhibit F – Timeline
(g) Exhibit G - Special Funding Terms & Conditions (If applicable check box) YES ☐

IN WITNESS WHEREOF, the authorized parties have executed this Agreement.

CONTRACTOR

Contractor's Name (if other than an individual, state whether a corporation, partnership, etc.):

Authorized Signature Date

Printed Name and Title of Person Signing

Address

CITY OF STOCKTON

Steve Colangelo, Interim City Manager Date

ATTEST:

Katherine Roland, CMC, CPMC, City Clerk

APPROVED AS TO FORM:
Lori M. Asuncion, City Attorney

BY:

EXHIBIT A

STATEMENT OF WORK

1. Project Objectives

To provide ongoing technical support services for the City of Stockton's Accela permit management system, enabling the Community Development Department to implement new processes and system customizations that enhance operational efficiency. This includes support for minor configurations, complex workflow optimizations, and improvements to the Accela Citizen Access (ACA) portal, serving a hosted environment with approximately 110 to 120 active users.

2. Project Scope

The project scope may include a portion of, or all, but not limited to the work identified below. All work will be performed on an as-needed basis as requested by the City in accordance with the hourly rates identified in Exhibit E, Compensation.

2.1 Customization & Enhancements

- Optimize workflows to streamline business processes in collaboration with City staff.
- Implement new Accela modules as required by the City.
- Configure user roles, permissions, and security settings.
- Develop custom scripts, expressions, and automation to optimize system workflows.
- Develop Accela Citizen Access (ACA) enhancements for improved user experience.
- Implement business rules and validation checks for data integrity.
- Customize inspection related processes and configurations as needed.

2.2 System Integration

- Develop, implement and provide support for integrations between Accela and third-party systems, including:
    - GIS (Geographic Information System)
    - Document Management Systems (e.g., Hyland OnBase)
    - Payment Gateways
    - Email and SMS Notification Platforms

- Utilize Accela APIs, Webhooks, and Query APIs for seamless data exchange.
- Ensure data synchronization and integrity between Accela and other applications.

2.3 Reporting & Data Analytics

- Develop standard and custom reports using Accela Ad Hoc Reporting, SSRS, ERD, or other reporting tools.
- Automate report generation and scheduling for department needs.

2.4 Ongoing Support & Maintenance

- Provide support for troubleshooting and bug fixes.
- Apply updates and patches to maintain system security and functionality.
- Maintain compliance with Accela best practices and security protocols.
- Provide guidance on emerging Accela features and industry best practices.
- Assist with data cleansing, migration, and archival as needed.
- Offer on-call support for miscellaneous tasks, including weekly, bi-weekly, and monthly check-ins if required.

2.5 Training & Knowledge Transfer

- Provide structured training sessions for City staff at various skill levels.
- Develop training materials, including user guides, FAQs, and video tutorials.
- Offer hands-on training for staff on configurations.

3. Major Deliverables

Deliverables will depend upon which of the items identified in Section 2, Project Scope are assigned and will be I the form of updates to Accela configurations that are approved by City staff.

The City reserves the right to request more specific deliverables on an as-needed basis throughout the duration of the agreement.

4. Tasks That Support the Deliverables

Contractor shall make themselves available for meetings, telephone calls and emails in order to discuss and configure technical projects and updates to the Accela system which will be executed on an as-needed basis n a timeline agreed to by the City and Contractor.

5. Internal and External Standards and Guidelines

Any professional certifications or licenses that may be required will be the sole cost and responsibility of the Contractor.

Contractor shall possess all necessary licenses to perform the work specified within these documents, including a City of Stockton Business Licenses which must be kept in effect during the term of this Agreement.

6. Criteria of Acceptance for Deliverables

All deliverables shall be evaluated for completeness, accuracy and functionality before acceptance.

7. Notices

Pursuant to Exhibit C – General Terms and Conditions, Paragraph 15 – Notices, the mailing address for all required notices is as follows:

Contractor: Byrne Software Technologies
16091 Swingley Ridge Road
Suite 200
Chesterfield, MO 63017

City: City of Stockton
Attn: City Manager
425 N. El Dorado Street
Stockton, CA 95202

8. Key Personnel

Rob Liddicoat
Robert.liddicoat@stocktonca.gov

Heather Mompean
Heather.mompean@stocktonca.gov

10. Option to Renew.

The term of the Agreement may be extended up to two (2) years by a written amendment executed by both parties. However, the total term of the Agreement including the extended term shall not exceed five (5) years.

Exhibit B:
Insurance Requirements for Agreements Involving Information Technology
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Consultant or Vendor shall procure and maintain for the duration of the contract insurance against claims for security breaches, system failures, injuries to persons, damages to software, or damages to property (including computer equipment) which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees. Consultant shall procure and maintain for the duration of the contract insurance claims arising out of their services and including, but not limited to loss, damage, theft or other misuse of data, infringement of intellectual property, invasion of privacy and breach of data.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability** (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability**: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **$1,000,000** per accident for bodily injury and property damage.

3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.

4. **Crime/Fidelity Bond** – Insurance no less than **$1,000,000** per occurrence, covering all officers and employees, for loss of proceeds caused by dishonesty.

5. **Technology Professional Liability Errors and Omissions Insurance** appropriate to the Consultant's profession and work hereunder, with limits not less than **$2,000,000** per occurrence. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the Consultant in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction

of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.

a. The Policy shall include, or be endorsed to include, *property damage liability coverage* for damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the Agency in the care, custody, or control of the Consultant.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Stockton, its officers, officials, employees, and volunteers are to be covered as insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations. Coverage can be provided in the form of an endorsement to the Consultant's insurance, at least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10 **and** CG 20 37 forms if later revisions used. For Vendors ISO Form CG 20 15 12 19 is acceptable. Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

Primary Coverage

For any claims related to this contract, the **Consultant's insurance coverage shall be primary and non-contributory**, with coverage at least as broad as ISO CG 20 01 12 19 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance, including any excess policies, and shall not contribute with it. This requirement shall also apply to any Excess policies. The City of Stockton does not accept endorsements limiting the Vendor's insurance coverage to the sole negligence of the Named Insured.

Umbrella or Excess Policy

The Consultant may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. The policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying CGL insurance.

Notice of Cancellation

Each insurance policy required above shall state that **coverage shall not be canceled, except with notice to the City of Stockton**.

Waiver of Subrogation

Consultant hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Stockton has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Consultant to purchase coverage with a lower retention or provide proof of ability to pay losses and related expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A-:VII, unless otherwise acceptable to the City of Stockton.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained, and evidence of insurance must be provided *for at least five (5) years after completion of the contract of work*.

3. If coverage is canceled or non-renewed, and not *replaced with another claims-made policy form with a Retroactive Date* prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of *five (5)* years after completion of contract work.

Verification of Coverage

Consultant shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All documents are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that City of Stockton is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees and Volunteers
425 N El Dorado Street
Stockton, CA 95202

EXHIBIT C

GENERAL TERMS AND CONDITIONS

1. **Goods, Equipment and Services.** Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to City the services described in Exhibit A of the Agreement. Contractor shall provide said services at the time, place and in the manner specified in Exhibit A of the Agreement.

2. **City Assistance, Facilities, Equipment and Clerical Support.** Except as set forth in Exhibit A, Contractor shall, at its sole cost and expense, furnish and maintain all facilities and equipment that may be required for furnishing services pursuant to this Agreement. If applicable, City shall furnish to Contractor only the facilities and equipment listed in Exhibit A to the Agreement.

3. **Compensation**. City shall pay Contractor for services rendered pursuant to this Agreement as described more particularly in Exhibit A and Exhibit E to the Agreement.

3.1 Invoices submitted by Contractor to City must contain a brief description of work performed, time spent and City reference number. Within thirty (30) days of receipt of Contractor's invoice, City will review invoice, and if acceptable make payment on approved invoice.

3.2 Upon completion of work and acceptance by City, Contractor shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Contractor fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.

4. **Sufficiency of Contractor's Work**. All Contractor services, work, and deliverables shall be performed in a good and workmanlike manner with due diligence in accordance with the degree of skill normally exercised by similar contractors supplying services and work of a similar nature, and in conformance with applicable laws, codes and professional standards. Contractor's work shall be adequate and sufficient to meet the purposes of this Agreement.

5. **Ownership of Work**. All reports, work product, all other documents completed or partially completed by Contractor or its approved subcontractors, in performance of this Agreement, and if applicable, drawings, designs, and plan review comments shall become the property of the City. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Contractor and its approved subcontractors agree

to execute any additional documents that may be necessary to evidence such assignment. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Contractor shall replace them at its own expense. Contractor and its approved subcontractors shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent.

6. Timeliness. Time is of the essence in this Agreement. Further, Contractor acknowledges that the failure of Contractor to comply with the time limits described in Exhibit A and Exhibit F may result in economic or other losses to the City.

7. Changes. Both parties to this Agreement understand that it may become desirable or necessary during the term of this Agreement for City to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work. Until the amendment is so executed, City will not be responsible to pay any charges Contractor may incur in performing such additional services, and Contractor shall not be required to perform any such additional services.

8. Amendment. No variation of the terms of this Agreement shall be valid unless an amendment is made in writing and signed by both parties.

9. Contractor's Status.

9. 1 In performing the obligations set forth in this Agreement, Contractor shall have the status of an independent contractor and Contractor shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Contractor are its agents and employees and are not agents or employees of City. Contractor by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Except as expressly provided in Exhibit A, Contractor has no authority or responsibility to exercise any rights or power vested in the City. No agent, officer or employee of the City is to be considered an employee of the Contractor. It is understood by both Contractor and City that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

9.2 Contractor shall determine the method, details and means of performing the work and services to be provided by Contractor under this Agreement. Contractor shall be responsible to City only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to City's

control with respect to the physical action or activities of Contractor in fulfillment of this Agreement. Contractor has control over the manner and means of performing the services under this Agreement. If necessary, Contractor has the responsibility for employing other persons or firms to assist Contractor in fulfilling the terms and obligations under this Agreement.

9.3 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Contractor.

9.4 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor's assigned personnel under the terms and conditions of this Agreement.

10. Subcontractor.

10.1 Subcontractors shall not be recognized as having any direct or contractual relationship with City. Contractor shall be responsible for the work of subcontractors, which shall be subject to the provisions of this Agreement. Subcontractors will be provided with a copy of the Agreement and be bound by its terms. Contractor is responsible to City for the acts and omissions of its subcontractors and persons directly or indirectly employed by them.

10.2 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by Contractor.

10.3 It is further understood and agreed that all Subcontractors must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Subcontractors personnel.

11. Termination.

11.1 Termination for Convenience of City. The City may terminate this Agreement at any time by mailing a notice in writing to Contractor. The Agreement shall then be deemed terminated, and no further work shall be performed by Contractor. If the Agreement is so terminated, the Contractor shall be paid for the work actually completed at the time the notice of termination is received.

11. 2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party.

11.3 Funding- Non-Appropriation. It is mutually understood between the Parties that payment to the Contractor for performance shall be dependent upon the availability of appropriations by the City Council for the purposes of this Agreement. No legal liability on the part of the City for any payment may arise under this Agreement until funds are made available and until the Contractor has received funding availability, which will be confirmed in writing. If funding for any fiscal year is reduced or deleted, or if the City loses funding for any reason, the City, in its sole discretion, shall have the option to either (a) cause this Agreement to be canceled or terminated pursuant to applicable provisions of the Agreement; or (b) offer to amend the Agreement to reflect the reduced funding for this Agreement.

12. Non-Assignability. The Contractor shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written consent of the City, and then only upon such terms and conditions as City may set forth in writing. Contractor shall be solely responsible for reimbursing subcontractors.

13. Indemnity and Hold Harmless. To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in this agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City of Stockton. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this agreement. These obligations shall survive the completion or termination of this agreement.

14. Insurance. During the term of this Agreement, Contractor shall maintain in full force and effect at its own cost and expense the insurance coverage as set forth in the attached Exhibit B to this Agreement and shall otherwise comply with the other provisions of Exhibit B to this Agreement.

15. Notices. All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed in Exhibit A to this Agreement.

16. Conformance to Applicable Laws. Contractor shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Contractor shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

17. Licenses, Certifications and Permits. Prior to the City's execution of this Agreement and prior to the Contractor's engaging in any operation or activity set forth in this Agreement, Contractor shall obtain a City of Stockton business license, which must be kept in effect during the term of this Agreement. Contractor covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement. Such licenses, certificates and permits shall be maintained in full force and effect during the term of this Agreement.

18. Records and Audits. Contractor shall maintain all records regarding this Agreement and the services performed for a period of three (3) years from the date that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit. To the extent Contractor renders services on a time and materials basis, Contractor shall maintain complete and accurate accounting records, in a form prescribed by City or, if not prescribed by City, in accordance with generally accepted accounting principles, such records to include, but not be limited to, payroll records, attendance cards, time sheets, and job summaries.

19. Confidentiality. Contractor shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.

20. Conflicts of Interest. Contractor covenants that other than this Agreement, Contractor has no financial interest with any official, employee or other representative of the City. Contractor and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Contractor's services under this Agreement. If such an interest arises, Contractor shall immediately notify the City.

21. Waiver. In the event either City or Contractor at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation. No payment, partial payment, acceptance, or partial acceptance by City shall operate as a waiver on the part of City of any of its rights under this Agreement.

22. Governing Law. California law shall govern any legal action pursuant to this Agreement with venue for all claims in the Superior Court of the County of San Joaquin, Stockton Branch or, where applicable, in the Federal District Court of California, Eastern District, Sacramento Division.

23. No Personal Liability. No official or employee of City shall be personally liable to Contractor in the event of any default or breach by the City or for any amount due Contractor.

24. Severability. If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or city statue, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

25. Non-Discrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state, or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition (including genetic characteristics), marital status, age, political affiliation, gender identity, gender expression, sex or sexual orientation, family and medical care leave, pregnancy leave, or disability leave. Contractor and its officers, employees, agents, representative or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the City's nondiscrimination policy; the Fair Employment and Housing Act (Government Code sections 12990 (et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulation or Code of Federal Regulations. Title VI of the Civil Rights Act of 1964 requires that "no person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." (42 USC Section 2000d). http://www.dol.gov/oasam/regs/statutes/titlevi.htm. The City requires compliance with the requirements of Title VI in all of its programs and activities regardless of funding source.

26. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts of God, acts of civil or military authority, terrorism, fire, flood, strikes, war, epidemics, pandemics, shortage of power or other acts or causes reasonably beyond the control of that party. The party experiencing the force majeure event agrees to give the other party notice promptly following the occurrence of a force majeure event, and to use diligent efforts to re-commence performance as promptly as commercially practicable.

27. Taxes and Charges. Contractor shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of the Contractor's business.

28. Cumulative Rights. Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative of all other rights and remedies to which may be legally entitled.

29. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

30. Heading Not Controlling. Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

31. Entire Agreement, Integration, and Modification.

31.1 This Agreement represents the entire integrated agreement between Contractor and the City; supersedes all prior negotiations, representations, or agreements, either written or oral between the parties and may be amended only by a written Amendment signed by the Contractor and City Manager.

31.2 All Exhibits to this Agreement and this Agreement are intended to be construed as a single document.

32. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

33. Authority. The individual(s) executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

EXHIBIT D

PROFESSIONAL SERVICES SPECIAL TERMS AND CONDITIONS

1. Definitions. The following words and phrases have the following meanings for purposes of this Agreement:

1.1 "Services" means, collectively, the services, duties and responsibilities described in Exhibit A of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

1.2 “Deliverable” means quantifiable goods or services that will be provided upon completion of a project. A deliverable is any tangible material, work or thing delivered by one party to the other, including associated technical documentation. A deliverable can be tangible or intangible parts of the development process, and often are specified functions or characteristics of the project.

2. General. The following terms and conditions are applicable for the Professional Services only. The special conditions shall be read in conjunction with the Standard Agreement, General Terms and Conditions (“GTC”) Exhibit C, and all other Exhibits identified in the Standard Agreement.

2.1 Where any portion of the GTC is in conflict to or at variance with any provisions of the Special Conditions of the Agreement, then unless a different intention stated, the provision(s) of the Special Conditions of the Agreement shall be deemed to override the provision(s) of GTC only to the extent that such conflict or variations in the Special Conditions of the Agreement are not possible of being reconciled with the provisions of the GTC.

2.2 In the case of modification of a part or provision of the GTC, the unaltered part or provision, or both shall remain in effect. The Special Conditions shall relate to a particular project and be peculiar to that project but shall not weaken the character or intent of the GTC.

3. Time for Performance.

3.1 Contractor shall perform the services according to the schedule contained in Exhibit F.

3.2 Timeliness of Performance i) Contractor shall provide the Services, and Deliverables within the term and within the time limits required under this Agreement, pursuant to the provisions of Exhibit A and Exhibit F. ii) Neither Contractor nor Contractor’s agents, employees nor subcontractors are entitled to any damages from the City, nor is any party entitled to be reimbursed by the City, for damages, charges or other

losses or expenses incurred by Contractor by reason of delays or hindrances in the performance of the Services, whether or not caused by the City.

4. Standard of Performance

In addition to Exhibit C, Section 4 and 17, Contractor agrees as follows:

4.1 Contractor's Services shall be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of Contractor's profession currently practicing under similar conditions. Contractor shall comply with the profession's standard of performance, applicable laws, regulations, and industry standards. By delivery of completed work, Contractor certifies that the work conforms to the requirements of this Agreement and all applicable federal, state and local laws. If Contractor is retained to perform services requiring a license, certification, registration or other similar requirement under California law, Contractor shall maintain that license, certification, registration or other similar requirement throughout the term of this Agreement.

4.2 Contractor acknowledges that it is entrusted with or has access to valuable and confidential information and records of the City and with respect to that information, Contractor agrees to be held to the standard of care of a fiduciary. Contractor shall assure that all services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. Contractor must provide copies of any such licenses. Contractor remains responsible for the professional and technical accuracy of all Services or Deliverables furnished, whether by Contractor or its subcontractors or others on its behalf. All Deliverables must be prepared in a form and content satisfactory to the Using Agency and delivered in a timely manner consistent with the requirements of this Agreement.

4.3 If Contractor fails to comply with the foregoing standards, Contractor must perform again, at its own expense, all Services required to be re-performed as a direct or indirect result of that failure. Any review, approval, acceptance or payment for any of the Services by the City does not relieve Contractor of its responsibility for the professional skill and care and technical accuracy of its Services and Deliverables. This provision in no way limits the City's rights against Contractor either under this Agreement, at law or in equity.

5. Compensation

5.1 In addition to Section 3 Compensation in Exhibit C – GTC, the Contractor shall be compensated for the services provided under this Agreement as follows:

5.1.1 Contractor shall be compensated for services rendered and accepted under this Agreement and shall be paid monthly, in arrears on a not to exceed

basis, based upon the rates set forth in Exhibit E attached hereto and made a part of this Agreement. Contractor may vary the compensation for each task in Exhibit E provided that the total project compensation listed in Exhibit E and the Standard Agreement is not exceeded.

6. Personnel

6.1 None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the City. Any work or services subcontracted hereunder shall be specified by written agreement and shall be subject to each provision of this Agreement. Contractor shall provide subcontractor a copy of this fully executed Agreement.

6.2 Contractor agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services under this Agreement. Failure to assign such competent personnel shall constitute grounds for termination of this Agreement. The payment made to Contractor pursuant to this Agreement shall be the full and complete compensation to which Contractor and Contractor's officers, employees, agents, and subcontractors are entitled for performance of any work under this Agreement. Neither Contractor nor Contractor's officers or employees are entitled to any salary or wages, or retirement, health, leave or other fringe benefits applicable to employees of the City. The City will not make any federal or state tax withholdings on behalf of Contractor. The City shall not be required to pay any workers' compensation insurance on behalf of Contractor. Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide City with proof of such payments upon request.

6.3 Key Personnel: Because of the special skills required to satisfy the requirements of this Agreement, Contractor shall not reassign or replace key personnel without the written consent of the City, which consent the City will not unreasonably withhold. "key personnel" means those job titles and the persons assigned to those positions in accordance with the provisions of this Agreement. The City may at any time in writing notify Contractor that the City will no longer accept performance of Services under this Agreement by one or more Key Personnel listed. Upon that notice Contractor shall immediately suspend the services of the key person or persons and must replace him or them in accordance with the terms of this Agreement. A list of key personnel is found in Exhibit A, Scope of Services.

7. Reports and Information

Contractor shall at such times and in such forms as the City may require furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred in connection therewith, and any other matters are covered by this Agreement as specified in Exhibit A and Exhibit E.

8. Findings Confidential

All of the reports, information, data, et cetera, prepared or assembled by the Contractor under this Agreement are confidential and the Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the City. Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is required by applicable law or by proper legal or governmental authority, is already rightfully in the Contractor's possession without obligation of confidentiality, is independently developed by Contractor outside the scope of this Agreement or is rightfully obtained from third parties. Contractor shall give City prompt notice of any such legal or governmental demand and reasonably cooperate with City in any effort to seek a protective order or otherwise to contest such required disclosure.

9. Copyright

No materials, including but not limited to reports, maps, or documents produced as a result of this Agreement, in whole or in part, shall be available to Contractor for copyright purposes. Any such materials produced as a result of this Agreement that might be subject to copyright shall be the property of the City and all such rights shall belong to the City, and the City shall be sole and exclusive entity who may exercise such rights.

10. Deliverables

Contractor shall prepare or provide to the City various Deliverables. "Deliverables" include work product, such as written reviews, recommendations, reports and analyses, produced by Contractor for the City. The City may reject Deliverables that do not include relevant information or data, or do not include all documents or other materials specified in this Agreement or reasonably necessary for the purpose for which the City made this Agreement or for which the City intends to use the Deliverables. If the City determines that Contractor has failed to comply with the foregoing standards, it has 30 days from the discovery to notify Contractor of its failure. If Contractor does not correct the failure, or if it is possible to do so, within 30 days after receipt of notice from the City specifying the failure, then the City, by written notice, may treat the failure as a default of this Agreement. Partial or incomplete Deliverables may be accepted for review only when required for a specific and well-defined purpose and when consented to in advance by the City. Such Deliverables will not be considered as satisfying the requirements of this Agreement and partial or incomplete Deliverables in no way relieve Contractor of its commitments under this Agreement.

11. Applicable Laws

Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

EXHIBIT E

COMPENSATION SCHEDULE

The Contractor shall be compensated for the services identified in Exhibit A, Exhibit C, and Exhibit D to this Agreement as follows:

1. Project Price

1.1 The maximum the Contractor shall be paid on this Agreement is $ 220,000 (hereafter the "not to exceed" amount). The "not to exceed" amount includes all payments to be made pursuant to this Agreement, including City approved reimbursable expenses, if any. Nothing in this Agreement requires the City to pay for work that does not meet the Standard of Performance identified in Exhibit D section 4 or other requirements of this Agreement.

1.2 Standard Reimbursable Items: Only the reimbursable items identified in Exhibit A, C, and D (Compensation), shall be compensated to the Contractor. Reimbursable expenses will be reimbursed without markup. Fees plus reimbursable expenses shall not exceed the amount set forth in section 1.1 of this Exhibit and a copy of the original invoice for the items listed in i, ii or iii below shall be attached to the invoice submitted to the City for reimbursement. Payments shall be based upon work documents submitted by the Contractor to the City and accepted by the City as being satisfactory to City's needs. The City shall not pay a markup on any of the items listed in i, ii or iii. Additionally, items such a telephone, fax, postage or freight are already included in the billable hourly rate. Contractor shall be reimbursed the direct expenses, which are the actual cost of the following items that are reasonable, necessary and actually incurred, by the Contractor in connection with the services:

i. Expenses, fees or charges for printing, reproduction or binding of documents at actual costs with no markup added to the actual cost.

ii. Any filing fees, permit fees, or other fees paid or advanced by the Contractor at actual costs with no markup added to the actual cost.

iii. Travel expenses shall be reimbursed in accordance with the City's travel policy, which is incorporated herein by reference. Reimbursement shall be made at actual costs with no markup added to the actual cost.

1.3 The Contractor shall be entitled to receive payments for its work performed pursuant to the Agreement. The City will pay Contractor based on invoices for acceptable work performed and approved until the "not to exceed" amount is reached. Thereafter, Contractor must complete services based on the Agreement without additional compensation unless there is a material change to the Statement of Work and Scope by a written Amendment.

1.4 If work is completed before the "not to exceed" amount is reached, the Contractor's compensation will be based on the Contractor's invoices previously submitted for acceptable work performed and approved.

1.5 Subcontractor Costs: Not Applicable

2. Task Price. Below is the price for the services and reimbursable expenses as described in Exhibit A of this Agreement.

Task	Description	Task Price
1	N/A	$N/A
	TOTAL PRICE	**$ N/A**

3. Hourly Rates. The following is a list of hourly billable rates that Contractor shall apply for additional services requested of the Contractor. Contractor shall be compensated based on the hourly rates set forth below, on a time and material basis for those services that are within the general scope of services of this Agreement, but beyond the description of services required under Exhibit A, and all services are reasonably necessary to complete the standards of performance required by this Agreement. Any changes and related fees shall be mutually agreed upon between the parties by a written amendment to this Agreement.

Hourly Billable Rate Schedule

Services Description	Hourly Billable Rates
Accela On-Call Professional Services and Support	$155.00

4. Additional Fees. Not Applicable

5. Invoice to Address. Each invoice submitted shall identify the specific task(s) listed in Exhibit A and this Exhibit, and the completed work product/deliverable for the agreed upon price listed in this Exhibit. Invoices shall be submitted to the below address:

Invoices may be sent electronically to Heather.Mompean@stocktonca.gov

City of Stockton Community Development Department
Attention: Permit Center
425 N. El Dorado Street
Stockton, CA 95202

EXHIBIT F

TIMELINE

1. Services under this agreement shall be provided on an as-needed, on-call basis throughout the term of the contract. Specific timelines for deliverables, tasks, or projects will be established collaboratively between the City and Contractor based on scope, complexity and urgency.

2. The Contractor shall make reasonable efforts to perform services promptly and within the time frames agreed upon.

CITY OF STOCKTON
STANDARD AGREEMENT

Agreement Number:

1. This Agreement is entered into between the City of Stockton ("City") and TruePoint Solutions LLC. ("Contractor") to provide Accela Professional Services as set forth in Exhibit A to this Agreement.

2. The term of this Agreement is as follows, unless amended as described in Exhibit A and Exhibit C section 8:
Commences on: 10/1/2025 Terminates on: 9/30/2028

3. The maximum not to exceed amount to be paid to Contractor for the term of this Agreement, including if authorized, reimbursement of expenses, is: $ 65,000

4. The complete Agreement consists of all the following Agreement documents which by reference are incorporated and made a part of this Agreement. The parties agree to comply with the terms and conditions of this Agreement.

(a) Exhibit A – Statement of Work
(b) Exhibit B – Insurance
(c) Exhibit C – General Terms & Conditions
(d) Exhibit D – Professional Services Special Terms & Conditions
(e) Exhibit E – Compensation Schedule
(f) Exhibit F – Timeline
(g) Exhibit G - Special Funding Terms & Conditions (If applicable check box) YES ☐

IN WITNESS WHEREOF, the authorized parties have executed this Agreement.

CONTRACTOR

Contractor's Name (if other than an individual, state whether a corporation, partnership, etc.):

Brian Weber
Authorized Signature

7/8/2025
Date

Brian Weber - Chief Revenue Officer
Printed Name and Title of Person Signing

3262 Penryn Rd; Suite 100-B, Loomis, CA 95650
Address

CITY OF STOCKTON

Steve Colangelo, Interim City Manager Date

ATTEST:

Katherine Roland, CMC, CPMC, City Clerk

APPROVED AS TO FORM:
Lori M. Asuncion, City Attorney

BY:

(Rev. 02.13.25)

EXHIBIT A

STATEMENT OF WORK

1. Project Objectives

To provide ongoing technical support services for the City of Stockton's Accela permit management system, enabling the Community Development Department to implement new processes and system customizations that enhance operational efficiency. This includes support for minor configurations, complex workflow optimizations, and improvements to the Accela Citizen Access (ACA) portal, serving a hosted environment with approximately 110 to 120 active users.

2. Project Scope

The project scope may include a portion of, or all, but not limited to the work identified below. All work will be performed on an as-needed basis as requested by the City in accordance with the hourly rates identified in Exhibit E, Compensation.

2.1 Customization & Enhancements

- Optimize workflows to streamline business processes in collaboration with City staff.
- Implement new Accela modules as required by the City.
- Configure user roles, permissions, and security settings.
- Develop custom scripts, expressions, and automation to optimize system workflows.
- Develop Accela Citizen Access (ACA) enhancements for improved user experience.
- Implement business rules and validation checks for data integrity.
- Customize inspection related processes and configurations as needed.

2.2 System Integration

- Develop, implement and provide support for integrations between Accela and third-party systems, including:
    - GIS (Geographic Information System)
    - Document Management Systems (e.g., Hyland OnBase)
    - Payment Gateways

- Email and SMS Notification Platforms

- Utilize Accela APIs, Webhooks, and Query APIs for seamless data exchange.
- Ensure data synchronization and integrity between Accela and other applications.

2.3 Reporting & Data Analytics

- Develop standard and custom reports using Accela Ad Hoc Reporting, SSRS, ERD, or other reporting tools.
- Automate report generation and scheduling for department needs.

2.4 Ongoing Support & Maintenance

- Provide support for troubleshooting and bug fixes.
- Apply updates and patches to maintain system security and functionality.
- Maintain compliance with Accela best practices and security protocols.
- Provide guidance on emerging Accela features and industry best practices.
- Assist with data cleansing, migration, and archival as needed.
- Offer on-call support for miscellaneous tasks, including weekly, bi-weekly, and monthly check-ins if required.

2.5 Training & Knowledge Transfer

- Provide structured training sessions for City staff at various skill levels.
- Develop training materials, including user guides, FAQs, and video tutorials.
- Offer hands-on training for staff on configurations.

3. Major Deliverables

Deliverables will depend upon which of the items identified in Section 2, Project Scope are assigned and will be I the form of updates to Accela configurations that are approved by City staff.

The City reserves the right to request more specific deliverables on an as-needed basis throughout the duration of the agreement.

4. Tasks That Support the Deliverables

Contractor shall make themselves available for meetings, telephone calls and emails in order to discuss and configure technical projects and updates to the

Accela system which will be executed on an as-needed basis n a timeline agreed to by the City and Contractor.

5. Internal and External Standards and Guidelines

Any professional certifications or licenses that may be required will be the sole cost and responsibility of the Contractor.

Contractor shall possess all necessary licenses to perform the work specified within these documents, including a City of Stockton Business Licenses which must be kept in effect during the term of this Agreement.

6. Criteria of Acceptance for Deliverables

All deliverables shall be evaluated for completeness, accuracy and functionality before acceptance.

7. Notices

Pursuant to Exhibit C – General Terms and Conditions, Paragraph 15 – Notices, the mailing address for all required notices is as follows:

Contractor: TruePoint Solutions
3262 Penryn Rd
Suite 100-B
Loomis, CA 95650

City: City of Stockton
Attn: City Manager
425 N. El Dorado Street
Stockton, CA 95202

8. Key Personnel

Rob Liddicoat
Robert.liddicoat@stocktonca.gov

Heather Mompean
Heather.mompean@stocktonca.gov

10. Option to Renew.

The term of the Agreement may be extended up to two (2) years by a written amendment executed by both parties. However, the total term of the Agreement including the extended term shall not exceed five (5) years.

Exhibit B:
Insurance Requirements for Agreements Involving Information Technology
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Consultant or Vendor shall procure and maintain for the duration of the contract insurance against claims for security breaches, system failures, injuries to persons, damages to software, or damages to property (including computer equipment) which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees. Consultant shall procure and maintain for the duration of the contract insurance claims arising out of their services and including, but not limited to loss, damage, theft or other misuse of data, infringement of intellectual property, invasion of privacy and breach of data.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability** (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability**: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **$1,000,000** per accident for bodily injury and property damage.

3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.

4. **Crime/Fidelity Bond** – Insurance no less than **$1,000,000** per occurrence, covering all officers and employees, for loss of proceeds caused by dishonesty.

5. **Technology Professional Liability Errors and Omissions Insurance** appropriate to the Consultant's profession and work hereunder, with limits not less than **$2,000,000** per occurrence. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the Consultant in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction

of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.

a. The Policy shall include, or be endorsed to include, *property damage liability coverage* for damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the Agency in the care, custody, or control of the Consultant.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Stockton, its officers, officials, employees, and volunteers are to be covered as insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations. Coverage can be provided in the form of an endorsement to the Consultant's insurance, at least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10 **and** CG 20 37 forms if later revisions used. For Vendors ISO Form CG 20 15 12 19 is acceptable. Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

Primary Coverage

For any claims related to this contract, the **Consultant's insurance coverage shall be primary and non-contributory**, with coverage at least as broad as ISO CG 20 01 12 19 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance, including any excess policies, and shall not contribute with it. This requirement shall also apply to any Excess policies. The City of Stockton does not accept endorsements limiting the Vendor's insurance coverage to the sole negligence of the Named Insured.

Umbrella or Excess Policy

The Consultant may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. The policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying CGL insurance.

Notice of Cancellation

Each insurance policy required above shall state that **coverage shall not be canceled, except with notice to the City of Stockton**.

Waiver of Subrogation

Consultant hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Stockton has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Consultant to purchase coverage with a lower retention or provide proof of ability to pay losses and related expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A-:VII, unless otherwise acceptable to the City of Stockton.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained, and evidence of insurance must be provided *for at least five (5) years after completion of the contract of work*.

3. If coverage is canceled or non-renewed, and not *replaced with another claims-made policy form with a Retroactive Date* prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of *five (5)* years after completion of contract work.

Verification of Coverage

Consultant shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All documents are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that City of Stockton is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees and Volunteers
425 N El Dorado Street
Stockton, CA 95202

EXHIBIT C

GENERAL TERMS AND CONDITIONS

1. **Goods, Equipment and Services.** Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to City the services described in Exhibit A of the Agreement. Contractor shall provide said services at the time, place and in the manner specified in Exhibit A of the Agreement.

2. **City Assistance, Facilities, Equipment and Clerical Support.** Except as set forth in Exhibit A, Contractor shall, at its sole cost and expense, furnish and maintain all facilities and equipment that may be required for furnishing services pursuant to this Agreement. If applicable, City shall furnish to Contractor only the facilities and equipment listed in Exhibit A to the Agreement.

3. **Compensation**. City shall pay Contractor for services rendered pursuant to this Agreement as described more particularly in Exhibit A and Exhibit E to the Agreement.

3.1 Invoices submitted by Contractor to City must contain a brief description of work performed, time spent and City reference number. Within thirty (30) days of receipt of Contractor's invoice, City will review invoice, and if acceptable make payment on approved invoice.

3.2 Upon completion of work and acceptance by City, Contractor shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Contractor fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.

4. **Sufficiency of Contractor's Work**. All Contractor services, work, and deliverables shall be performed in a good and workmanlike manner with due diligence in accordance with the degree of skill normally exercised by similar contractors supplying services and work of a similar nature, and in conformance with applicable laws, codes and professional standards. Contractor's work shall be adequate and sufficient to meet the purposes of this Agreement.

5. **Ownership of Work**. All reports, work product, all other documents completed or partially completed by Contractor or its approved subcontractors, in performance of this Agreement, and if applicable, drawings, designs, and plan review comments shall become the property of the City. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Contractor and its approved subcontractors agree

to execute any additional documents that may be necessary to evidence such assignment. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Contractor shall replace them at its own expense. Contractor and its approved subcontractors shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent.

6. Timeliness. Time is of the essence in this Agreement. Further, Contractor acknowledges that the failure of Contractor to comply with the time limits described in Exhibit A and Exhibit F may result in economic or other losses to the City.

7. Changes. Both parties to this Agreement understand that it may become desirable or necessary during the term of this Agreement for City to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work. Until the amendment is so executed, City will not be responsible to pay any charges Contractor may incur in performing such additional services, and Contractor shall not be required to perform any such additional services.

8. Amendment. No variation of the terms of this Agreement shall be valid unless an amendment is made in writing and signed by both parties.

9. Contractor's Status.

9. 1 In performing the obligations set forth in this Agreement, Contractor shall have the status of an independent contractor and Contractor shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Contractor are its agents and employees and are not agents or employees of City. Contractor by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Except as expressly provided in Exhibit A, Contractor has no authority or responsibility to exercise any rights or power vested in the City. No agent, officer or employee of the City is to be considered an employee of the Contractor. It is understood by both Contractor and City that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

9.2 Contractor shall determine the method, details and means of performing the work and services to be provided by Contractor under this Agreement. Contractor shall be responsible to City only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to City's

control with respect to the physical action or activities of Contractor in fulfillment of this Agreement. Contractor has control over the manner and means of performing the services under this Agreement. If necessary, Contractor has the responsibility for employing other persons or firms to assist Contractor in fulfilling the terms and obligations under this Agreement.

9.3 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Contractor.

9.4 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor's assigned personnel under the terms and conditions of this Agreement.

10. Subcontractor.

10.1 Subcontractors shall not be recognized as having any direct or contractual relationship with City. Contractor shall be responsible for the work of subcontractors, which shall be subject to the provisions of this Agreement. Subcontractors will be provided with a copy of the Agreement and be bound by its terms. Contractor is responsible to City for the acts and omissions of its subcontractors and persons directly or indirectly employed by them.

10.2 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by Contractor.

10.3 It is further understood and agreed that all Subcontractors must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Subcontractors personnel.

11. Termination.

11.1 Termination for Convenience of City. The City may terminate this Agreement at any time by mailing a notice in writing to Contractor. The Agreement shall then be deemed terminated, and no further work shall be performed by Contractor. If the Agreement is so terminated, the Contractor shall be paid for the work actually completed at the time the notice of termination is received.

11. 2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party.

11.3 Funding- Non-Appropriation. It is mutually understood between the Parties that payment to the Contractor for performance shall be dependent upon the availability of appropriations by the City Council for the purposes of this Agreement. No legal liability on the part of the City for any payment may arise under this Agreement until funds are made available and until the Contractor has received funding availability, which will be confirmed in writing. If funding for any fiscal year is reduced or deleted, or if the City loses funding for any reason, the City, in its sole discretion, shall have the option to either (a) cause this Agreement to be canceled or terminated pursuant to applicable provisions of the Agreement; or (b) offer to amend the Agreement to reflect the reduced funding for this Agreement.

12. Non-Assignability. The Contractor shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written consent of the City, and then only upon such terms and conditions as City may set forth in writing. Contractor shall be solely responsible for reimbursing subcontractors.

13. Indemnity and Hold Harmless. To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in this agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City of Stockton. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this agreement. These obligations shall survive the completion or termination of this agreement.

14. Insurance. During the term of this Agreement, Contractor shall maintain in full force and effect at its own cost and expense the insurance coverage as set forth in the attached Exhibit B to this Agreement and shall otherwise comply with the other provisions of Exhibit B to this Agreement.

15. Notices. All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed in Exhibit A to this Agreement.

16. Conformance to Applicable Laws. Contractor shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Contractor shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

17. Licenses, Certifications and Permits. Prior to the City's execution of this Agreement and prior to the Contractor's engaging in any operation or activity set forth in this Agreement, Contractor shall obtain a City of Stockton business license, which must be kept in effect during the term of this Agreement. Contractor covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement. Such licenses, certificates and permits shall be maintained in full force and effect during the term of this Agreement.

18. Records and Audits. Contractor shall maintain all records regarding this Agreement and the services performed for a period of three (3) years from the date that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit. To the extent Contractor renders services on a time and materials basis, Contractor shall maintain complete and accurate accounting records, in a form prescribed by City or, if not prescribed by City, in accordance with generally accepted accounting principles, such records to include, but not be limited to, payroll records, attendance cards, time sheets, and job summaries.

19. Confidentiality. Contractor shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.

20. Conflicts of Interest. Contractor covenants that other than this Agreement, Contractor has no financial interest with any official, employee or other representative of the City. Contractor and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Contractor's services under this Agreement. If such an interest arises, Contractor shall immediately notify the City.

21. Waiver. In the event either City or Contractor at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation. No payment, partial payment, acceptance, or partial acceptance by City shall operate as a waiver on the part of City of any of its rights under this Agreement.

22. Governing Law. California law shall govern any legal action pursuant to this Agreement with venue for all claims in the Superior Court of the County of San Joaquin, Stockton Branch or, where applicable, in the Federal District Court of California, Eastern District, Sacramento Division.

23. No Personal Liability. No official or employee of City shall be personally liable to Contractor in the event of any default or breach by the City or for any amount due Contractor.

24. Severability. If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or city statue, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

25. Non-Discrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state, or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition (including genetic characteristics), marital status, age, political affiliation, gender identity, gender expression, sex or sexual orientation, family and medical care leave, pregnancy leave, or disability leave. Contractor and its officers, employees, agents, representative or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the City's nondiscrimination policy; the Fair Employment and Housing Act (Government Code sections 12990 (et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulation or Code of Federal Regulations. Title VI of the Civil Rights Act of 1964 requires that "no person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." (42 USC Section 2000d). http://www.dol.gov/oasam/regs/statutes/titlevi.htm. The City requires compliance with the requirements of Title VI in all of its programs and activities regardless of funding source.

26. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts of God, acts of civil or military authority, terrorism, fire, flood, strikes, war, epidemics, pandemics, shortage of power or other acts or causes reasonably beyond the control of that party. The party experiencing the force majeure event agrees to give the other party notice promptly following the occurrence of a force majeure event, and to use diligent efforts to re-commence performance as promptly as commercially practicable.

27. Taxes and Charges. Contractor shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of the Contractor's business.

28. Cumulative Rights. Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative of all other rights and remedies to which may be legally entitled.

29. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

30. Heading Not Controlling. Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

31. Entire Agreement, Integration, and Modification.

31.1 This Agreement represents the entire integrated agreement between Contractor and the City; supersedes all prior negotiations, representations, or agreements, either written or oral between the parties and may be amended only by a written Amendment signed by the Contractor and City Manager.

31.2 All Exhibits to this Agreement and this Agreement are intended to be construed as a single document.

32. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

33. Authority. The individual(s) executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

EXHIBIT D

PROFESSIONAL SERVICES SPECIAL TERMS AND CONDITIONS

1. Definitions. The following words and phrases have the following meanings for purposes of this Agreement:

1.1 "Services" means, collectively, the services, duties and responsibilities described in Exhibit A of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

1.2 “Deliverable” means quantifiable goods or services that will be provided upon completion of a project. A deliverable is any tangible material, work or thing delivered by one party to the other, including associated technical documentation. A deliverable can be tangible or intangible parts of the development process, and often are specified functions or characteristics of the project.

2. General. The following terms and conditions are applicable for the Professional Services only. The special conditions shall be read in conjunction with the Standard Agreement, General Terms and Conditions (“GTC”) Exhibit C, and all other Exhibits identified in the Standard Agreement.

2.1 Where any portion of the GTC is in conflict to or at variance with any provisions of the Special Conditions of the Agreement, then unless a different intention stated, the provision(s) of the Special Conditions of the Agreement shall be deemed to override the provision(s) of GTC only to the extent that such conflict or variations in the Special Conditions of the Agreement are not possible of being reconciled with the provisions of the GTC.

2.2 In the case of modification of a part or provision of the GTC, the unaltered part or provision, or both shall remain in effect. The Special Conditions shall relate to a particular project and be peculiar to that project but shall not weaken the character or intent of the GTC.

3. Time for Performance.

3.1 Contractor shall perform the services according to the schedule contained in Exhibit F.

3.2 Timeliness of Performance i) Contractor shall provide the Services, and Deliverables within the term and within the time limits required under this Agreement, pursuant to the provisions of Exhibit A and Exhibit F. ii) Neither Contractor nor Contractor’s agents, employees nor subcontractors are entitled to any damages from the City, nor is any party entitled to be reimbursed by the City, for damages, charges or other

losses or expenses incurred by Contractor by reason of delays or hindrances in the performance of the Services, whether or not caused by the City.

4. Standard of Performance

In addition to Exhibit C, Section 4 and 17, Contractor agrees as follows:

4.1 Contractor's Services shall be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of Contractor's profession currently practicing under similar conditions. Contractor shall comply with the profession's standard of performance, applicable laws, regulations, and industry standards. By delivery of completed work, Contractor certifies that the work conforms to the requirements of this Agreement and all applicable federal, state and local laws. If Contractor is retained to perform services requiring a license, certification, registration or other similar requirement under California law, Contractor shall maintain that license, certification, registration or other similar requirement throughout the term of this Agreement.

4.2 Contractor acknowledges that it is entrusted with or has access to valuable and confidential information and records of the City and with respect to that information, Contractor agrees to be held to the standard of care of a fiduciary. Contractor shall assure that all services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. Contractor must provide copies of any such licenses. Contractor remains responsible for the professional and technical accuracy of all Services or Deliverables furnished, whether by Contractor or its subcontractors or others on its behalf. All Deliverables must be prepared in a form and content satisfactory to the Using Agency and delivered in a timely manner consistent with the requirements of this Agreement.

4.3 If Contractor fails to comply with the foregoing standards, Contractor must perform again, at its own expense, all Services required to be re-performed as a direct or indirect result of that failure. Any review, approval, acceptance or payment for any of the Services by the City does not relieve Contractor of its responsibility for the professional skill and care and technical accuracy of its Services and Deliverables. This provision in no way limits the City's rights against Contractor either under this Agreement, at law or in equity.

5. Compensation

5.1 In addition to Section 3 Compensation in Exhibit C – GTC, the Contractor shall be compensated for the services provided under this Agreement as follows:

5.1.1 Contractor shall be compensated for services rendered and accepted under this Agreement and shall be paid monthly, in arrears on a not to exceed

basis, based upon the rates set forth in Exhibit E attached hereto and made a part of this Agreement. Contractor may vary the compensation for each task in Exhibit E provided that the total project compensation listed in Exhibit E and the Standard Agreement is not exceeded.

6. Personnel

6.1 None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the City. Any work or services subcontracted hereunder shall be specified by written agreement and shall be subject to each provision of this Agreement. Contractor shall provide subcontractor a copy of this fully executed Agreement.

6.2 Contractor agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services under this Agreement. Failure to assign such competent personnel shall constitute grounds for termination of this Agreement. The payment made to Contractor pursuant to this Agreement shall be the full and complete compensation to which Contractor and Contractor's officers, employees, agents, and subcontractors are entitled for performance of any work under this Agreement. Neither Contractor nor Contractor's officers or employees are entitled to any salary or wages, or retirement, health, leave or other fringe benefits applicable to employees of the City. The City will not make any federal or state tax withholdings on behalf of Contractor. The City shall not be required to pay any workers' compensation insurance on behalf of Contractor. Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide City with proof of such payments upon request.

6.3 Key Personnel: Because of the special skills required to satisfy the requirements of this Agreement, Contractor shall not reassign or replace key personnel without the written consent of the City, which consent the City will not unreasonably withhold. "key personnel" means those job titles and the persons assigned to those positions in accordance with the provisions of this Agreement. The City may at any time in writing notify Contractor that the City will no longer accept performance of Services under this Agreement by one or more Key Personnel listed. Upon that notice Contractor shall immediately suspend the services of the key person or persons and must replace him or them in accordance with the terms of this Agreement. A list of key personnel is found in Exhibit A, Scope of Services.

7. Reports and Information

Contractor shall at such times and in such forms as the City may require furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred in connection therewith, and any other matters are covered by this Agreement as specified in Exhibit A and Exhibit E.

8. Findings Confidential

All of the reports, information, data, et cetera, prepared or assembled by the Contractor under this Agreement are confidential and the Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the City. Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is required by applicable law or by proper legal or governmental authority, is already rightfully in the Contractor's possession without obligation of confidentiality, is independently developed by Contractor outside the scope of this Agreement or is rightfully obtained from third parties. Contractor shall give City prompt notice of any such legal or governmental demand and reasonably cooperate with City in any effort to seek a protective order or otherwise to contest such required disclosure.

9. Copyright

No materials, including but not limited to reports, maps, or documents produced as a result of this Agreement, in whole or in part, shall be available to Contractor for copyright purposes. Any such materials produced as a result of this Agreement that might be subject to copyright shall be the property of the City and all such rights shall belong to the City, and the City shall be sole and exclusive entity who may exercise such rights.

10. Deliverables

Contractor shall prepare or provide to the City various Deliverables. "Deliverables" include work product, such as written reviews, recommendations, reports and analyses, produced by Contractor for the City. The City may reject Deliverables that do not include relevant information or data, or do not include all documents or other materials specified in this Agreement or reasonably necessary for the purpose for which the City made this Agreement or for which the City intends to use the Deliverables. If the City determines that Contractor has failed to comply with the foregoing standards, it has 30 days from the discovery to notify Contractor of its failure. If Contractor does not correct the failure, or if it is possible to do so, within 30 days after receipt of notice from the City specifying the failure, then the City, by written notice, may treat the failure as a default of this Agreement. Partial or incomplete Deliverables may be accepted for review only when required for a specific and well-defined purpose and when consented to in advance by the City. Such Deliverables will not be considered as satisfying the requirements of this Agreement and partial or incomplete Deliverables in no way relieve Contractor of its commitments under this Agreement.

11. Applicable Laws

Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

EXHIBIT E

COMPENSATION SCHEDULE

The Contractor shall be compensated for the services identified in Exhibit A, Exhibit C, and Exhibit D to this Agreement as follows:

1. Project Price

1.1 The maximum the Contractor shall be paid on this Agreement is $ 65,000 (hereafter the "not to exceed" amount). The "not to exceed" amount includes all payments to be made pursuant to this Agreement, including City approved reimbursable expenses, if any. Nothing in this Agreement requires the City to pay for work that does not meet the Standard of Performance identified in Exhibit D section 4 or other requirements of this Agreement.

1.2 Standard Reimbursable Items: Only the reimbursable items identified in Exhibit A, C, and D (Compensation), shall be compensated to the Contractor. Reimbursable expenses will be reimbursed without markup. Fees plus reimbursable expenses shall not exceed the amount set forth in section 1.1 of this Exhibit and a copy of the original invoice for the items listed in i, ii or iii below shall be attached to the invoice submitted to the City for reimbursement. Payments shall be based upon work documents submitted by the Contractor to the City and accepted by the City as being satisfactory to City's needs. The City shall not pay a markup on any of the items listed in i, ii or iii. Additionally, items such a telephone, fax, postage or freight are already included in the billable hourly rate. Contractor shall be reimbursed the direct expenses, which are the actual cost of the following items that are reasonable, necessary and actually incurred, by the Contractor in connection with the services:

i. Expenses, fees or charges for printing, reproduction or binding of documents at actual costs with no markup added to the actual cost.

ii. Any filing fees, permit fees, or other fees paid or advanced by the Contractor at actual costs with no markup added to the actual cost.

iii. Travel expenses shall be reimbursed in accordance with the City's travel policy, which is incorporated herein by reference. Reimbursement shall be made at actual costs with no markup added to the actual cost.

1.3 The Contractor shall be entitled to receive payments for its work performed pursuant to the Agreement. The City will pay Contractor based on invoices for acceptable work performed and approved until the "not to exceed" amount is reached. Thereafter, Contractor must complete services based on the Agreement without additional compensation unless there is a material change to the Statement of Work and Scope by a written Amendment.

1.4 If work is completed before the "not to exceed" amount is reached, the Contractor's compensation will be based on the Contractor's invoices previously submitted for acceptable work performed and approved.

1.5 Subcontractor Costs: Not Applicable

2. Task Price. Below is the price for the services and reimbursable expenses as described in Exhibit A of this Agreement.

Task	Description	Task Price
1	N/A	$N/A
	TOTAL PRICE	**$ N/A**

3. Hourly Rates. The following is a list of hourly billable rates that Contractor shall apply for additional services requested of the Contractor. Contractor shall be compensated based on the hourly rates set forth below, on a time and material basis for those services that are within the general scope of services of this Agreement, but beyond the description of services required under Exhibit A, and all services are reasonably necessary to complete the standards of performance required by this Agreement. Any changes and related fees shall be mutually agreed upon between the parties by a written amendment to this Agreement.

Hourly Billable Rate Schedule

Role	Services Description	Hourly Billable Rates
Consultant	Accela On-Call Professional Services and Support	$185.00
Project Managers	Accela On-Call Professional Services and Support	$185.00

4. Additional Fees. Not Applicable

5. Invoice to Address. Each invoice submitted shall identify the specific task(s) listed in Exhibit A and this Exhibit, and the completed work product/deliverable for the agreed upon price listed in this Exhibit. Invoices shall be submitted to the below address:

Invoices may be sent electronically to Heather.Mompean@stocktonca.gov

City of Stockton Community Development Department
Attention: Permit Center
425 N. El Dorado Street
Stockton, CA 95202

EXHIBIT F

TIMELINE

1. Services under this agreement shall be provided on an as-needed, on-call basis throughout the term of the contract. Specific timelines for deliverables, tasks, or projects will be established collaboratively between the City and Contractor based on scope, complexity and urgency.

2. The Contractor shall make reasonable efforts to perform services promptly and within the time frames agreed upon.

CITY OF STOCKTON
STANDARD AGREEMENT

Agreement Number:

1. This Agreement is entered into between the City of Stockton ("City") and 3SG Plus, LLC ("Contractor") to provide Accela Professional Services as set forth in Exhibit A to this Agreement.

2. The term of this Agreement is as follows, unless amended as described in Exhibit A and Exhibit C section 8:
Commences on: 10/1/2025 Terminates on: 9/30/2028

3. The maximum not to exceed amount to be paid to Contractor for the term of this Agreement, including if authorized, reimbursement of expenses, is: $ 65,000

4. The complete Agreement consists of all the following Agreement documents which by reference are incorporated and made a part of this Agreement. The parties agree to comply with the terms and conditions of this Agreement.

(a) Exhibit A – Statement of Work
(b) Exhibit B – Insurance
(c) Exhibit C – General Terms & Conditions
(d) Exhibit D – Professional Services Special Terms & Conditions
(e) Exhibit E – Compensation Schedule
(f) Exhibit F – Timeline
(g) Exhibit G - Special Funding Terms & Conditions (If applicable check box) YES ☐

IN WITNESS WHEREOF, the authorized parties have executed this Agreement.

CONTRACTOR

3SG Plus, LLC
Contractor's Name (if other than an individual, state whether a corporation, partnership, etc.):

Griffin Schultz
Authorized Signature Date

Griffin Schultz, President/CEO/Board Chair 7/13/2025
Printed Name and Title of Person Signing

8800 Lyra Drive, Suite 690, Columbus, OH 43240
Address

CITY OF STOCKTON

Steve Colangelo, Interim City Manager Date

ATTEST:

Katherine Roland, CMC, CPMC, City Clerk

APPROVED AS TO FORM:
Lori M. Asuncion, City Attorney

BY:

(Rev. 02.13.25)

EXHIBIT A

STATEMENT OF WORK

1. Project Objectives

To provide ongoing technical support services for the City of Stockton's Accela permit management system, enabling the Community Development Department to implement new processes and system customizations that enhance operational efficiency. This includes support for minor configurations, complex workflow optimizations, and improvements to the Accela Citizen Access (ACA) portal, serving a hosted environment with approximately 110 to 120 active users.

2. Project Scope

The project scope may include a portion of, or all, but not limited to the work identified below. All work will be performed on an as-needed basis as requested by the City in accordance with the hourly rates identified in Exhibit E, Compensation.

2.1 Customization & Enhancements

- Optimize workflows to streamline business processes in collaboration with City staff.
- Implement new Accela modules as required by the City.
- Configure user roles, permissions, and security settings.
- Develop custom scripts, expressions, and automation to optimize system workflows.
- Develop Accela Citizen Access (ACA) enhancements for improved user experience.
- Implement business rules and validation checks for data integrity.
- Customize inspection related processes and configurations as needed.

2.2 System Integration

- Develop, implement and provide support for integrations between Accela and third-party systems, including:
    - GIS (Geographic Information System)
    - Document Management Systems (e.g., Hyland OnBase)
    - Payment Gateways

- Email and SMS Notification Platforms

- Utilize Accela APIs, Webhooks, and Query APIs for seamless data exchange.
- Ensure data synchronization and integrity between Accela and other applications.

2.3 Reporting & Data Analytics

- Develop standard and custom reports using Accela Ad Hoc Reporting, SSRS, ERD, or other reporting tools.
- Automate report generation and scheduling for department needs.

2.4 Ongoing Support & Maintenance

- Provide support for troubleshooting and bug fixes.
- Apply updates and patches to maintain system security and functionality.
- Maintain compliance with Accela best practices and security protocols.
- Provide guidance on emerging Accela features and industry best practices.
- Assist with data cleansing, migration, and archival as needed.
- Offer on-call support for miscellaneous tasks, including weekly, bi-weekly, and monthly check-ins if required.

2.5 Training & Knowledge Transfer

- Provide structured training sessions for City staff at various skill levels.
- Develop training materials, including user guides, FAQs, and video tutorials.
- Offer hands-on training for staff on configurations.

3. Major Deliverables

Deliverables will depend upon which of the items identified in Section 2, Project Scope are assigned and will be I the form of updates to Accela configurations that are approved by City staff.

The City reserves the right to request more specific deliverables on an as-needed basis throughout the duration of the agreement.

4. Tasks That Support the Deliverables

Contractor shall make themselves available for meetings, telephone calls and emails in order to discuss and configure technical projects and updates to the

Accela system which will be executed on an as-needed basis n a timeline agreed to by the City and Contractor.

5. Internal and External Standards and Guidelines

Any professional certifications or licenses that may be required will be the sole cost and responsibility of the Contractor.

Contractor shall possess all necessary licenses to perform the work specified within these documents, including a City of Stockton Business Licenses which must be kept in effect during the term of this Agreement.

6. Criteria of Acceptance for Deliverables

All deliverables shall be evaluated for completeness, accuracy and functionality before acceptance.

7. Notices

Pursuant to Exhibit C – General Terms and Conditions, Paragraph 15 – Notices, the mailing address for all required notices is as follows:

Contractor: 3sg Plus, LLC
8800 Lyra Drive, Suite 690
Columbus, OH 43240

City: City of Stockton
Attn: City Manager
425 N. El Dorado Street
Stockton, CA 95202

8. Key Personnel

Rob Liddicoat
Robert.liddicoat@stocktonca.gov

Heather Mompean
Heather.mompean@stocktonca.gov

10. Option to Renew.

The term of the Agreement may be extended up to two (2) years by a written amendment executed by both parties. However, the total term of the Agreement including the extended term shall not exceed five (5) years.

Exhibit B:
Insurance Requirements for Agreements Involving Information Technology
()

Consultant or Vendor shall procure and maintain for the duration of the contract insurance against claims for security breaches, system failures, injuries to persons, damages to software, or damages to property (including computer equipment) which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees. Consultant shall procure and maintain for the duration of the contract insurance claims arising out of their services and including, but not limited to loss, damage, theft or other misuse of data, infringement of intellectual property, invasion of privacy and breach of data.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability** (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability**: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **$1,000,000** per accident for bodily injury and property damage.

3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.

4. **Crime/Fidelity Bond** – Insurance no less than **$1,000,000** per occurrence, covering all officers and employees, for loss of proceeds caused by dishonesty.

5. **Technology Professional Liability Errors and Omissions Insurance** appropriate to the Consultant's profession and work hereunder, with limits not less than **$2,000,000** per occurrence. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the Consultant in this agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction

of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.

a. The Policy shall include, or be endorsed to include, *property damage liability coverage* for damage to, alteration of, loss of, or destruction of electronic data and/or information "property" of the Agency in the care, custody, or control of the Consultant.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Stockton, its officers, officials, employees, and volunteers are to be covered as insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations. Coverage can be provided in the form of an endorsement to the Consultant's insurance, at least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10 **and** CG 20 37 forms if later revisions used. For Vendors ISO Form CG 20 15 12 19 is acceptable. Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

Primary Coverage

For any claims related to this contract, the **Consultant's insurance coverage shall be primary and non-contributory**, with coverage at least as broad as ISO CG 20 01 12 19 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance, including any excess policies, and shall not contribute with it. This requirement shall also apply to any Excess policies. The City of Stockton does not accept endorsements limiting the Vendor's insurance coverage to the sole negligence of the Named Insured.

Umbrella or Excess Policy

The Consultant may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. The policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying CGL insurance.

Notice of Cancellation

Each insurance policy required above shall state that **coverage shall not be canceled, except with notice to the City of Stockton**.

Waiver of Subrogation

Consultant hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Stockton has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Consultant to purchase coverage with a lower retention or provide proof of ability to pay losses and related expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A-:VII, unless otherwise acceptable to the City of Stockton.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained, and evidence of insurance must be provided *for at least five (5) years after completion of the contract of work*.

3. If coverage is canceled or non-renewed, and not *replaced with another claims-made policy form with a Retroactive Date* prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of *five (5)* years after completion of contract work.

Verification of Coverage

Consultant shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All documents are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that City of Stockton is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees and Volunteers
425 N El Dorado Street
Stockton, CA 95202

EXHIBIT C

GENERAL TERMS AND CONDITIONS

1. Goods, Equipment and Services. Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to City the services described in Exhibit A of the Agreement. Contractor shall provide said services at the time, place and in the manner specified in Exhibit A of the Agreement.

2. City Assistance, Facilities, Equipment and Clerical Support. Except as set forth in Exhibit A, Contractor shall, at its sole cost and expense, furnish and maintain all facilities and equipment that may be required for furnishing services pursuant to this Agreement. If applicable, City shall furnish to Contractor only the facilities and equipment listed in Exhibit A to the Agreement.

3. Compensation. City shall pay Contractor for services rendered pursuant to this Agreement as described more particularly in Exhibit A and Exhibit E to the Agreement.

3.1 Invoices submitted by Contractor to City must contain a brief description of work performed, time spent and City reference number. Within thirty (30) days of receipt of Contractor's invoice, City will review invoice, and if acceptable make payment on approved invoice.

3.2 Upon completion of work and acceptance by City, Contractor shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Contractor fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.

4. Sufficiency of Contractor's Work. All Contractor services, work, and deliverables shall be performed in a good and workmanlike manner with due diligence in accordance with the degree of skill normally exercised by similar contractors supplying services and work of a similar nature, and in conformance with applicable laws, codes and professional standards. Contractor's work shall be adequate and sufficient to meet the purposes of this Agreement.

5. Ownership of Work. All reports, work product, all other documents completed or partially completed by Contractor or its approved subcontractors, in performance of this Agreement, and if applicable, drawings, designs, and plan review comments shall become the property of the City. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Contractor and its approved subcontractors agree

to execute any additional documents that may be necessary to evidence such assignment. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Contractor shall replace them at its own expense. Contractor and its approved subcontractors shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent.

6. **Timeliness.** Time is of the essence in this Agreement. Further, Contractor acknowledges that the failure of Contractor to comply with the time limits described in Exhibit A and Exhibit F may result in economic or other losses to the City.

7. **Changes**. Both parties to this Agreement understand that it may become desirable or necessary during the term of this Agreement for City to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work. Until the amendment is so executed, City will not be responsible to pay any charges Contractor may incur in performing such additional services, and Contractor shall not be required to perform any such additional services.

8. **Amendment.** No variation of the terms of this Agreement shall be valid unless an amendment is made in writing and signed by both parties.

9. **Contractor's Status**.

9. 1 In performing the obligations set forth in this Agreement, Contractor shall have the status of an independent contractor and Contractor shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Contractor are its agents and employees and are not agents or employees of City. Contractor by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Except as expressly provided in Exhibit A, Contractor has no authority or responsibility to exercise any rights or power vested in the City. No agent, officer or employee of the City is to be considered an employee of the Contractor. It is understood by both Contractor and City that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

9.2 Contractor shall determine the method, details and means of performing the work and services to be provided by Contractor under this Agreement. Contractor shall be responsible to City only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to City's

control with respect to the physical action or activities of Contractor in fulfillment of this Agreement. Contractor has control over the manner and means of performing the services under this Agreement. If necessary, Contractor has the responsibility for employing other persons or firms to assist Contractor in fulfilling the terms and obligations under this Agreement.

9.3 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Contractor.

9.4 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor's assigned personnel under the terms and conditions of this Agreement.

10. Subcontractor.

10.1 Subcontractors shall not be recognized as having any direct or contractual relationship with City. Contractor shall be responsible for the work of subcontractors, which shall be subject to the provisions of this Agreement. Subcontractors will be provided with a copy of the Agreement and be bound by its terms. Contractor is responsible to City for the acts and omissions of its subcontractors and persons directly or indirectly employed by them.

10.2 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by Contractor.

10.3 It is further understood and agreed that all Subcontractors must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Subcontractors personnel.

11. Termination.

11.1 Termination for Convenience of City. The City may terminate this Agreement at any time by mailing a notice in writing to Contractor. The Agreement shall then be deemed terminated, and no further work shall be performed by Contractor. If the Agreement is so terminated, the Contractor shall be paid for the work actually completed at the time the notice of termination is received.

11. 2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party.

11.3 Funding- Non-Appropriation. It is mutually understood between the Parties that payment to the Contractor for performance shall be dependent upon the availability of appropriations by the City Council for the purposes of this Agreement. No legal liability on the part of the City for any payment may arise under this Agreement until funds are made available and until the Contractor has received funding availability, which will be confirmed in writing. If funding for any fiscal year is reduced or deleted, or if the City loses funding for any reason, the City, in its sole discretion, shall have the option to either (a) cause this Agreement to be canceled or terminated pursuant to applicable provisions of the Agreement; or (b) offer to amend the Agreement to reflect the reduced funding for this Agreement.

12. Non-Assignability. The Contractor shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written consent of the City, and then only upon such terms and conditions as City may set forth in writing. Contractor shall be solely responsible for reimbursing subcontractors.

13. Indemnity and Hold Harmless. To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in this agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City of Stockton. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this agreement. These obligations shall survive the completion or termination of this agreement.

14. Insurance. During the term of this Agreement, Contractor shall maintain in full force and effect at its own cost and expense the insurance coverage as set forth in the attached Exhibit B to this Agreement and shall otherwise comply with the other provisions of Exhibit B to this Agreement.

15. Notices. All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed in Exhibit A to this Agreement.

16. Conformance to Applicable Laws. Contractor shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Contractor shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

17. **Licenses, Certifications and Permits**. Prior to the City's execution of this Agreement and prior to the Contractor's engaging in any operation or activity set forth in this Agreement, Contractor shall obtain a City of Stockton business license, which must be kept in effect during the term of this Agreement. Contractor covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement. Such licenses, certificates and permits shall be maintained in full force and effect during the term of this Agreement.

18. **Records and Audits**. Contractor shall maintain all records regarding this Agreement and the services performed for a period of three (3) years from the date that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit. To the extent Contractor renders services on a time and materials basis, Contractor shall maintain complete and accurate accounting records, in a form prescribed by City or, if not prescribed by City, in accordance with generally accepted accounting principles, such records to include, but not be limited to, payroll records, attendance cards, time sheets, and job summaries.

19. **Confidentiality**. Contractor shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.

20. **Conflicts of Interest**. Contractor covenants that other than this Agreement, Contractor has no financial interest with any official, employee or other representative of the City. Contractor and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Contractor's services under this Agreement. If such an interest arises, Contractor shall immediately notify the City.

21. **Waiver**. In the event either City or Contractor at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation. No payment, partial payment, acceptance, or partial acceptance by City shall operate as a waiver on the part of City of any of its rights under this Agreement.

22. **Governing Law**. California law shall govern any legal action pursuant to this Agreement with venue for all claims in the Superior Court of the County of San Joaquin, Stockton Branch or, where applicable, in the Federal District Court of California, Eastern District, Sacramento Division.

23. **No Personal Liability**. No official or employee of City shall be personally liable to Contractor in the event of any default or breach by the City or for any amount due Contractor.

24. Severability. If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or city statue, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

25. Non-Discrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state, or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition (including genetic characteristics), marital status, age, political affiliation, gender identity, gender expression, sex or sexual orientation, family and medical care leave, pregnancy leave, or disability leave. Contractor and its officers, employees, agents, representative or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the City's nondiscrimination policy; the Fair Employment and Housing Act (Government Code sections 12990 (et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulation or Code of Federal Regulations. Title VI of the Civil Rights Act of 1964 requires that "no person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." (42 USC Section 2000d). http://www.dol.gov/oasam/regs/statutes/titlevi.htm. The City requires compliance with the requirements of Title VI in all of its programs and activities regardless of funding source.

26. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts of God, acts of civil or military authority, terrorism, fire, flood, strikes, war, epidemics, pandemics, shortage of power or other acts or causes reasonably beyond the control of that party. The party experiencing the force majeure event agrees to give the other party notice promptly following the occurrence of a force majeure event, and to use diligent efforts to re-commence performance as promptly as commercially practicable.

27. Taxes and Charges. Contractor shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of the Contractor's business.

28. Cumulative Rights. Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative of all other rights and remedies to which may be legally entitled.

29. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

30. Heading Not Controlling. Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

31. Entire Agreement, Integration, and Modification.

31.1 This Agreement represents the entire integrated agreement between Contractor and the City; supersedes all prior negotiations, representations, or agreements, either written or oral between the parties and may be amended only by a written Amendment signed by the Contractor and City Manager.

31.2 All Exhibits to this Agreement and this Agreement are intended to be construed as a single document.

32. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

33. Authority. The individual(s) executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

EXHIBIT D

PROFESSIONAL SERVICES SPECIAL TERMS AND CONDITIONS

1. Definitions. The following words and phrases have the following meanings for purposes of this Agreement:

1.1 "Services" means, collectively, the services, duties and responsibilities described in Exhibit A of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

1.2 “Deliverable” means quantifiable goods or services that will be provided upon completion of a project. A deliverable is any tangible material, work or thing delivered by one party to the other, including associated technical documentation. A deliverable can be tangible or intangible parts of the development process, and often are specified functions or characteristics of the project.

2. General. The following terms and conditions are applicable for the Professional Services only. The special conditions shall be read in conjunction with the Standard Agreement, General Terms and Conditions (“GTC”) Exhibit C, and all other Exhibits identified in the Standard Agreement.

2.1 Where any portion of the GTC is in conflict to or at variance with any provisions of the Special Conditions of the Agreement, then unless a different intention stated, the provision(s) of the Special Conditions of the Agreement shall be deemed to override the provision(s) of GTC only to the extent that such conflict or variations in the Special Conditions of the Agreement are not possible of being reconciled with the provisions of the GTC.

2.2 In the case of modification of a part or provision of the GTC, the unaltered part or provision, or both shall remain in effect. The Special Conditions shall relate to a particular project and be peculiar to that project but shall not weaken the character or intent of the GTC.

3. Time for Performance.

3.1 Contractor shall perform the services according to the schedule contained in Exhibit F.

3.2 Timeliness of Performance i) Contractor shall provide the Services, and Deliverables within the term and within the time limits required under this Agreement, pursuant to the provisions of Exhibit A and Exhibit F. ii) Neither Contractor nor Contractor’s agents, employees nor subcontractors are entitled to any damages from the City, nor is any party entitled to be reimbursed by the City, for damages, charges or other

losses or expenses incurred by Contractor by reason of delays or hindrances in the performance of the Services, whether or not caused by the City.

4. Standard of Performance

In addition to Exhibit C, Section 4 and 17, Contractor agrees as follows:

4.1 Contractor's Services shall be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of Contractor's profession currently practicing under similar conditions. Contractor shall comply with the profession's standard of performance, applicable laws, regulations, and industry standards. By delivery of completed work, Contractor certifies that the work conforms to the requirements of this Agreement and all applicable federal, state and local laws. If Contractor is retained to perform services requiring a license, certification, registration or other similar requirement under California law, Contractor shall maintain that license, certification, registration or other similar requirement throughout the term of this Agreement.

4.2 Contractor acknowledges that it is entrusted with or has access to valuable and confidential information and records of the City and with respect to that information, Contractor agrees to be held to the standard of care of a fiduciary. Contractor shall assure that all services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. Contractor must provide copies of any such licenses. Contractor remains responsible for the professional and technical accuracy of all Services or Deliverables furnished, whether by Contractor or its subcontractors or others on its behalf. All Deliverables must be prepared in a form and content satisfactory to the Using Agency and delivered in a timely manner consistent with the requirements of this Agreement.

4.3 If Contractor fails to comply with the foregoing standards, Contractor must perform again, at its own expense, all Services required to be re-performed as a direct or indirect result of that failure. Any review, approval, acceptance or payment for any of the Services by the City does not relieve Contractor of its responsibility for the professional skill and care and technical accuracy of its Services and Deliverables. This provision in no way limits the City's rights against Contractor either under this Agreement, at law or in equity.

5. Compensation

5.1 In addition to Section 3 Compensation in Exhibit C – GTC, the Contractor shall be compensated for the services provided under this Agreement as follows:

5.1.1 Contractor shall be compensated for services rendered and accepted under this Agreement and shall be paid monthly, in arrears on a not to exceed

basis, based upon the rates set forth in Exhibit E attached hereto and made a part of this Agreement. Contractor may vary the compensation for each task in Exhibit E provided that the total project compensation listed in Exhibit E and the Standard Agreement is not exceeded.

6. Personnel

6.1 None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the City. Any work or services subcontracted hereunder shall be specified by written agreement and shall be subject to each provision of this Agreement. Contractor shall provide subcontractor a copy of this fully executed Agreement.

6.2 Contractor agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services under this Agreement. Failure to assign such competent personnel shall constitute grounds for termination of this Agreement. The payment made to Contractor pursuant to this Agreement shall be the full and complete compensation to which Contractor and Contractor's officers, employees, agents, and subcontractors are entitled for performance of any work under this Agreement. Neither Contractor nor Contractor's officers or employees are entitled to any salary or wages, or retirement, health, leave or other fringe benefits applicable to employees of the City. The City will not make any federal or state tax withholdings on behalf of Contractor. The City shall not be required to pay any workers' compensation insurance on behalf of Contractor. Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide City with proof of such payments upon request.

6.3 Key Personnel: Because of the special skills required to satisfy the requirements of this Agreement, Contractor shall not reassign or replace key personnel without the written consent of the City, which consent the City will not unreasonably withhold. "key personnel" means those job titles and the persons assigned to those positions in accordance with the provisions of this Agreement. The City may at any time in writing notify Contractor that the City will no longer accept performance of Services under this Agreement by one or more Key Personnel listed. Upon that notice Contractor shall immediately suspend the services of the key person or persons and must replace him or them in accordance with the terms of this Agreement. A list of key personnel is found in Exhibit A, Scope of Services.

7. Reports and Information

Contractor shall at such times and in such forms as the City may require furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred in connection therewith, and any other matters are covered by this Agreement as specified in Exhibit A and Exhibit E.

8. Findings Confidential

All of the reports, information, data, et cetera, prepared or assembled by the Contractor under this Agreement are confidential and the Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the City. Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is required by applicable law or by proper legal or governmental authority, is already rightfully in the Contractor's possession without obligation of confidentiality, is independently developed by Contractor outside the scope of this Agreement or is rightfully obtained from third parties. Contractor shall give City prompt notice of any such legal or governmental demand and reasonably cooperate with City in any effort to seek a protective order or otherwise to contest such required disclosure.

9. Copyright

No materials, including but not limited to reports, maps, or documents produced as a result of this Agreement, in whole or in part, shall be available to Contractor for copyright purposes. Any such materials produced as a result of this Agreement that might be subject to copyright shall be the property of the City and all such rights shall belong to the City, and the City shall be sole and exclusive entity who may exercise such rights.

10. Deliverables

Contractor shall prepare or provide to the City various Deliverables. "Deliverables" include work product, such as written reviews, recommendations, reports and analyses, produced by Contractor for the City. The City may reject Deliverables that do not include relevant information or data, or do not include all documents or other materials specified in this Agreement or reasonably necessary for the purpose for which the City made this Agreement or for which the City intends to use the Deliverables. If the City determines that Contractor has failed to comply with the foregoing standards, it has 30 days from the discovery to notify Contractor of its failure. If Contractor does not correct the failure, or if it is possible to do so, within 30 days after receipt of notice from the City specifying the failure, then the City, by written notice, may treat the failure as a default of this Agreement. Partial or incomplete Deliverables may be accepted for review only when required for a specific and well-defined purpose and when consented to in advance by the City. Such Deliverables will not be considered as satisfying the requirements of this Agreement and partial or incomplete Deliverables in no way relieve Contractor of its commitments under this Agreement.

11. Applicable Laws

Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

EXHIBIT E

COMPENSATION SCHEDULE

The Contractor shall be compensated for the services identified in Exhibit A, Exhibit C, and Exhibit D to this Agreement as follows:

1. Project Price

1.1 The maximum the Contractor shall be paid on this Agreement is $ 65,000 (hereafter the "not to exceed" amount). The "not to exceed" amount includes all payments to be made pursuant to this Agreement, including City approved reimbursable expenses, if any. Nothing in this Agreement requires the City to pay for work that does not meet the Standard of Performance identified in Exhibit D section 4 or other requirements of this Agreement.

1.2 Standard Reimbursable Items: Only the reimbursable items identified in Exhibit A, C, and D (Compensation), shall be compensated to the Contractor. Reimbursable expenses will be reimbursed without markup. Fees plus reimbursable expenses shall not exceed the amount set forth in section 1.1 of this Exhibit and a copy of the original invoice for the items listed in i, ii or iii below shall be attached to the invoice submitted to the City for reimbursement. Payments shall be based upon work documents submitted by the Contractor to the City and accepted by the City as being satisfactory to City's needs. The City shall not pay a markup on any of the items listed in i, ii or iii. Additionally, items such a telephone, fax, postage or freight are already included in the billable hourly rate. Contractor shall be reimbursed the direct expenses, which are the actual cost of the following items that are reasonable, necessary and actually incurred, by the Contractor in connection with the services:

i. Expenses, fees or charges for printing, reproduction or binding of documents at actual costs with no markup added to the actual cost.

ii. Any filing fees, permit fees, or other fees paid or advanced by the Contractor at actual costs with no markup added to the actual cost.

iii. Travel expenses shall be reimbursed in accordance with the City's travel policy, which is incorporated herein by reference. Reimbursement shall be made at actual costs with no markup added to the actual cost.

1.3 The Contractor shall be entitled to receive payments for its work performed pursuant to the Agreement. The City will pay Contractor based on invoices for acceptable work performed and approved until the "not to exceed" amount is reached. Thereafter, Contractor must complete services based on the Agreement without additional compensation unless there is a material change to the Statement of Work and Scope by a written Amendment.

1.4 If work is completed before the "not to exceed" amount is reached, the Contractor's compensation will be based on the Contractor's invoices previously submitted for acceptable work performed and approved.

1.5 Subcontractor Costs: Not Applicable

2. Task Price. Below is the price for the services and reimbursable expenses as described in Exhibit A of this Agreement.

Task	Description	Task Price
1	N/A	$N/A
	TOTAL PRICE	**$ N/A**

3. Hourly Rates. The following is a list of hourly billable rates that Contractor shall apply for additional services requested of the Contractor. Contractor shall be compensated based on the hourly rates set forth below, on a time and material basis for those services that are within the general scope of services of this Agreement, but beyond the description of services required under Exhibit A, and all services are reasonably necessary to complete the standards of performance required by this Agreement. Any changes and related fees shall be mutually agreed upon between the parties by a written amendment to this Agreement.

Hourly Billable Rate Schedule

Services Description	Hourly Billable Rates
Accela On-Call Professional Services and Support	$150.00

4. Additional Fees. Not Applicable

5. Invoice to Address. Each invoice submitted shall identify the specific task(s) listed in Exhibit A and this Exhibit, and the completed work product/deliverable for the agreed upon price listed in this Exhibit. Invoices shall be submitted to the below address:

Invoices may be sent electronically to Heather.Mompean@stocktonca.gov

City of Stockton Community Development Department
Attention: Permit Center
425 N. El Dorado Street
Stockton, CA 95202

EXHIBIT F

TIMELINE

1. Services under this agreement shall be provided on an as-needed, on-call basis throughout the term of the contract. Specific timelines for deliverables, tasks, or projects will be established collaboratively between the City and Contractor based on scope, complexity and urgency.

2. The Contractor shall make reasonable efforts to perform services promptly and within the time frames agreed upon.

File #: 25-0724, **Version:** 1

ADOPT A RESOLUTION APPROVING A FINAL MAP AND SUBDIVISION AGREEMENT FOR CANNERY PARK, UNIT NO. 14 (VILLAGE I) TRACT NO. 4213 PROJECT

RECOMMENDATION

It is recommended that the City Council adopt a resolution to:

1. Approve the Final Map for Cannery Park, Unit No. 14 (Village I), Tract No. 4213;

2. Authorize the City Manager to execute the subdivision agreement, accept on behalf of the public all offers of dedication, and record the Final Map for Cannery Park, Unit No. 14 (Village I), Tract No. 4213; and

3. Authorize the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the resolution.

Summary

The proposed resolution approves the Final Map and authorizes the City Manager to execute a Subdivision Agreement between Century Communities of California, LLC, accept all offers of dedication, and record the map for Cannery Park, Unit No. 14 (Village I), Tract No. 4213. The subdivision contains 55.88 acres divided into 131 lots for the construction of single-family residential homes, 1 lot for a park, 1 lot for a storm drainage basin, a lot for future development, and street right-of-way dedication. The Final Map complies with the Tentative Maps (TM 8-04 A&B and TM P21-0435) approved by the Planning Commission on August 12, 2004, and February 8, 2024, and approved development conditions. The proposed property subdivision is located north of PFC Jesse Mizener Street and east of Holman Road (Attachment A - Vicinity Map).

Review and approval of the Final Map and Subdivision Agreement are necessary to ensure the Tentative Map conditions have been fulfilled. If the Final Map is approved by the City Council, the City will transmit the map and Subdivision Agreement to the County Recorder. It is recommended that the Council adopt the proposed resolution, as Century Communities of California, LLC, has fulfilled all necessary conditions.

DISCUSSION

Background

On August 12, 2004, the Planning Commission approved a Small Lot and Large Lot Tentative Subdivision Map (TM 8-04 A&B) for the Cannery Park Mixed Use Project and recommended that City Council approve an Environmental Impact Report, General Plan Amendment, Eight Mile Road

Specific Plan Amendment, Annexation, Pre-zoning and Development Agreement. On September 14, 2004, the City Council approved the Planning Commission and Staff recommendations. The Project proposed to develop a 448-acre project site with 1,100 single-family lots, 210 multi-family units, commercial retail and office, industrial, parks, a school, and a fire station.

The Tentative Small Lot Map 8-04A shows how the proposed site would be divided up into smaller parcels, creating the residential lots, a lot for multi-family, 49 lots for light industrial and commercial, and lots for the fire station, parks, school, and various accessory lots. The Tentative Large Lot Map shows how the proposed site would be divided up into 17 large lots to provide the developer an opportunity to sell larger blocks of developable land off while site development is underway. The tentative maps were approved subject to specified conditions to be met upon subdivision of the project site.

The City Council approved the formation of the Community Facilities District (CFD) No. 2019-1 for Cannery Park II to levy Special Taxes within the CFD to finance the construction of capital infrastructure and ongoing services related to police, fire, parks, roads, and open space.

On February 8, 2024, the Planning Commission approved a Tentative Subdivision Map (TM P21-0435) for the Cannery Park Mixed Use Project, and on April 2, 2024, the City Council approved the associated General Plan Amendment, Rezone, EIR Addendum, and Development Agreement (extending the existing agreement by 10 years).

Up to the present time, the City Council has approved twelve final maps that created 1031 residential lots, a school, public rights-of-way, and easements.

Present Situation

Century Communities of California, LLC, submitted a final map to complete the subdivision process for the earlier approved Tentative Maps. The subdivision name is Cannery Park Unit No. 14 (Village I), Tract No. 4213, and will subdivide the 55.88-acre project site into 131 lots for the construction of single-family residential homes, 1 lot for a park, 1 lot for a storm drainage basin, a lot for future development, and street right-of-way dedication. The residential lot sizes, ranging from 5,000 to 11,833 square feet, will be provided access through the project site to public streets.

Staff reviewed the Final Map and Subdivision applications and determined that all conditions necessary for approval are met. This includes preparing improvement plans for all proposed public streets and utilities to be constructed within the subdivision, dedicating right-of-way easements, paying proportionate share fees towards off-site improvement costs, and posting security bonds to guarantee the subdivision improvements.

The City Engineer reviewed the Final Map for technical accuracy, substantial conformance with the approved tentative maps, and that the required conditions are completed or incorporated within a Subdivision Agreement. The City Engineer recommends forwarding the Final Map, Subdivision Agreement, and any offers of dedication to the City Council for consideration and approval.

The Subdivision Agreement (Exhibit 1 to the proposed resolution) contains the developer's obligations for project site development. The proposed resolution authorizes the City Manager to execute the Subdivision Agreement, accept on behalf of the public all offers of dedication, and

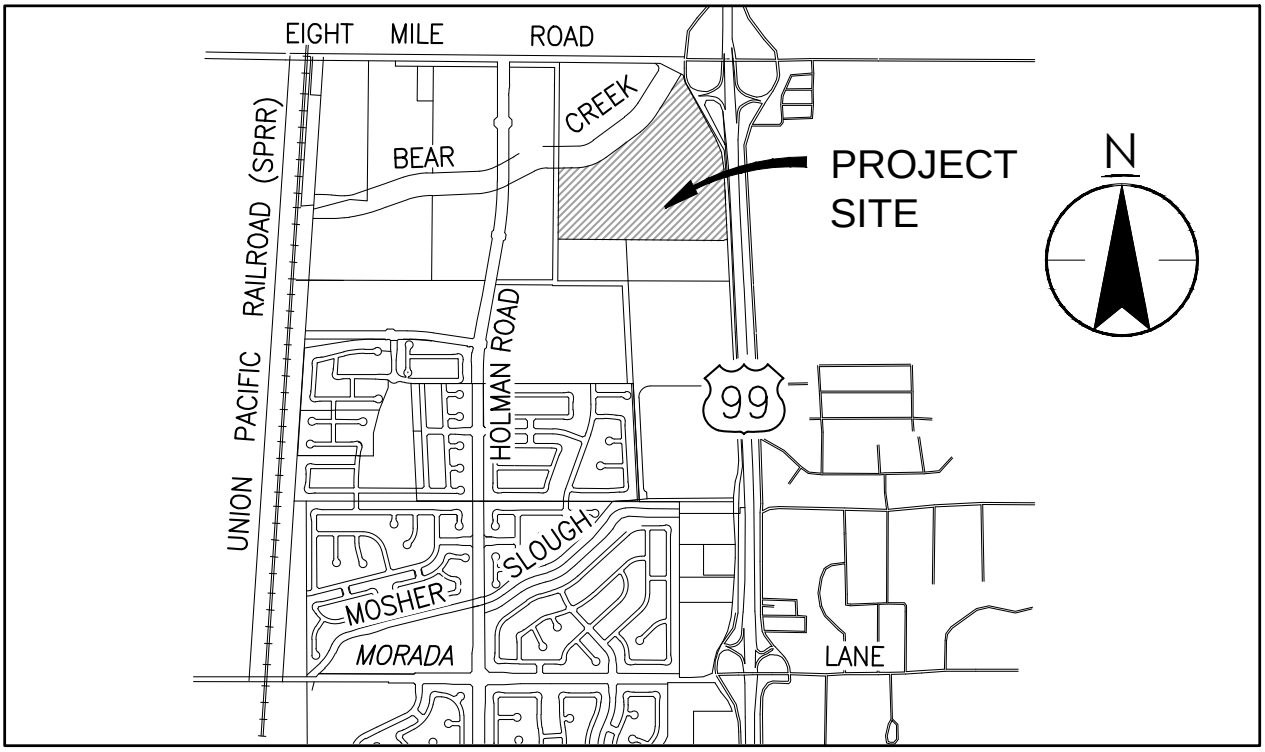
authorizes the recordation of the Final Map. It is recommended that the Council adopt the proposed resolution, as Century Communities of California, LLC, has fulfilled all necessary conditions.

FINANCIAL SUMMARY

The costs of creating the Subdivision Agreement, including plan checking, inspection, map filing, and computer mapping services provided by City staff, have been paid by the subdivider in the amount of $342,574.05 and deposited in various fee accounts in the Development Services Fund and Street Sign Public Facility Fee Fund. These fees and deposits are described in detail in Exhibit A of the Subdivision Agreement. All other fees will be assessed at the time building permits are issued.

Cannery Park, Unit No. 14 (Village I) will be incorporated into CFD No. 2019-1, which provides funding for the necessary infrastructure improvements and ongoing City services related to police, fire, parks, roads, and open space to support the project development. There is no financial impact to the City because of the execution of the Subdivision Agreement. The developer bears the costs of constructing the required infrastructure improvements and development of the subdivision.

Attachment A - Vicinity Map



VICINITY MAP

NOT TO SCALE

NO.	REV. DATE	BY	APRVD.
DWG. BY			
CK. BY			
SCALE			

Cannery Park, Unit 14 Vicinity Map

CITY OF STOCKTON
DEPARTMENT OF PUBLIC WORKS

APPROVED BY	
CITY ENGINEER	
DATE	DRAWING NO.

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE THE SUBDIVISION AGREEMENT, ACCEPTING ON BEHALF OF THE PUBLIC ALL OFFERS OF DEDICATION, AND AUTHORIZING RECORDATION OF THE FINAL MAP FOR CANNERY PARK, UNIT NO. 14 (VILLAGE I) - TRACT NO. 4213

Cannery Park, Unit No. 14 (Village I), Tract No. 4213 is located north of PFC Jesse Mizener and east of Holman Road; and

The project will subdivide an approximately 55.88-acre project site into 131 lots for the construction of single-family residential homes, 1 lot for a park, 1 lot for a storm drainage basin, 1 lot for future development, and street right-of-way dedication; and

The subdivider is CENTURY COMMUNITIES OF CALIFORNIA, LLC (Subdivider); and

The Subdivider has submitted the Cannery Park, Unit No. 14 (Village I), Tract No. 4213, Final Map for approval; and

Staff reviewed the Final Map and Subdivision applications and determined that all conditions necessary for approval have been met, which include preparing improvement plans for all proposed public streets and utilities to be constructed within the subdivision unit, dedicating right-of-way easements, and posting security bonds to guarantee the subdivision improvements; and

The subdivision agreement contains the Subdivider's obligations for project site development; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Manager is hereby authorized to execute on behalf of the City of Stockton a Subdivision Agreement outlining conditions for the approval of Cannery Park, Unit No. 14 (Village I), Tract No. 4213, a copy of which is attached as Exhibit 1 and incorporated by this reference.

2. The certain Final Map, consisting of 8 sheets, entitled Cannery Park, Unit No. 14 (Village I), Tract No. 4213 filed with the City Clerk on _____, is hereby approved as and for the Final Map of that certain subdivision known as Cannery Park, Unit No. 14 (Village I), Tract No. 4213, Stockton, California, a copy of which is attached as Exhibit 2 and incorporated by reference.

3. The City Council hereby accepts on behalf of the public all offers of dedication for the purposes designated and authorizes the recordation of the map.

4. The approval and acceptance by the City on behalf of the public of Tract No. 4213, Subdivisions of San Joaquin County, Cannery Park, Unit No. 14 – Village I, is subject to the owner or owners constructing all public improvements required by the Community Development Department and the payment of all fees required under Chapter 16, Division 4, of the Stockton Municipal Code, and subject to the owner or owners submitting to the City of Stockton the final map of the subdivision approved by the County Surveyor indicating conformance to the Subdivision Map Act of the State of California.

5. The City Clerk is hereby authorized and directed to sign and have recorded said subdivision map when same is submitted to the City, bearing said approval of the County Surveyor, and is approved by the City Engineer.

6. The City Manager is authorized to take such other actions as are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED August 12, 2025.

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

After Recording Return To:
City of Stockton
Community Development Department
Planning & Engineering Services Div.
425 North El Dorado Street
Stockton CA 95202

SUBDIVISION AGREEMENT
(FINAL MAP)

THIS SUBDIVISION AGREEMENT ("Agreement") is made and entered into as of _____ by and between the CITY OF STOCKTON, hereafter referred to as "CITY," and CENTURY COMMUNITIES OF CALIFORNIA, LLC, A DELAWARE LIMITED LIABILITY COMPANY, hereinafter referred to as "SUBDIVIDER."

W I T N E S S E T H:

Subdivider has presented to City for approval a final subdivision map (hereinafter called "MAP") entitled **CANNERY PARK, UNIT NO. 14 (VILLAGE I) -- TRACT NO. 4213 (TM 8-04 A&B and P21-0435)** which Map has been checked and approved by the County Surveyor; and

Said Map has been filed with the City Engineer for presentation to the City Council of the City for its approval, which Map is hereby referred to and incorporated herein; and

Subdivider has requested approval of said Map prior to the construction and completion of improvements, including all streets, highways or public ways and public utility facilities which are a part of, or appurtenant to, the subdivision (hereinafter called "subdivision") designated in the Map, all in accordance with, and as required by, the plans and specifications for all or any of said improvements in, appurtenant to, or outside the limits of subdivision, which plans and specifications (5610C) dated 4/23/25, prepared by VVH Consulting Engineers, and consisting of Sheets 1 through 30 are now on file in the Office of the City Engineer; and

This agreement is executed pursuant to the provisions of the Subdivision Map Act of the State of California and Title 16, Division 6, of the Stockton Municipal Code.

NOW, THEREFORE, for and in consideration of these premises and the approval of said Map and of the acceptance of the dedications, or some thereof, therein offered, and in order to ensure satisfactory performance by Subdivider of Subdivider's obligations under said Subdivision Map Act and said Municipal Code, the parties hereto agree as follows:

1. PERFORMANCE OF WORK

Subdivider shall construct or cause to be constructed, at Subdivider's own expense, in a good and worklike manner, under the direction and to the satisfaction of the City Engineer, all of the following work and improvements within the subdivision, to-wit:

Those certain improvements designated and shown on said Map as streets, curbs, gutters, sanitary sewers, storm sewers, water mains,

street lights, sidewalks, and other on or off-site improvements in accordance with the plans and specifications on file in the office of City Engineer together with any changes required or ordered by said Engineer, which in the Engineer's opinion, are necessary or required to complete the work.

2. WORK: PLACES AND GRADES TO BE FIXED BY ENGINEER

All of said work is to be done to the satisfaction of the City Engineer, and to the grades as shown upon the approved plans and specifications on file in the Office of the City Engineer. Subdivider warrants that construction will not adversely affect any portion of adjacent properties.

3. WORK: TIME FOR COMMENCEMENT AND PERFORMANCE

At least seventy-two (72) hours prior to the commencement of any work hereunder, Subdivider shall notify City Engineer in writing of the date fixed by Subdivider for commencement thereof, so that City Engineer shall be able to provide services of inspection.

Subdivider will complete, or cause to be completed, within two (2) years of approval of said Map and construction plans by the City Council, all improvements in accordance with the plans and specifications on file as hereinbefore specified, including any changes required or ordered by the said Engineer.

The work shall be performed in a safe and good worklike manner, and enough workers to quickly and adequately perform the work in accordance with normal construction standards for similar jobs shall be employed and used. All work must comply with State of California, Division of Industrial Safety Construction Orders.

Except during an emergency, as determined by the City Engineer, all work shall be performed between the hours of 7:00 a.m. and 9:00 p.m.

Any contractor not performing as required by this agreement may, at the discretion of the City Engineer, be barred from doing any work within the City of Stockton on any subdivision or any public works project for a maximum period of two (2) years.

City may require Subdivider to furnish a licensed Soils Engineer to test and certify that all cuts, fills and trench backfill conform to the requirements of City and State codes.

4. TIME OF ESSENCE: EXTENSION

Time is of the essence of this agreement; provided that in the event good cause is shown, the City Council may extend the time for completion of the improvements hereunder. Any such extension may be granted without notice to the Subdivider's surety, and extensions so granted shall not release or modify the surety's liability on the bond to secure the faithful performance of this agreement, or the payment for labor and materials.

5. REPAIRS AND REPLACEMENTS

Subdivider shall replace, or have replaced, or repair or have repaired, as the case may be, all pipes and monuments shown on the map which have been destroyed or damaged, and Subdivider shall replace or have replaced, repair or have repaired, as the case may be, or pay the

owner, the entire cost of replacement or repairs, of any and all property damaged or destroyed by reason of any work done hereunder, whether such property be owned by the United States or any agency thereof, or the State of California or any agency or political subdivision thereof, or by the City or by any public or private corporation, or by any person whomsoever, or by any combination of such owners. Any such repair or replacement shall be to the satisfaction, and subject to the approval of the City Engineer.

6. UTILITY DEPOSITS: STATEMENT

Subdivider shall make all deposits legally required by each public utility corporation for the connection of any and all public utilities to be supplied by such public utility corporation within the subdivision.

7. PERMITS: COMPLIANCE WITH LAW

Subdivider shall, at Subdivider's expense, obtain all necessary permits and licenses for the construction of such improvements, give all necessary notices and pay all fees and taxes required by law.

8. SUPERINTENDENCE BY SUBDIVIDER

Subdivider shall give personal superintendence to the work on said improvement, or have a competent foreman or superintendent, satisfactory to the City Engineer, on the work at all times during progress, with authority to act for Subdivider.

9. INSPECTION BY CITY

Subdivider shall at all times maintain proper facilities, and provide safe access for inspection by City, to all parts of the work, and to the shops wherein the work is in preparation.

10. CONTRACT SECURITY

Concurrently with the execution hereof, Subdivider shall furnish:

A. A cash bond guaranteeing payment for placing monuments in the amount of (18 Monuments)..... $36,000.00

B. A surety bond, cash deposit or letter of credit (50% of the public improvements cost) as security for the faithful performance of this agreement in the amount of $2,200,496.00

C. A separate security bond, cash deposit or letter of credit (50% of the public improvements cost) as security for the payment of all persons performing labor and furnishing materials in connection with this agreement in the amount of..... $2,200,496.00

The surety on each of said bonds shall be a corporate surety company authorized to transact business in the State of California, and the form thereof shall be satisfactory to the City Attorney and the Administrative Services Officer. Release of securities shall be as follows:

A. Security given for faithful performance shall be released after the City has finally accepted the work, and provided that security of at least ten (10) percent of the public improvements cost has been retained or security has been furnished to the City to guarantee and warrant the work for 1-year following the date of such acceptance of the work.

B. Security securing the payment to the contractor, the subcontractors of the contractor, and to persons furnishing labor, materials or equipment shall be released sixty (60) days after recording the Notice of Completion provided that the City has finally accepted the work and provided no claims or liens have been filed with the City. If claims of lien have been filed, an amount of security at least equal to the claims shall be retained pending the outcome of the claims.

C. The security guaranteeing that the completed work remains satisfactory during the required 1-year warranty period shall be released upon correction, by Subdivider, of any defects in the work existing at the end of the warranty period.

D. Monument security shall be released in accordance with the provisions of Section 66497 of the Government Code.

In the event that improvements do not conform to the plans and specifications or defects are not corrected within the time limit specified by the City, the City shall have the authority to order the necessary work done and to recover the cost of such work as well as any costs of enforcing such obligation, including attorney fees, from the Subdivider and the Subdivider's surety or the financial institution providing the Instrument of Credit.

11. INDEMNITY AND HOLD HARMLESS AGREEMENT

With the exception that this section shall in no event be construed to require indemnification by SUBDIVIDER to a greater extent than permitted under the public policy of the State of California, SUBDIVIDER shall, indemnify, protect, defend with counsel approved by CITY and at SUBDIVIDER'S sole cost and expense, and hold harmless City of Stockton and its officers, officials, employees and volunteers from and against any and all claims, causes of action, liabilities, judgments, awards, losses, liens, claims, stop notices, damages, expenses, and costs (including without limitation attorneys' fees, expert and subdivider fees, and other expenses of litigation) of every nature, including, but not limited to, death or injury to persons, or damage to property, which arise out of or are in any way connected with the work performed, materials furnished, or services provided under this Agreement, or from any violation of any federal, state, or municipal law or ordinance, or CITY Policy, by SUBDIVIDER or SUBDIVIDER'S officers, agents, employees, volunteers or subcontractors. SUBDIVIDER shall not be obligated to indemnify or defend CITY for claims finally determined by a court of law or arbitrator to arise from the active negligence or willful misconduct of the CITY. It is the intent of the Parties that this indemnity obligation is at least as broad as is permitted under California law. To the extent California Civil Code sections 2782, et seq., limit the defense or indemnity obligations of SUBDIVIDER to CITY, the intent hereunder is to provide the maximum defense and indemnity obligations allowed by SUBDIVIDER under the law. The indemnity set forth in this section shall not be limited by insurance requirements or by any other provision of this Agreement.

With the exception that this section shall in no event be construed to require indemnification, including the duty to defend, by SUBDIVIDER to a greater extent than permitted under the public policy of the State of California, the parties agree that SUBDIVIDER'S duty to defend CITY is immediate and arises upon the filing of any claim against the CITY for damages which arise out of

or are in any way connected with the work performed, materials furnished, or services provided under this Agreement by SUBDIVIDER or SUBDIVIDER'S officers, agents, employees, volunteers or subcontractors. SUBDIVIDER'S duties and obligations to defend the CITY shall apply regardless of whether or not the issue of the CITY'S liability, breach of this Agreement, or other obligation or fault has been determined. SUBDIVIDER shall be immediately obligated to pay for CITY'S defense costs of the claim, including, but not limited to, court costs, attorney's fees and costs, expert subdivider and witness fees and costs, other witness fees, document reproduction costs, arbitration fees, and, if after final judgment an appeal is pursued, all of such costs for the appeal. At the conclusion of the claim, if there is any determination or finding of sole active negligence or willful misconduct on the part of the CITY, CITY will then reimburse SUBDIVIDER for amounts paid in excess of SUBDIVIDER'S proportionate share of responsibility for the damages within 30 days after SUBDIVIDER provides CITY with copies of all bills and expenses incurred in the defense of the claim(s). It is agreed between the parties that this reimbursement provision assures SUBDIVIDER is not obligated to defend or indemnify CITY in an amount greater than provided for under California law, including, without limitation, California Civil Code sections 2782, 2782.6, and 2782.8.

With the exception that this section shall in no event be construed to require indemnification by SUBDIVIDER to a greater extent than permitted under the public policy of the State of California, and in addition to the other indemnity obligations in this Agreement, SUBDIVIDER shall indemnify, defend, and hold harmless City of Stockton and its officers, officials, employees and volunteers from and against all claims, losses, expenses, and costs including but not limited to attorneys' fees, arising out of any claim brought against the CITY by an employee, office, agent, or volunteer of SUBDIVIDER, regardless of whether such claim may be covered by any applicable workers compensation insurance. SUBDIVIDER'S indemnification obligation is not limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the SUBDIVIDER under workers' compensation acts, disability acts, or other employee benefit acts.

INSURANCE REQUIREMENTS

Subdivider shall comply with the insurance requirements set forth in Exhibit B.

Subdivider shall contractually require the selected contractor to carry the insurance required within Exhibit C.

12. TITLE TO IMPROVEMENTS

Title to, and ownership of, all improvements constructed hereunder by Subdivider shall vest absolutely in City, upon completion and acceptance of such improvements by City, except as otherwise may be provided in this agreement. Prior to final acceptance by the City, the Subdivider shall submit to the City Engineer accurately revised "as built" plans showing all the sanitary, storm and water lateral locations, monuments with tie notes and unit prices and quantities of the underground sewer, storm drainage, water, street lighting and street facilities installed as part of this subdivision unit.

13. REPAIR OR RECONSTRUCTION OF DEFECTIVE WORK

If, within a period of one (1) year after final acceptance of the work performed under this agreement, any structure or part of any structure furnished and/or installed or constructed, or caused to be installed or constructed by Subdivider, or any of the work done under this agreement, fails to fulfill any of the requirements of this agreement or the specifications referred to herein, Subdivider shall without delay and without any cost to City, repair or replace or reconstruct any

defective or otherwise unsatisfactory part or parts of the work or structure. Should Subdivider fail to act within thirty (30) days after written notice or in case of emergency, City may, at its option, make the necessary repairs or replacements or perform the necessary work and Subdivider shall pay to City the actual cost of such repairs plus twenty-five (25) percent as administrative costs. In accordance with Section 16.72.070 of the Stockton Municipal Code, the subdivider shall deposit $44,010.00 with the City to correct deficiencies and conditions caused by the Subdivider or contractor during or after the construction of this subdivision.

14. SUBDIVIDER NOT AGENT OF CITY

Subdivider or any of Subdivider's agents or contractors are not or shall not be considered agents of City in connection with the performance of Subdivider's obligations under this agreement.

15. COST OF ENGINEERING AND INSPECTION

Prior to commencement of construction, the Subdivider shall pay to the City of Stockton the cost for the checking of engineering plans, inspection of the work, and the checking and testing of the materials at the appropriate existing rate. The cost of such improvements is based on an approved estimate, or on the construction contract, if awarded prior to filing of the map with the City Council.

Plan Checking Fee	=	$98,680.32
Inspection Fee	=	$154,581.76

No work shall be performed without inspection by the City. Any work performed without an inspection will not be accepted by the City.

All work, which requires inspection, shall be performed during the City's normal working hours and work days. If any work is performed before 8:00 a.m., after 5:00 p.m., or on a City holiday, or on a weekend, there must be a request in writing twenty-four (24) hours in advance for an inspector during those hours, and there must be paid to the City double the Inspector's hourly cost to the City. This payment is not included in the 3.5 percent (3.5%) engineering and inspection fee.

If an inspector is not available to work during such hours, as requested, no work shall be performed during those hours.

16. FILING FEES

Concurrently with execution hereof, Subdivider shall pay a computer mapping fee of $600.25 ($155 + $3.25/lot), a map filing fee of $3,685.00 and, present one check for recording the Map and the agreement, payable to the San Joaquin County Recorder in the amount of $116.00 and $242.00, respectively. City will forward the checks with the Map for recording.

17. NOTICE OF BREACH AND DEFAULT

If Subdivider refuses or fails to obtain prosecution of the work, or any severable part thereof, with such diligence as will insure its completion within the time specified, or any extensions thereof, or fails to obtain completion of said work within such time, or if the Subdivider should be adjudged a bankrupt, or Subdivider should make a general assignment for the benefit of Subdivider's creditors, or if a receiver should be appointed in the event of Subdivider insolvency, or if Subdivider, or any of Subdivider's contractors, subcontractors, agents, or employees should violate any of the provisions

of this agreement, City Engineer or City Council may serve written notice upon Subdivider and Subdivider's surety of breach of this agreement or of any portion thereof and default of Subdivider.

18. BREACH OF AGREEMENT: PERFORMANCE BY SURETY OR CITY

In the event of any such notice, Subdivider's surety shall have the duty to take over and complete the work and the improvements herein specified; provided, however, that if the surety, within ten (10) days after the serving upon it of such notice of breach does not give City written notice of its intention to take over the performance of the contract, and does not commence performance thereof within ten (10) days after notice to City of such election, City may take over the work and prosecute the same to completion, by contract or by any other method City may deem advisable, for the account and at the expense of Subdivider, and Subdivider's surety shall be liable to City for the cost and damages occasioned City thereby; and, in such event, City without liability for so doing may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to Subdivider as may be on the site of the work and necessary therefor. The City reserves to itself all remedies available to it at law or in equity for breach of Subdivider's obligations under this Agreement. The right of City to draw upon or utilize the security is additional to and not in lieu of any other remedy available to City. In the event that Subdivider fails to perform any obligations hereunder, Subdivider agrees to pay all costs and expenses incurred by City in securing performance of such obligations, including costs of suit and reasonable attorney fees.

19. NOTICES

All notices herein required shall be in writing, and delivered in person or sent by registered mail, postage prepaid.

Notices required to be given to City shall be addressed as follows:

CITY ENGINEER
22 E. WEBER AVENUE
STOCKTON CA 95202

Notices required to be given to Subdivider shall be addressed as follows:

CENTURY COMMUNITIES OF CALIFORNIA, LLC, A DELAWARE LIMITED LIABILITY COMPANY
6700 KOLL CENTER PARKWAY, SUITE 210
PLEASANTON CA 94566

Notices required to be given to surety of Subdivider shall be addressed as follows:

MARSH USA LLC
1225 17TH STREET, SUITE 1300
DENVER CO 80202

Provided that any party or the surety may change such address by notice in writing to the other party and, thereafter, notices shall be addressed and transmitted to the new address.

20. FIRE PROTECTION

No building permits will be issued in this subdivision until the water system has been completed and tested and all access streets installed and made serviceable. This provision may be modified or waived if an alternate method of providing fire protection is provided and approved by the Stockton Fire Department.

21. STREET TREE SECURITY

The Subdivider shall provide a faithful performance bond, cash deposit, or letter of credit for 125% of the street tree fee based on $195 per tree.

Street Tree Security: 175 trees @ $195 ea. X 125% = $42,656.25

22. STREET NAME SIGN FEE

The Subdivider shall pay a street name sign fee based on $286.25 per sign to be furnished and installed by the City.

Street Name Sign Fee: 13 signs @ $286.25 ea. = $3,721.25

23. SUMMARY OF FEES

The fees mentioned in this Agreement are summarized in Exhibit A attached hereto and incorporated herein by reference. However, some fees such as the Public Facilities Fee and Parkland Fee, which are collected at the building permit stage, are not included in this summary.

24. BINDING UPON SUCCESSORS

This agreement shall be binding upon and inure to the benefit of, and be enforceable by and against, the heirs, successors, and assigns of the parties hereto, subject to the terms hereof.

25. ASSIGNMENT

Subdivider shall have the right to assign (by sale, transfer, or otherwise) directly or indirectly, all or part of its rights, duties and obligations under this agreement as to any portion or all of the Property upon a specific written request and written consent by the City Manager which shall not be unreasonably withheld, delayed or conditioned. Except that Subdivider may, without the consent of the City, assign this Agreement to a controlled subsidiary of Subdivider or a purchaser of all or substantially all of Subdivider's interest in the real property which is the subject of the Map, provided the assigning party causes the assignee to assume in writing all obligations of the assignor under this Agreement. Notice of an assignment to a controlled subsidiary of Subdivider or a purchaser of all or substantially all of Subdivider's interest shall be given to the City in writing within 30 days of such change. Upon any such assignments, Subdivider shall be released from its obligations under this Agreement and shall receive the immediate return of all security deposits, including, but not limited to bonds, letters of credit, security instruments or any other financial commitments upon the replacement of same by the assignee. The rights and obligations of this Agreement shall bind and benefit any successors or assigns of the parties.

26. SPECIAL PROVISIONS

The subdivision of the property subject to the Map described herein shall be subject to the tentative map conditions in TM8-04 & P21-0435 as shown in Exhibit D (attached) shall apply to this Agreement.

The property to be subdivided by the Map described herein shall participate in the Cannery Park Storm Water Quality Assessment District formed by City Council on November 15, 2005 by Resolution 05-0505.

Note: No building permits shall be issued until the Map described herein is recorded.

Note: Right-of-way dedication for bus turnouts, street right-of-way, and slope easements for grade separations shall be dedicated when necessary with the Map described herein.

ATTEST:

KATHERINE ROLAND, CMC, CPMC
CITY CLERK

By_____

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY

BY CITY ATTORNEY

CITY OF STOCKTON:

STEVE COLANGELO
INTERIM CITY MANAGER

By_____

CENTURY COMMUNITIES OF CALIFORNIA, LLC, A DELAWARE LIMITED LIABILITY COMPANY

DEAN K MILLS
(PRINT NAME)

BY_____
(SIGNATURE)

(TITLE)
Vice President

APPROVED BY CITY COUNCIL RESOLUTION NO. _____
ON _____, 20___.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Alameda

On June 3, 2025 before me, I.S. Huynh, Notary Public, personally appeared Dean K. Mills, who proved to me on the basis of satisfactory evidence to be the person(~~s~~) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature(~~s~~) on the instrument the person(~~s~~), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

I. S. HUYNH
Notary Public - California
Alameda County
Commission # 2362210
My Comm. Expires Jun 22, 2025

WITNESS my hand and official seal.

Signature of Notary Public

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____)

On _____ before me, _____
(insert name and title of the officer)

personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ **(Seal)**

(NOTARY FOR CITY MANAGER)

EXHIBIT A
CANNERY PARK UNIT NO. 14, VILLAGE I
LEGAL DESCRIPTION

Being a portion of Parcels 1, 2 and 3 as shown on that certain map, filed in Book 24 of Parcel Maps, Page 105, San Joaquin County Records, lying in Section 1, Township 2 North, Range 6 East, Mount Diablo Meridian, City of Stockton, County of San Joaquin, State of California, more particularly described as follows:

COMMENCING at the Southeast corner of said Parcel 3; thence, along the Northerly line of PFC Jesse Mizener Street South 87°11'52" West 31.74 feet to **THE POINT OF BEGINNING:** thence, continue South 87°11'52" West 14.88 feet; thence, along said Northerly line South 43°35'56" West 9.67 feet; thence, leaving last said line South 81°00'35" West 37.70 feet to a tangent curve concave to the North, having a radius of 90.00 feet; thence, along said curve through a central angle of 8°59'25" an arc distance of 14.12 feet, and a chord course of South 85°30'18" West 14.11 feet to the Northerly line of said PFC Jesse Mizener Street; thence, along last said Northerly line West 649.96 feet; thence, leaving last said line North 9.00 feet; thence, West 22.34 feet; thence, South 9.00 feet to said Northerly line; thence, along said Northerly line West 852.52 feet to a non-tangent curve concave to the Northwest having a radius of 137.00 feet, at which a radial line bears South 9°48'08" East; thence, Northeasterly along said curve through a central angle of 5°03'34" an arc distance of 12.10 feet, and a chord course of North 77°40'05" East 12.09 feet to a compound curve concave to the Northwest having a radius of 20.00 feet, at which a radial line bears South 14°51'42" East; thence, along said curve through a central angle of 60°03'13" an arc distance of 20.96 feet, and a chord course of North 45°06'42" East 20.02 feet, to a compound curve concave to the West having a radius of 140.00 feet, at which a radial line bears South 74°54'55" East; thence, along said curve through a central angle of 15°05'05" an arc distance of 36.86 feet, and a chord course of North 7°32'33" East 36.75 feet; thence, North 36.86 feet; thence, North 3°28'06" East 66.12 feet; thence, North 190.00 feet; thence, North 45°00'00" West 14.14 feet; thence, West 178.09 feet to a tangent curve concave to the South having a radius of 90.00 feet; thence, along said curve through a central angle of 9°13'09" an arc distance of 14.48 feet, and a chord course of South 85°23'25" West 14.47 feet; thence, South 80°46'51" West 50.00 feet to beginning of a tangent curve concave to the North having a radius of 64.00 feet; thence, along said curve through a central angle of 9°13'09" an arc distance of 10.30 feet, and chord course of South 85°23'25" West 10.29 feet; thence West 154.00 feet to the Westerly line of said Parcel 2; thence, along the Westerly line of said Parcel 2, North 376.37 feet; thence, leaving last said line East 154.00 feet to a tangent curve concave to the South having a radius of 64.00 feet; thence, along said curve through a central angle of 9°13'09" an arc distance of 10.30 feet, and a chord course of South 85°23'25"East 10.29 feet; thence, South 80°46'51" East 43.02 feet to beginning of a tangent curve concave to the North having a radius of 90.00 feet; thence, along said curve through a central angle of 12°37'29" an arc distance of 19.83 feet, and a chord course of South 87°05'35" East 19.79 feet, to a compound curve concave to the Northwest having a radius of 723.00 feet,

at which a radial line bears South 3°24'19" East; thence, along said curve through a central angle of 29°52'57" an arc distance of 377.08 feet, and a chord course of North 71°39'12" East 372.82 feet; thence, South 33°17'16" East 54.00 feet; thence, South 23°52'50" East 147.51 feet to a tangent curve concave to the West having a radius of 377.00 feet; thence, along said curve through a central angle of 23°52'50", an arc distance of 157.13 feet, and a chord course of South 11°56'25" East 156.00 feet; thence, South 88.36 feet; thence, East 90.00 feet; thence, North 45°00'00" East 14.14 feet; thence, East 54.00 feet; thence, South 45°00'00" East 14.14 feet; thence, East 180.00 feet; thence, North 45°00'00" East 14.14 feet; thence, East 54.00 feet; thence, South 45°00'00" East 14.14 feet; thence East 90.00 feet; thence, North 224.00 feet; thence, East 154.00 feet; thence, South 45°00'00" East 14.14 feet; thence, East 181.06 feet; thence, North 45°00'00" East 14.14 feet; thence, East 54.00 feet; thence, South 45°00'00" East 14.14 feet; thence, East 180.00 feet; thence, North 45°00'00" East 14.14 feet; thence, North 9.24 feet; thence, East 160.91 feet to the Easterly line of said Parcel 3; thence, along the Easterly line of said Parcel 3 South 02°48'08" East 603.56 feet; thence, leaving last said line South 49°56'05" West 39.88 feet to **THE POINT OF BEGINNING**.

Containing 24.69 acres, more or less.

Subject to covenants, conditions, restrictions, reservations, rights, rights-of-way, and easements of record, if any.

Kaiser Shahbaz, L. S. 8599

1/23/2025
Date

EXHIBIT A

SUMMARY OF FEES AND BONDS

STREET NAME SIGN FEE	$3,721.25
PLAN CHECK FEE	$98,680.32
INSPECTION FEE	$154,581.76
MATERIAL TESTING FEE	$15,377.45
FILING FEE	$3,685.00
TECH FEE	$11,870.01
CRS FEE	$9,496.01
CASH DEPOSIT	$44,010.00
COMPUTER MAPPING FEE	$600.25
MUD IMAGING FEE	$552.00
ASSESSMENT DISTRICT SEGREGATION	$0.00
TOTAL	$342,574.05

RECORDING FEE (payable to San Joaquin County Recorder)

MAP (6 Sheets)	$116.00
AGREEMENT (52 Sheets)	$242.00
TOTAL	$355.00

BONDS

MONUMENT BOND	$36,000.00
PERFORMANCE BOND	$2,200,496.00
LABOR AND MATERIAL BOND	$2,220,496.00
STREET TREE BOND	$42,656.25
TOTAL	$4,479,648.25

SUMMARY OF FEES AND BONDS (CONT.)

PROPORTIONATE SHARES

GRADE SEPARATION AT UPRR (SPRR) AND EIGHT MILE ROAD	PFF
EIGHT MILE ROAD/HAM LANE	$4,264.89
EIGHT MILE ROAD/LEACH ROAD	$4,264.89
EIGHT MILE ROAD/HWY 99 WEST FRONTAGE ROAD	$8,821.90
EIGHT MILE ROAD/HWY 99 EAST FRONTAGE ROAD	$850.32
EIGHT MILE ROAD/HWY 99 EAST FRONTAGE ROAD AT NORTHBOUND RAMP	$2,152.28
MORADA LANE/HWY 99 WEST FRONTAGE ROAD	$2,614.44
MORADA LANE/HWY 99 EAST FRONTAGE ROAD	$3,411.69
PARK AND RIDE FACILITIES (686-0000-237.67-38)	$49,125.00
STREET MICROSURFACING (686-0000-237.67-40)	$85,543.00
TOTAL	$161,048.41

Exhibit B:
Insurance Requirements
(Subdividers)

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL)**: Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability**: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than **$1,000,000** per accident for bodily injury and property damage.

3. **Workers' Compensation**: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.

4. **Surety Requirement**: as described below.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Stockton, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 if a later edition is used). Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

Primary Coverage

For any claims related to this contract, the **Contractor's insurance coverage shall be primary and non-contributory** and at least as broad as ISO CG 20 01 04 13 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies. The City of Stockton does not accept endorsements limiting the Contractor's insurance coverage to the sole negligence of the Named Insured.

Umbrella or Excess Policy

The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess liability policies are exhausted.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City of Stockton.

Waiver of Subrogation

Contractor hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this

provision applies regardless of whether or not the City of Stockton has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions
Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured retention (SIR) or deductible that exceeds $25,000 unless approved in writing by City of Stockton. Any and all deductibles and SIRs shall be the sole responsibility of Contractor or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. City of Stockton may deduct from any amounts otherwise due Contractor to fund the SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. City of Stockton reserves the right to obtain a copy of any policies and endorsements for verification.

Acceptability of Insurers
Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Stockton.

Claims Made Policies (Professional & Pollution only)
If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained, and evidence of insurance must be provided ***for at least five (5) years after completion of the contract of work.***

3. If coverage is canceled or non-renewed, and not replaced ***with another claims-made policy form with a Retroactive Date prior to*** the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of ***five (5)*** years after completion of work.

Verification of Coverage

Contractor shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause **and a copy of the Declarations and Endorsements Pages of the CGL and any Excess policies listing all policy endorsements**. All certificates and endorsements and copies of the Declarations & Endorsements pages are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Surety Requirement

Contractor shall provide the following Surety Bonds:

1. Performance Bond

2. Payment Bond

3. Cash Deposit

The Payment Bond and the Performance Bond shall be in a sum based on the engineer's cost estimate. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

Cash deposit of one (1) percent of the construction cost or a minimum of $5,000.00, whichever is greater.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees, and Volunteers
400 E Main St, 3rd Floor – HR
Stockton, CA 95202

Exhibit C:
Insurance Requirements
(Construction Contracts)

Contractor shall procure and maintain for the duration of the contract, *and for five (5) years thereafter*, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees, or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$3,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: Insurance Services Office Form CA 0001 covering Code 1 (any auto), with limits no less than **$3,000,000** per accident for bodily injury and property damage.

3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employers' Liability insurance with a limit of no less than **$1,000,000** per accident for bodily injury or disease.

4. Professional Liability (if Design/Build), with limits no less than **$2,000,000** per occurrence or claim, and **$2,000,000** policy aggregate.

5. Contractors' Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) with limits no less than **$2,000,000** per occurrence or claim, and **$2,000,000** policy aggregate.

6. Surety Bonds as described below.

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured retention (SIR) or deductible that exceeds $25,000 unless approved in writing by City of Stockton. Any and all deductibles and SIRs shall be the sole responsibility of Contractor or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. City of Stockton may deduct from any amounts otherwise due Contractor to fund the SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named Insured. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. City of Stockton reserves the right to obtain a copy of any policies and endorsements for verification.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **The City of Stockton, its officers, officials, employees, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used). Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

2. For any claims related to this project, the **Contractor's insurance coverage shall be primary and non-contributory** insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies. The City of Stockton does not accept endorsements limiting the Contractor's insurance coverage to the sole negligence of the Named Insured.

3. Each insurance policy required by this clause shall provide that coverage shall not be canceled, except with notice to the City of Stockton.

Claims Made Policies (Professional & Pollution only)
If any coverage required is written on a claims-made coverage form:

1. The retroactive date must be shown, and this date must be before the execution date of the contract or the beginning of contract work.

2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.

3. If coverage is cancelled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective, or start of work date, the Contractor must purchase extended reporting period coverage for a minimum of five (5) years after completion of contract work.

4. A copy of the claims reporting requirements must be submitted to the City of Stockton for review.

5. If the services involve lead-based paint or asbestos identification/remediation, the Contractors Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

Umbrella or Excess Policies
The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess liability policies are exhausted.

Acceptability of Insurers
Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City of Stockton.

Waiver of Subrogation

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. **The Workers' Compensation policy shall be endorsed with a waiver of subrogation** in favor of the City of Stockton for all work performed by the Contractor, its employees, agents and subcontractors.

Verification of Coverage

Contractor shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause **and a copy of the Declarations and Endorsements Pages of the CGL and any Excess policies listing all policy endorsements**. All certificates and endorsements and copies of the Declarations & Endorsements pages are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance meeting all requirements stated herein, and Contractor shall ensure that City of Stockton is an additional insured on insurance required from subcontractors. For CGL coverage, subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

Duration of Coverage

CGL & Excess liability policies **for any construction related work, including, but not limited to, maintenance, service, or repair work**, shall continue coverage for a minimum of 5 years for Completed Operations liability coverage. Such Insurance must be maintained and evidence of insurance must be provided **for at least five (5) years after completion of the contract of work**.

Surety Bonds

Contractor shall provide the following Surety Bonds:

1. Bid Bond
2. Performance Bond
3. Payment Bond
4. Maintenance Bond

The Payment Bond and the Performance Bond shall be in a sum equal to the contract price. If the Performance Bond provides for a one-year warranty a separate Maintenance Bond is not necessary. If the warranty period specified in the contract is for longer than one year a Maintenance Bond equal to 10% of the contract price is required. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees and Volunteers
400 E Main Street, 3rd Floor – HR
Stockton, CA 95202

General Conditions

The owners, and developers and/or successors-in-interest (the 'ODS') who subdivide property with the Cannery Park Subdivision shall comply with the following general conditions. These general conditions may be more specifically detailed in the development scenarios presented herein. These Conditions of Approval (COAs) were updated as part of the Cannery Park Project Amendments (P21-0435).

1. Comply with all applicable Federal, State, County, and City codes, regulations, and adopted standards and pay all applicable fees. (#1), (SPA#1)

2. Pursuant to Section 15091 and 15093 of the State CEQA Guidelines, the project shall be subject to all applicable mitigation measures identified in the City-adopted "Findings, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program for the Cannery Park Mixed Use Project." (#2), (SPA#2)

3. Lot 5 and Lot 6 of Cannery Park Unit No. 1 Final Map shall be annexed to the Cannery Park Residential Property Protective Restrictions recorded on May 17, 2017, Document No 2017-055715, San Joaquin County (CC&Rs). The City is declared as a third party beneficiary in Section 9.01.A of the CC&R's.

4. Based on the effective 200-Year Floodplain Analysis Map, and the Technical Memorandum prepared by VVH Consulting Engineers dated January 23, 2024, portions of the project site have areas of potential flooding in excess of three (3) feet from a storm event that has a 1-in-200 chance of occurring in any given year, from sources other than local drainage, in urban and urbanizing areas. The finished floors of future structures shall be elevated to within three (3) feet of the 200-year base flood elevation providing an urban level of flood protection in accordance with SMC 16.90.020(A)2. All future construction will adhere to the City's established Criteria for Development in 200-Year Floodplains, for the issuance of building permits for new residential units in master planned communities.

5. Comply with all applicable Federal, State, County, and City Codes, regulations and adopted standards and pay all applicable fees.

6. The property owners, developers, and/or successors-in-interest (ODS) shall be responsible for the City's legal and administrative costs associated with defending any legal challenge of the approval for this project or its related environmental document.

7. To minimize any adverse financial impact on the City of Stockton associated development and/or use of the subject site, the ODS agrees that it will not challenge, or protest and applicable fees associated with the development of the site, but if such fees are amended or modified, the ODS agree to pay such fees as they may be amended or modified from time to time.

Traffic & Circulation (Analysis, Phasing and Dedication)

8. Conduct a queuing and traffic access analysis at proposed signalized intersections to determine appropriate intersection location and required turn pocket/lane length. (#8)

9. The ODS shall conduct a project phasing analysis to determine the timing and level of project development that can occur before degrading the operational level of service at the Eight Mile Road/State Highway Route 99 interchange and Morada Lane/State Highway Route 99 interchange below level of service that conforms with State Urban Highway Standards. Said study shall be approved by the City and identified improvement timing shall be binding on the ODS. (#14)

Traffic & Circulation (Design, Construction and/or Funding Proportionate Share)

10. The ODS shall be responsible for 100 percent of the design and construction costs of on-site roadway and intersection improvements and roadway extensions and public utilities identified on the Tentative Map and/or included in the project EIR, project description or as mitigation measures. Improvements include but are not limited to all sewer, water and storm drain lines, traffic signals, street lighting, street paving, curb, gutter and sidewalk. (#10)

Eight Mile Road Specific Plan

11. If the improvements allowed by Specific Plan Amendment SPA1-03 are not constructed within five years, the Specific Plan Amendment shall be null and void. (SPA#6)

Domestic Water

12. Appropriately sized utilities and 3-phase electrical service shall be provided for all City owned or operated facilities. (#29)

Oak Tree Avoidance/mitigation

13. Removal of Oak trees shall be avoided whenever feasible. The owners, developers, and/or successors-in-interest shall coordinate the layout of project plans with the Community Development Department Director t to minimize or eliminate Oak tree removals. If removal of an Oak tree cannot be avoided, the owners, developers, and/or successors-in-interest shall be responsible for replacement of Oak trees on site, as approved by the Community Development Department Director or designated representative. If on-site planting is not possible, the owners, developers, and/or successors-in-interest shall pay the Community Development Department the estimated cost (as determined by the Community Development Department Director or designated representative for the City to have the replacement Oak trees planted by private contract on a site deemed appropriate by the Community Development Department Director of designated representative in accordance with the mitigation measures identified in the Final Environmental Impact Report (EIR1-03), as amended, and in the related CEQA Findings, Statement of Overriding Considerations, and Mitigation Monitoring/Reporting Program for the Cannery Park Mixed Use Project. (#46)

In order to provide an appropriate and reliable Improvement/Development Plan for a mixed-use development with the component elements contained in the Cannery Park Subdivision, the Subdivision has been divided into five (5) Plan Areas (Exhibit 'X'). The on-site/in-tract improvements and the off-site improvements corresponding to subdivision map conditions are listed separately for each Plan Area in Exhibit B (Master Subdivision Agreement Cannery Park) to the Subdivision Agreement for the Cannery Park Unit No. 1 Final Map, Tract No. 3465.

Cannery Park Subdivision Plan Areas: The improvements associated with each Plan Area are as follows:

PLAN AREA 'A'

Plan Area 'A' encompasses approximately 112.65± acres and includes Lot 11, Lot 12 (elementary school site), Lot 13 (neighborhood park), and Lot 14. The following general conditions are associated with development within Plan Area 'A' for Lot 11:

Morada Lane/Hwy 99 Interchange Frontage Roads

A1. Provide appropriate security, design and construct the following interim improvements to mitigate near-term impacts and enhance circulation.

A2. Design and install a traffic signal at Morada Lane/Hwy 99 West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13)

a. NB - one through/left-turn shared lane, and one right-turn lane
b. SB - one through/left-turn shared lane, and one right-turn lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one through, one left-turn lane, and one right-turn lane

A3. Design and install a traffic signal at the Morada Lane/Hwy 99 East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane, one through lane and one right-turn lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

If the owner/subdivider of Lot 11 constructs the interim improvements identified in A21 and A22, the payment of a proportionate share of the cost of those improvements as defined in A18 above is not required.

Morada Lane Interchange Frontage Roads

A4. Design and install a traffic signal at Morada Lane/Hwy 99 West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13)

a. NB - one through/left-turn shared lane, and one right-turn lane
b. SB - one through/left-turn shared lane, and one right-turn lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one through, one left-turn lane, and one right-turn lane

A5. Design and install a traffic signal at the Morada Lane/Hwy 99 East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane, one through lane and one right-turn lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

If the owner/subdivider of Lot 14 constructs the interim improvements identified in A39 and A40, the payment of a proportionate share of the cost of those improvements as defined in A36 above is not required.

PLAN AREA 'B'

Plan Area 'B' encompasses approximately 99.86± acres consisting of Lot 7, Lot 8, Lot 9 and Lot 10. The following general conditions are associated with development within Plan Area 'B' Lot 7, Lot 8, Lot 9 and Lot 10:

General Conditions

Bikeway, Pedestrian Pathway & Crossings

B1. All crossings of Holman Road proposed for bikeway/pedestrian purposes (i.e., "Parkway" and Bear Creek) shall be grade separated or occur at pedestrian actuated (midblock) signals. (#22)

B2. The Final Map prepared for Lot 9 and Lot 10 shall show those access point dedications along the south side of Bear Creek that are associated with the class one bike trail. All access points will need to be a separate lot acquired and improved by the ODS. All plans and improvements shall be subject to approval by the, the City Police Department and the City Public Works Department. (#34)

B3. The owner/subdivider of Lot 10 shall provide appropriate security, design and install a bikeway/pedestrian walkway along the south side of the Bear Creek drainage corridor. The bikeway/pedestrian walkway shall consist of an asphalt or concrete bike path as proposed in the project environmental document. Provide a Master Plan for the bikeway/pedestrian walkway prior to approval of the Final Map. The Master Plan shall contain but not be limited to the following component plans: signage, bollards, public access, landscaping, fencing, security (including hours of operation), and maintenance (including litter removal). A consolidated maintenance district will be

responsible for litter clean-up for the Bear Creek Corridor. The master plan shall be subject to review and approval by the Community Development Director and the Public Works Director. (#40), (#48)

B4. Prior to the recording a Final Subdivision Map within Plan Area B, design and submit to the Union Pacific Railroad (UPRR) the plans necessary to obtain UPRR approval of an a bikeway/pedestrian walkway crossing of the UPRR right-of-way along the south levee bank of Bear Creek.

Easements

B5. Comply with all requirements of agencies having jurisdiction over the Woodbridge Irrigation District (WID). (#25)

B6. The Final Map for Lot 9 and Lot 10 shall include a ten (10) foot easement from the existing toe of the levee along Bear Creek for maintenance of all levee slopes. Note: This condition is not required if the easement is already included as a component of another recorded map. (#18)

B7. Provide an accessible 10-foot wide maintenance/access easement or license agreement from UPRR for access purposes along the westerly side and a 3-foot wide maintenance/access easement along the easterly side of the masonry soundwall/fence constructed on the western side of Lot 10. (#33)

Disclosure/Notification

B8. The owner/subdivider of Lot 10 shall disclose to all prospective home buyers as a condition of sale and prior to the opening of escrow, the existence of any present or former remediation site (lead or any other contaminant) within the project boundaries. (#43)

The following on-site/in-tract improvements are necessary to support development within Plan Area 'B' Lot 7, Lot 8, Lot 9 and Lot 10:

On-site/In-tract Improvements Holman Road

B9. Prior to recording a final subdivision map within Lot 7, Lot 8, or Lot 10 within Plan Area B, prepare preliminary design plans and submit permit applications with Federal and State permitting agencies for the Holman Road Bridge crossing at Bear Creek and extension of Holman Road to Eight Mile Road. If the Federal and State permitting agencies approve and issue permits for the Holman Road Bridge crossing at Bear Creek, then prior to recording any additional final subdivision maps within Plan Area B, design and submit for City approval plans for the Holman Road Bridge crossing at Bear Creek and the extension of Holman Road to Eight Mile Road. Upon approval of the Homan Road Bridge and extension plans by the City, initiate the construction of the extension of Holman Road to Eight Mile Road and the Holman Road Bridge crossing at Bear Creek. To assure adequate right- of-way is reserved to accommodate the Holman Road Bridge crossing at Bear Creek, no final subdivision map(s) shall be recorded within Lot 9 until the Federal and State permitting agencies approve and issue permits for the Holman Road Bridge crossing at Bear Creek. Include median lighting. (#11)

B10. Concurrent with the construction of the extension of Holman Road to Eight Mile Road, install barricades per City of Stockton standards at the intersection of Holman Road and Cannery Circle/Tri-Valley Drive.

B11. Install bus turnouts at the intersection of Holman Road and Pfc Jessie Mizener Street and Holman Road and Eight Mile Road as depicted on the tentative map. (#17)

B12. The owner/subdivider of Lot 8 and Lot 9 shall construct a masonry sound wall along the east side of Holman Road from the northern boundary of the Woodbridge Irrigation District canal easement northward to The Bear Creek levee. The height of the soundwall shall be a minimum of seven feet, subject to design approval by the Community Development Director. (#47)

B13. The owner/subdivider of Lot 10 shall construct a masonry sound wall along the west side of Holman Road from the northern boundary of the Woodbridge Irrigation District canal easement northward to The Bear Creek levee. The height of the soundwall shall be a minimum of seven feet, subject to design approval by the Community Development Director. (#47)

B14. Access to Holman Road shall be restricted except at public street intersections. (#7)

B15. Install landscaping and sidewalk between masonry soundwall and back of curb subject to review and approval by the Community Development Director and the Public Works Director. (#40)

Lt. Col. Mark Taylor Street

B16. The owner/subdivider of Lot 10 shall construct the road to the full ninety-six (96) foot width (sixty-six (66) feet from curb face to curb face) from the western most curb flare at the intersection of Lt. Col. Mark Taylor Street and Street 'P' to the western boundary of Cannery Park TM8-04A&B at a time determined to be appropriate by the Public Works Director.

B17. Access to Lt. Col. Mark Taylor Street shall be restricted except at public street intersections. (#7)

B18. Construct a masonry sound wall along the north side of Lt. Col. Mark Taylor Street beginning at the western curb flare of the intersection of Lt. Col. Mark Taylor Street and Holman Road extending westward to the property boundary. The height of the soundwalls shall be at a minimum of seven feet, subject to design approval by the Community Development Director. (#47)

B19. Install landscaping and sidewalk between masonry soundwall and back of curb subject to review and approval by the Community Development Director and the Public Works Director. (#40)

Pfc. Jessie Mizener Street

B20. The owner/subdivider of Lot 7, Lot 8 or Lot 9 shall construct Pfc Jessie Mizener Street pursuant to the following improvement conditions. Note: In the event that the

Holman Road Road/Bear Creek Bridge is not granted its environmental permits allowing for its construction, and security has been provided for the construction of the bridge and Holman Road to Eight Mile Road, then in order to accommodate the daily trips from Improvement Plan Area B, the first final map within Plan Area B (i.e., Lot 7, Lot 8, Lot 9 or Lot 10) shall include the construction of Pfc Jessie Mizener Street pursuant to the dimensions and segment length described in B26 below.

B21. Construct the road to the full seventy-eight (78) foot width (forty-eight (48) feet from curb face to curb face) from approximately one hundred (100) feet west of the western most curb flare at the intersection with Holman Road and Pfc Jessie Mizener Street to the State Route Hwy 99 Frontage Road.

B22. Install a barricade per City of Stockton standards at the intersection of Pfc Jessie Mizener Street and Collector A.

B23. Access to Pfc Jessie Mizener Street shall be restricted except at public street intersections. (#7)

B24. The owner/subdivider of Lot 9 shall construct a masonry sound wall along the north side of Pfc Jessie Mizener Street beginning at the eastern most curb flare of the intersection of Holman Road and Pfc Jessie Mizener Street eastward across the southern property boundary intersecting with the easement of the Woodbridge Irrigation District Canal; excepting appropriate access points into the subdivision. The height of the soundwall shall be at a minimum of seven feet, subject to design approval by the Community Development Director. (#47)

B25. The owner/subdivider of Lot 8 shall construct a masonry sound wall along the south side of Pfc Jessie Mizener Street beginning at the eastern most curb flare of the intersection of Holman Road and Pfc Jessie Mizener Street eastward along the northern boundary of the property intersecting with the easement of the Woodbridge Irrigation District Canal; excepting appropriate access points into the subdivision. The height of the soundwall shall be at a minimum of seven feet, subject to design approval by the Community Development Director. (#47)

B26. The owner/subdivider of Lot 7 shall construct a masonry sound wall along the south side of Pfc Jessie Mizener Street beginning at the eastern boundary of the Woodbridge Irrigation District canal easement (Lot GG) eastward along the northern boundary of the property intersecting with the western boundary of Lot 5; excepting appropriate access points into the subdivision. The height of the soundwall shall be at a minimum of seven feet, subject to design approval by the Community Development Director. (#47)

B27. Install landscaping and sidewalk between masonry soundwall and back of curb subject to review and approval by the Community Development Director and the Public Works Director. (#40)

Minor roads and Collectors

B28. Rights of ways and/or lot layouts shall be reconfigured as necessary to accommodate traffic calming measures required by City Standard including, but not limited to, roundabouts and traffic circles. (#41)

Off-site Improvements

Eight Mile Road

B29. Prior to recording a final subdivision map within Plan Area B, design and submit for City approval a traffic signal at the intersection of Holman Road and Eight Mile Road and interim intersection improvements to the satisfaction of the Public Works Director, including appropriate alignment and striping of the intersection turn lanes and the provision of transition lanes on the south side of Eight Mile Road approaching and departing Holman Road. Provide vehicle acceleration and de-acceleration lanes, as appropriate. The improvements described in this Section B31 shall be constructed concurrent with the construction of the Holman Road Bridge crossing at Bear Creek and the extension of Holman Road to Eight Mile Road in conformance with Section B10 above. (#10), (#13)

Other Intersections/Roadways

B30. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 7 (i.e., 804), the owner/subdivider of Lot 7 shall pay a proportionate share (i.e., 1.65%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/I-lwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

B31. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 7 (i.e., 804), the owner/subdivider of Lot 7 shall pay a proportionate share (i.e., 1.65%) of the two-percent (2%) share of the cost of roadway improvements at the West Lane/Arterial A intersection. (#16)

B32. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 8 (i.e., 641), the owner/subdivider of Lot 8 shall pay a proportionate share (i.e., 1.32%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and

g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

B33. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total dally trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 8 (i.e., 641), the owner/subdivider of Lot 8 shall pay a proportionate share (i.e., 1.32%) of the two-percent (2%) share of the cost of roadway improvements at the West Lane/Arterial A intersection. (#16)

B34. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 9 (i.e., 842), the owner/subdivider of Lot 9 shall pay a proportionate share (i.e.,1.73%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

B35. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 9 (i.e., 842), the owner/subdivider of Lot 9 shall pay a proportionate share (i.e., 1.73%) of the two-percent (2%) share of the cost of roadway improvements at the West Lane/Arterial A intersection. (#16)

B36. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 10 (i.e., 4,087), the owner/subdivider of Lot 10 shall pay a proportionate share (i.e., 8.39%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

B37. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 10 (i.e., 4,087), the owner/subdivider of Lot 10 shall pay a proportionate share (i.e., 8.39%) of the two-percent (2%) share of the cost of roadway improvements at the West Lane/Arterial A intersection. (#16)

Other Facilities

B38. Based upon the total gross acreage of land designated as single family residential on TM8-04A&B (i.e., 197.77 acres) compared to the total gross acreage associated with Lot 7 on TM8-04A&B (i.e., 9.01 acres), the owner/subdivider of Lot 7 shall pay a proportionate share (i.e., 4.6%) of the costs associated with the following improvements:

a. Bear Creek pedestrian/bicycle trail; and
b. Temporary Park & Ride Lot to be located on lot 17.

B39. Based upon the total gross acreage of land designated as single family residential on TM8-04A&B (i.e., 197.77 acres) compared to the total gross acreage associated with Lot 8 on TM8-04A&B (i.e., 6.59 acres), the owner/subdivider of Lot 8 shall pay a proportionate share (i.e., 3.3%) of the costs associated with the following improvements:

a. Bear Creek pedestrian/bicycle trail; and
b. Temporary Park & Ride Lot to be located on lot 17.

B40. Based upon the total gross acreage of land designated as single family residential on TM8-04A&B (i.e., 197.77 acres) compared to the total gross acreage associated with Lot 9 on TM8-04A&B (i.e., 9.29 acres), the owner/subdivider of Lot 9 shall pay a proportionate share (i.e., 4.7%) of the costs associated with the following improvements:

a. Bear Creek pedestrian/bicycle trail; and
b. Temporary Park & Ride Lot to be located on lot 17.

B41. Based upon the total gross acreage of land designated as single family residential on TM8-04A&B (i.e., 197.77 acres) compared to the total gross acreage associated with Lot 10 on TM8-04A&B (i.e., 74.97 acres), the owner/subdivider of Lot 10 shall pay a proportionate share (i.e., 37.9%) of the costs associated with the following improvements:

a. Temporary Park & Ride Lot to be located on lot 17.

Note: If development occurs within Plan Area 'B' prior to occurring in Plan Area 'A', the following on-site/in-tract improvements shall occur:

Holman Road

B42. Construct Holman Road to the full one hundred thirty-four (134) foot width (one hundred fourteen (114) feet from curb face to curb face) from southern boundary of TM8-04A&8 to the Woodbridge Irrigation canal easement. Include median lighting. (#11)

B43. Install a barricade per City of Stockton standards at the northern curb flare of the intersection of Holman Road and Lt. Col. Mark Taylor Street/Hendrix Drive.

B44. Install bus turnouts at the intersection of Holman Road and Lt. Col. Mark Taylor Street/Hendrix Drive as depicted on the tentative map. (#17)

B45. Access to Holman Road shall be restricted except at public street intersections. (#7)

Lt. Col. Mark Taylor Street

B46. Construct the road to the full ninety-six (96) foot width (sixty-six (66) feet from curb face to curb face) from the western most curb flare at the intersection with Holman Road westward to a point located approximately fifty feet (50) west of the intersection of Lt. Col. Mark Taylor Street and Street 'P'. Include median lighting.

Off-site Improvements

Eight Mile Road Interchange Frontage Roads

Provide appropriate security, design and construct the following interim improvements to mitigate near-term impacts and enhance circulation.

B47. Design and install a traffic signal at the intersection of Eight Mile Road/West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

B48. Design and construct a traffic signal at the intersection of Eight Mile Road/East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

B49. Install stop signs at the intersection of the north bound off-ramp and East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one right-lane and one through lane
c. EB - one left-turn lane and one right-turn lane
d. WB - Not applicable

If the owner/subdivider of Lot 7, Lot 8, Lot 9 or Lot 10 constructs the interim improvements identified in B50, B51 and B52, the payment of a proportionate share of the cost of those improvements as defined in B32, B34, B36 and B38 above is not required of the owner/subdivider who constructed said improvements.

Note: If development occurs in Improvement Plan Area 'B' prior to occurring in Improvement Plan Area 'A', the following off-site improvements shall occur:

Morada Lane Interchange Frontage Roads

Provide appropriate security, design and construct the following interim improvements to mitigate near-term impacts and enhance circulation.

B50. Design and install a traffic signal at Morada Lane/Hwy 99 West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13)

a. NB - one through/left-turn shared lane, and one right-turn lane
b. SB - one through/left-turn shared lane, and one right-turn lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one through, one left-turn lane, and one right-turn lane

B51. Design and install a traffic signal at the Morada Lane/Hwy 99 East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane, one through lane and one right-turn lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

If the owner/subdivider of Lot 7, Lot 8, Lot 9 or Lot 10 constructs the interim improvements identified in B53 and B54, the payment of a proportionate share of the cost of those improvements as defined in B32, B34, B36 and B38 above is not required of the owner/subdivider who constructed said improvements.

PLAN AREA 'C'

Plan Area 'C' encompasses approximately 73.52± acres of light industrial/business park uses, consisting of the Lot 1, Lot 2 and Lot 3. The following general conditions are associated with development within Improvement Plan Area 'C':

General Conditions

Easements

C1. The owner/subdivider of Lot 2 shall comply with all requirements of agencies having jurisdiction over the Woodbridge Irrigation District (WID). (#25)

C2. The Final Map for Lot 1 and Lot 2 shall include a ten (10) foot easement from the existing toe of the levee along Bear Creek for maintenance of all levee slopes. Note: This condition is not required if the easement is already included as a component of another recorded map. (#18)

C3. Provide non-exclusive access easements within the industrial and commercial areas as necessary to provide all required lot accesses. (#24)

Transportation System Management

C4. The owner/subdivider of Lots 1 and 2 shall participate in any Transportation Systems Management (TSM) programs established by the City of Stockton and provide a permanent area for a park and ride facility as a part of the development of Lots 1, 2, 4 or 5, or a combination thereof. Lot 17 is considered an interim park & ride location that will eventually be eliminated with the reconstruction of the State Highway Route 99/Eight Mile Road interchange. The Park and Ride facility may be a stand-alone designated lot or may consist of designated spaces within a parking area in the above referenced lots. The required number of park & ride spaces shall be determined by the Public Works Director in consultation with Caltrans. (# 21)

The following on-site/in-tract improvements are necessary to support development within Improvement Plan Area 'C':

On-site/In-tract Improvements

Signature Drive

C5. Dedicate the right-of-way and construct the road to the full sixty (60) foot width (forty (40) feet from curb face to curb face) from Eight Mile Road southward as depicted on TM8-04A&B.

Cannery Circle

C6. The owner/subdivider of Lot 2 shall dedicate the right-of-way and construct the road to the full seventy-eight (78) foot width (forty-eight (48) feet from curb face to curb face) from Holman Road westward approximately 365 feet as depicted on the tentative map. Dedicate the right-of-way and construct the road to the full sixty (60) foot width (forty (40) feet from curb face to curb face) as depicted on TM8-04A&B.

Off-site Improvements

Golfview Road

C7. Design and construct a traffic signal at the future intersection of Eight Mile Road/Golfview Road/Signature Drive and stripe to provide the following lane configuration (#10), (#13), (#16)

a. NB - one left-turn lane and 1through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and two through lanes
d. WB - one through lane and one through/right-turn shared lane

Other Roadways/Intersections

C8. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 1 (i.e., 4,061), the owner/subdivider of Lot 1 shall pay a proportionate share (i.e., 8.33%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

C9. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 1 (i.e., 4,061), the owner/subdivider of Lot 1 shall pay a proportionate share (i.e., 8.33%) of the two-percent (2%) share of the cost of roadway improvements at the West lane/Arterial A intersection. (#16)

C10. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 2 (i.e., 5,844), the owner/subdivider of Lot 2 shall pay a proportionate share (i.e., 12.00%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

C11. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 2 (i.e., 5,844), the owner/subdivider of Lot 2 shall pay a proportionate share (i.e., 12.00%) of the two-percent (2%) share of the cost of roadway improvements at the West Lane/Arterial A intersection. (#16)

Note: If development occurs in Improvement Plan Area 'C' prior to occurring in Improvement Plan Areas 'B' or 'D', the following on-site/in- tract improvements shall occur:

Holman Road

C12. Construct Holman Road to the full one hundred thirty-four (134) foot width (one hundred fourteen (114) feet from curb face to curb face) from Eight Mile Road southward to Bear Creek. Include median lighting. (#11)

C13. Install a bus turnout at the intersection of Holman Road and Eight Mile Road as depicted on TM8-04A&B. (#17)

C14. Access to Holman Road shall be restricted except at public street intersections. (#7)

Traffic Signals/Intersection Improvements

C15. Design and install a traffic signal at the intersection of Holman Road and Cannery Circle/Tri-Valley Drive. Activation of the traffic signal shall be at the discretion of the Public Works Director. (#13)

Note: If development occurs in Improvement Plan Area 'C' prior to occurring in Improvement Plan Areas 'B', 'D' or 'E', the following off-site improvements shall occur:

Eight Mile Road

C16. Comply with all conditions of Specific Plan Amendment SPA1-03 and install all improvements required by said amendment. (#6)

C17. Install frontage improvements from the western boundary of TM8-04A&B eastward to the eastern boundary of TM8-04A&B, including but not limited to curb, gutter, sidewalk, pavement widening and street lighting along Eight Mile Road to provide a minimum 72-foot half street section. (#5)

C18. Existing points of access shall remain unrestricted until such time as the Eight Mile Road improvements are constructed or until an adjacent parcel is developed. (#12)

C19. Install a continuous eleven (11) foot minimum width deceleration lane on the south side of Eight Mile Road for a minimum of 200 feet west of the driveway located approximately 800 feet east of the Union Pacific Railroad (formerly the SPRR). (SPA #5)

C20. The Project driveway(s) on Eight Mile Road shall be limited to a total of four (three new) driveways and shall be limited to right-turn in/right-turn out. Driveways shall be spaced a minimum distance of 300 feet from any intersection, driveway or creek and shall be a minimum of 750 feet from the Union Pacific Railroad tracks. Project driveway(s) shall be designed and constructed to prevent on-site cross traffic for a minimum distance of 100 feet from the future property line along Eight Mile Road. (SPA #3)

C21. Design and install a traffic signal at the intersection of Holman Road and Eight Mile Road. Construct interim intersection improvements to the satisfaction of the Public Works Director, including appropriate alignment and striping of the intersection turn lanes and the provision of transition lanes on the south side of Eight Mile Road approaching and departing Holman Road. Provide vehicle acceleration and de-acceleration lanes, as appropriate. (#10), (#13)

Eight Mile Road Interchange Frontage Roads

C22. Provide appropriate security, design and construct the following interim improvements to mitigate near-term impacts and enhance circulation.

C23. Design and install a traffic signal at the intersection of Eight Mile Road/West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

C24. Design and construct a traffic signal at the intersection of Eight Mile Road/East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

C25. Install stop signs at the intersection of the north bound off-ramp and East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one right-lane and one through lane
c. EB - one left-turn lane and one right-turn lane
d. WB - Not applicable

If the owner/subdivider of Lot 1 or Lot 2 constructs the interim improvements identified in C23, C24 and C25, the payment of a proportionate share of the cost of those improvements as defined in C9 and C11 above is not required of the owner/subdivider who constructed said improvements.

PLAN AREA 'D'

Improvement Plan Area 'D' encompasses approximately 32.09± acres of business park/commercial uses consisting of Lot 4. Improvement Plan Area 'D' encompasses approximately 18.74 ± acres of business park/commercial uses and 12.34± acres of high density residential on Lot 4 of Cannery Park Unit No. 1 Final Map. The following conditions are associated with development within Improvement Plan Area 'D', Lot 4 (Parcels GC Lot 1 through CG Lot 15 and RH Lot 1) These conditions are based on Tentative Map approval of the Cannery Park Amendments (P21-0435):

General Conditions

D1. Prior to the approval of any Final Map, General Plan amendment, Rezoning and Development Agreement shall be approved by the City Council.

D2. Prior to the approval of any Building Permit for new structures, future residential development is subject to obtaining a Design Review approval per SMC Section 16.120.020(A)(1)(a).

D3. The ODS shall install full frontage improvements on Eight Mile Road, within the limits of the site, including, but not limited to, sidewalks, street lighting, and driveway installation. Said improvements shall be installed prior to occupancy of any buildings/structures on this site or prior to initiation of residential use. Further, all off-site improvements shall conform to City of Stockton Standard Plans and Specifications.

D4. The property Owners, Developers, and/or Successors in Interest must provide a single master water meter for each of the high-density residential developments. The master meter will be located near the entrance of the high-density development.

D5. The future design of the commercial and high-density residential sites shall comply with the City's Development Code and Design Guidelines. To ensure high-quality design and enhanced pedestrian/motor design, the following Design Guideline measures shall be applied to future Site Plan and Design Review submittals for any commercial and residential application:

- (3.03.070) Parking courts should be well designed, with consideration given to landscaping, lighting, building massing, and pedestrian/vehicular circulation.
- (3.03.070) Convenient pedestrian connections should be provided to adjoining residential developments, commercial projects, and other compatible land uses.
- (3.03.070) Pedestrian access to adjacent existing or planned open space areas and corridors should be provided for the development's residents.
- (3.03.070) Cross circulation between vehicles and pedestrians should be minimized. A continuous, clearly marked walkway should be provided from the parking areas to main entrances of buildings.
- (4.01.030) Provide safe, convenient, and efficient vehicular assessment, circulation, parking, loading, and maneuvering. Encourage pedestrian activity by providing convenient access and safe pedestrian routes.
- (4.01.040) Ensuring that new development considers its relationship to and interface with surrounding existing development, especially residential uses.

Easements Conditions

D6. Comply with all requirements of agencies having jurisdiction over the Woodbridge Irrigation District (WID). (#25)

D7. The Final Map for Lot 4 shall include a ten (10) foot easement from the existing toe of the levee along Bear Creek for maintenance of all levee slopes. Note: This condition is not required if the easement is already included as a component of another recorded map. (#18)

Public Works/Engineering

D8. The owner/subdivider shall participate in any Transportation Systems Management (TSM) programs established by the City of Stockton and provide a permanent area for a park and ride facility as a part of the development of Lots 1, 2, 4 or 5, or a combination thereof. Lot 17 is considered an interim park & ride location that will eventually be eliminated with the reconstruction of the State Highway Route 99/Eight Mile Road interchange. The Park and Ride facility may be a stand-alone designated lot or may consist of designated spaces within a parking area in the above referenced lots. The required number of park & ride spaces shall be determined by the Public Works Director in consultation with Caltrans. (# 21) How many park and ride spaces will be required?

D9. The ODS shall design and submit offsite improvement plans to the Community Development Department - Engineering Section for approval. Improvement Plans shall include but not be limited to traffic signal modifications, installation of roundabouts, traffic calming devices, curb, gutter, sidewalk, driveway access, wheelchair ramps, streetlight standards, and public utilities. A Neighborhood Traffic Management Plan shall be submitted with the improvement plans. Offsite improvements shall be constructed per City Standards prior to the issuance of any building permits.

D10. The ODS shall construct the private street per City standards.

D11. The ODS shall make necessary right-of-way dedications along the frontage of the project site to ensure all public improvements, including but not limited to sidewalks, wheelchair ramps, signals, and the like, are appropriated the needed public right of way.

D12. All off-site improvements proposed with the project shall require the preparation and submission of improvement plans to include but not limited to the installation of curb, gutter, sidewalk, street lighting, paving, and landscaping. The ODS shall provide proof of reclamation district approval for all improvement on, or adjacent to, the existing levees. Proof must be submitted prior to Site Improvement Plans.

D13. All improvements adjacent to Bear Creek are subject to the agency having jurisdiction of this waterway along with any dedication requirements that are required for this development.

D14. All off-site improvements proposed with the project shall require the preparation and submission of Improvement Plans and shall be subject to review and approval of the Director.

Municipal Utilities Department

D15. The property Owners, Developers, and/or Successors in Interest must provide a single master water meter for each of the high-density residential developments. The master meter will be located near the entrance of the high-density development.

D16. The property Owners, Developers, and/or Successors in Interest shall comply with any and all requirements, and pay all associated fees, as required by the City's

Storm Water Pollution Prevention Program as set forth in its NPDES Storm Water Permit.

D17. The ODS shall connect the Cannery Park (North) project to a 24-inch water main in Eight Mile Road that runs from West Lane to STATE ROUTE 99 and is connected to the 24-inch water main in West Lane from Bear Creek to Eight Mile Road and also connected to a 24-inch water main in N. STATE ROUTE 99 W. Frontage Road from Eight Mile Road to PFC Jesse Mizener Street; all of which is identified in the 2022 City Water Master Plan and will provide sufficient water supply and pressure to the project site. If the 24-inch water main is not available for the project to make said connection, then the ODS shall provide a water model identifying the improvements, if any, that are required to provide sufficient water supply and pressure to the project site and upon approval of the water model by the Director of Municipal Utilities, prepare improvement plans to be approved by the Director, and construct any required improvements. This includes any offsite approval that requires subsequent permits and environmental review. The ODS shall construct 8' masonry walls to enclose the perimeter of the City pump and controls in the new sewer pump station.

Note: If construction occurs in Improvement Plan Area 'D' prior to occurring in Improvement Plan Area 'C', the following improvement shall occur:

On-site/in-tract Improvements

O Street Tri-Valley Drive is referenced as O Street on TM P21-0435 so all references to O Street should be changed to O Street so it correlates with TM

D18. Dedicate the right-of-way and construct the road to the full width from curb face to curb face from Holman Road eastward to and including the cul-de-sac. Right of way dedication shall be for the purpose of constructing full roadway width suitable for the adjacent land use.

P Street Collector A is referenced as P Street on TM P21-0435 so all references to Collector A should be changed to P Street so it correlates with the TM

D19. Dedicate the right-of-way and construct the road to the full width from curb face to curb face from Eight Mile Road southward to and including the cul-de-sac. Right of way dedication shall be for the purpose of constructing full roadway width suitable for the adjacent land use

Access to P Street shall be restricted within 300 feet from the intersection with Eight Mile Road.

D20. Install bus turnouts at the intersection of Collector A and Eight Mile Road as depicted on TM8-04A&B. (#17)

D21. A full access intersection shall be allowed at Eight Mile Road and P Street, located 1,000 feet west of the west frontage road and a traffic signal shall be installed to use the access. (SPA#4)

Traffic Signals/Intersection Improvements

D22. Design and install a traffic signal at the intersection of Eight Mile Road and P Street. Activation of the traffic signal shall be at the discretion of the Public Works Director. (#13)

Off-site Improvements

Other Roadways/Intersections

D23. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 4 (i.e., 5,914), the owner/subdivider of Lot 4 shall pay a proportionate share (i.e., 12.13%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

D24. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 4 (i.e., 5,914), the owner/subdivider of Lot 4 shall pay a proportionate share (i.e., 12.13%) of the two-percent (2%) share of the cost of roadway improvements at the West Lane/Arterial A intersection. (#16)

Note: If development occurs in Improvement Plan Area 'D' prior to occurring in Improvement Plan Areas 'B' or 'C', the following on-site/in- tract improvements shall occur:

Holman Road

D25. Construct Holman Road to the full width from curb face to curb face from Eight Mile Road southward to Bear Creek. Include median lighting. (#11)

D26. Install a bus turnout at the intersection of Holman Road and Eight Mile Road as depicted on the tentative map. (#17)

D27. Access to Holman Road shall be restricted except at public street intersections. (#7)

Traffic Signals/Intersection Improvements

D28. Design and install a traffic signal at the intersection of Holman Road and Cannery Circle/O Street. Activation of the traffic signal shall be at the discretion of the Public Works Director. (#13)

Note: If development occurs in Improvement Plan Area 'D' prior to occurring in Improvement Plan Areas 'B', 'C' or 'E', the following off-site improvements shall occur:

Eight Mile Road

D29. Comply with all conditions of Specific Plan Amendment SPA 1-03 and install all improvements required by said amendment. (#6) An update to the Precise Plan is ongoing where lanes and right-of-way will be reduced in conformance with the General Plan.

D30. Install frontage improvements from Holman Road eastward to the eastern boundary of TM P21-0435 including but not limited to curb, gutter, sidewalk, pavement widening and street lighting along Eight Mile Road to provide a minimum 72-foot half street section. (#5) Full width shall comply with the updated Precise Road Plan

D31. Existing points of access shall remain unrestricted until such time as the Eight Mile Road improvements are constructed or until an adjacent parcel is developed. (#12)

D32. Install a continuous eleven (11) foot minimum width deceleration lane on the south side of Eight Mile Road for a minimum of 200 feet west of the driveway located approximately 800 feet east of the Union Pacific Railroad (formerly the SPRR). (SPA #5)

D33. The Project driveway(s) on Eight Mile Road shall be limited to a total of four (three new) driveways and shall be limited to right-turn in/right-turn out. Driveways shall be spaced a minimum distance of 300 feet from any intersection, driveway or creek and shall be a minimum of 750 feet from the Union Pacific Railroad tracks. Project driveway(s) shall be designed and constructed to prevent on-site cross traffic for a minimum distance of 100 feet from the future property line along Eight Mile Road. (SPA #3)

D34. Design and install a traffic signal at the intersection of Holman Road and Eight Mile Road. Construct interim intersection improvements to the satisfaction of the Public Works Director, including appropriate alignment and striping of the intersection turn lanes and the provision of transition lanes on the south side of Eight Mile Road approaching and departing Holman Road. Provide vehicle acceleration and de-acceleration lanes, as appropriate. (#10), (#13)

Eight Mile Road Interchange Frontage Roads

Provide appropriate security, design and construct the following interim improvements to mitigate near-term impacts and enhance circulation.

D35. D26. Design and install a traffic signal at the intersection of Eight Mile Road/West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations. (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

D36. Design and construct a traffic signal at the intersection of Eight Mile Road/East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

D37. Install stop signs at the intersection of the north bound off-ramp and East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one right-lane and one through lane
c. EB - one left-turn lane and one right-turn lane
d. WB - Not applicable

If the owner/subdivider of Lot 4 constructs the interim improvements identified in D48, D49, and D50, the payment of a proportionate share of the cost of those improvements as defined in D36 above is not required.

PLAN AREA 'E'

Plan Area 'E' encompasses approximately 67.74± acres consisting of the Lot 5 and Lot 6. The following conditions are associated with development within Improvement Plan Area 'E', Lot 5 (Lots 1-267, Lot A Park/Open Space, and Lot B Basin) and Lot 6 (Lots 268-331) These conditions are based on Tentative Map approval of the Cannery Park Amendments (P21-0435):

General Conditions

E1. Prior to the approval of any Final Map, General Plan amendment, Rezoning and Development Agreement shall be approved by the City Council.

E2. Prior to the approval of any building permit for the construction of new homes, future residential development is subject to obtaining a Design Review approval per SMC Section 16.120.020(A)(1)(a).

E3. Lots 181 and 43 will be required to have an 8' tall masonry wall between Lot A and the residential lots. The wall shall be constructed on private property.

E4. In lieu of a Bike Path along the top of the south bank of Bear Creek fronting the project site, a bike path shall be included in the design of the Park/Open Space on

Lot A and shall be constructed as per the Second Amended Development Agreement.

E5. ODS shall design and submit offsite improvement plans to the Community Development Department - Engineering Section for approval. Improvement Plans shall include but not be limited to traffic signal modifications, installation of roundabouts, traffic calming devices, curb, gutter, sidewalk, driveway access, wheelchair ramps, streetlight standards, and public utilities. A Neighborhood Traffic Management Plan shall be submitted with the improvement plans. Offsite improvements shall be constructed per City Standards prior to the issuance of any building permits.

E6. The ODS shall restrict the lots represented as Lots 291-296 in Village H to single story homes.

Neighborhood Park Conditions

NOTE: The following conditions specify the park obligations outlined in the Cannery Park Project Development Agreement.

E7. The ODS shall provide a turn-key developed park/open space (Lot A) to the City at no cost to the City, designed, improved, and maintained to the satisfaction of the City via a DDA. Such developed Lot A and other adjacent easements shall be maintained through the City's CLMAD or other entity acceptable to the City.

E8. The ODS shall maintain Lot A including all adjacent undeveloped easements and bike/pedestrian paths to the satisfaction of the City until the City has finally accepted the developed park/open space as completed publicly usable facilities.

Fire Department

E9. Fire hydrant locations, installation, and design shall be per COS Standards.

E10. Residential street design shall be per COS Standards.

E11. All single-family homes shall have automatic fire sprinklers designed and installed per NFPA 13-D Standards.

E12. A minimum of 1-inch water meters shall be installed at each single-family home to accommodate the domestic water and fire sprinkler demands.

E13. Deferred submittals are required for the fire sprinkler plans (per model type).

Public Works/Engineering

E14. The ODS shall make necessary right-of-way dedications along the frontage of the project site to ensure all public improvements, including but not limited to sidewalks, wheelchair ramps, and the like, are within the public right of way.

E15. The ODS shall design and submit offsite improvement plans to the Community Development Department - Engineering Section for approval. Improvement Plans shall include but not be limited to traffic signal modifications, installation of roundabouts, traffic calming devices, curb, gutter, sidewalk, driveway access, wheelchair ramps, streetlight standards, and public utilities. A Neighborhood Traffic Management Plan shall be submitted with the improvement plans. Offsite improvements shall be constructed per City Standards prior to the issuance of any building permits.

E16. The ODS shall install full frontage improvements on PFC Jesse Mizener Street, within the limits of the site, including, but not limited to, sidewalks, street lighting, and driveway installation. Said improvements shall be installed prior to occupancy of any buildings/structures on this site or prior to initiation of residential use. Further, all off-site improvements shall conform to City of Stockton Standard Plans and Specifications.

E17. Per the Stockton Municipal Code Section 16.72, development on the site shall require site frontage improvements, including, but not limited to, the installation of curb, gutter, sidewalk, street lighting, paving, and landscaping.

E18. The property owners, developers, and/or successors-in-interest shall submit subdivision master plans, or indicate compliance of existing master plans, for water, storm, and sanitary sewer service. These plans shall show all on-site and off-site utilities necessary to provide water, storm, and sanitary sewer utility service. These plans shall be approved by the Deputy Municipal Utilities District Director of Engineering & Department Services prior to the submittal of any improvement plans.

E19. The ODS shall be responsible (at no cost to the City) for all the improvements to the open space areas (greenbelt, related landscape improvements, and connecting lots (incl. lighting) all to the satisfaction of the City representative. This includes completion of the Class 1 bike pathway along Bear Creek. Proof must be submitted prior to Site Improvement Plans.

E20. All off-site improvements proposed with the project shall require the preparation and submission of improvement plans to include but not limited to the installation of curb, gutter, sidewalk, street lighting, paving, and landscaping. The ODS shall provide proof of reclamation district approval for all improvement on, or adjacent to, the existing levees. Proof must be submitted prior to Site Improvement Plans.

E21. All improvements adjacent to Bear Creek are subject to the agency having jurisdiction of this waterway along with any dedication requirements that are required for this development.

E22. All off-site improvements proposed with the project shall require the preparation and submission of Improvement Plans and shall be subject to the review and approval of the Director.

Municipal Utilities Department

E23. The property Owners, Developers, and/or Successors in Interest shall comply with any and all requirements, and pay all associated fees, as required by the City's Storm Water Pollution Prevention Program as set forth in its NPDES Storm Water Permit.

E24. The ODS shall provide a water model identifying the improvements, if any, that are required to provide sufficient water supply and pressure to the project site and upon approval of the water model by the Director of Municipal Utilities, prepare improvement plans to be approved by the Director, and construct any required improvements. This includes any offsite approval that requires subsequent permits and environmental review. The ODS shall connect the Cannery Park (North) project to a 24-inch water main in Eight Mile Road that runs from West Lane to STATE ROUTE 99 and is connected to the 24-inch water main in West Lane from Bear Creek to Eight Mile Road and also connected to a 24-inch water main in N. STATE ROUTE 99 W. Frontage Road from Eight Mile Road to PFC Jesse Mizener Street; all of which is identified in the 2022 City Water Master Plan and will provide sufficient water supply and pressure to the project site. If the 24-inch water main is not available for the project to make said connection, then the ODS shall provide a water model identifying the improvements, if any, that are required to provide sufficient water supply and pressure to the project site and upon approval of the water model by the Director of Municipal Utilities, prepare improvement plans to be approved by the Director, and construct any required improvements. This includes any offsite approval that requires subsequent permits and environmental review.

E25. The ODS shall provide a 16-foot wide all-weather access road around the detention basin and to the storm pump station.

E26. The ODS shall provide appropriately-sized utilities, including natural gas and three-phase electrical power to the storm pump station. The ODS shall provide an 8-inch waterline connection in Lot 306 and Lot A Park/Open Space that loops the water system between the internal subdivision to the external streets. A 10-foot-wide City water easement shall be dedicated on Lot 306.

E27. The ODS shall construct all sound walls consistent with the noise analysis and original mitigation measures included in the Project EIR. .

E28. The ODS shall construct minimum 8' tall masonry walls to enclose the perimeter of the City pumps and controls in the storm pump station.

E29. The ODS shall construct minimum 6' tall ornamental iron fence, a 6' tall masonry block wall, or a combination of each as well as associated maintenance vehicle access gates along the perimeter of Lot B Basin.

E30. The ODS shall construct a minimum 8' tall masonry wall between Lot 187 and Lot B Basin. Such wall shall be on private property (Lot 187).

E31. The ODS shall provide an 8-inch water line connection in Lot 306 and Lot A Park/Open Space that loops the water system between the internal subdivision to the external streets. A 10-foot-wide City water easement shall be dedicated on Lot 306.

Easements

E32. Comply with all requirements of agencies having jurisdiction over the Woodbridge Irrigation District (WID). (#25)

E33. The Final Map for Lot 5 shall include a ten (10) foot easement from the existing toe of the levee along Bear Creek for maintenance of all levee slopes. Note: This condition is not required if the easement is already included as a component of another recorded map. (#18

Transportation System Management

E34. The owner/subdivider shall participate in any Transportation Systems Management (TSM) programs established by the City of Stockton and provide a permanent area for a park and ride facility as a part of the development of Lots 1, 2, or 4 as shown on Cannery Park Unit No. 1 Final Map ~~or 5~~, or a combination thereof. Lot 17 is considered an interim park & ride location that will eventually be eliminated with the reconstruction of the State Highway Route 99/Eight Mile Road interchange. The Park and Ride facility may be a stand-alone designated lot or may consist of designated spaces within a parking area in the above referenced lots. The required number of park & ride spaces shall be determined by the Public Works Director in consultation with Caltrans. (# 21) Lot 5 is SFR

E35. The ODS shall design and submit offsite improvement plans to the Community Development Department - Engineering Section for approval. Improvement Plans shall include but not be limited to traffic signal modifications, installation of roundabouts, traffic calming devices, curb, gutter, sidewalk, driveway access, wheelchair ramps, streetlight standards, and public utilities. A Neighborhood Traffic Management Plan shall be submitted with the improvement plans. Offsite improvements shall be constructed per City Standards prior to the issuance of any building permits.

The following on-site/in-tract improvements are necessary to support development within Improvement Plan Area 'E' Lot 5 and Lot 6:

Off-site Improvements

Other Roadways/Intersections

E36. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 5 (i.e., 20,126), the owner/subdivider of Lot 5 shall pay a proportionate share (i.e., 41.31%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

E37. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 6 (i.e., 1,517), the owner/subdivider of Lot 6 shall pay a proportionate share (i.e., 3.11%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

Note: If construction occurs in Improvement Plan Area 'E' prior to occurring in improvement Plan Area 'C' or 'D', the following improvement shall occur:

Pfc Jessie Mizener Street

E38. Access to Pfc Jessie Mizener Street shall be restricted except at public street intersections. (#7)

Eight Mile Road Interchange Frontage Roads

Provide appropriate security, design and construct the following interim improvements to mitigate near-term impacts and enhance circulation.

E39. Design and install a traffic signal at the intersection of Eight Mile Road/West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane

b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

E40. Design and construct a traffic signal at the intersection of Eight Mile Road/East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

E41. Install stop signs at the intersection of the north bound off-ramp and East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

e. NB - one left-turn lane and one through/right-turn shared lane
f. SB - one right-lane and one through lane
g. EB - one left-turn lane and one right-turn lane
h. WB - Not applicable

If the owner/subdivider of Lot 5 or Lot 6 constructs the interim improvements identified in D114, D115, and D116, the payment of a proportionate share of the cost of those improvements as defined in D94 and D96 above is not required of owner/subdivider who constructs said improvements.

TRACT NO. 4213

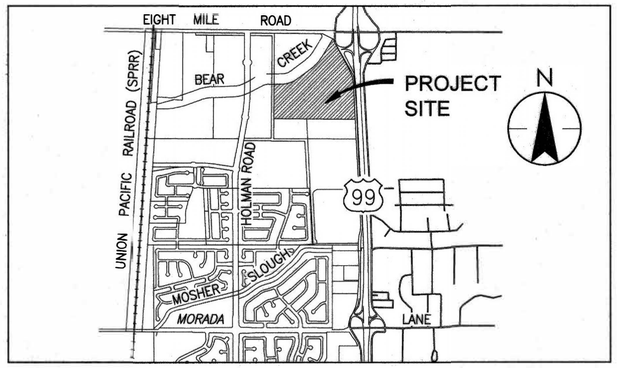
SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK
UNIT NO. 14 - VILLAGE I

BEING A SUBDIVISION OF PARCELS 1, 2, 3 AND 4, AS SHOWN ON THE PARCEL MAP FILED IN BOOK 24 OF PARCEL MAPS, AT PAGE 105, JOAQUIN COUNTY RECORDS, LYING IN SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 EAST, MOUNT DIABLO MERIDIAN, CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA

JUNE, 2025

VVH CONSULTING ENGINEERS
430 10th Street
Modesto, CA 95354
Tel: 209.568.4477 Fax: 209.568.4478



VICINITY MAP
NOT TO SCALE

OWNER'S STATEMENT:

WE, THE UNDERSIGNED, HEREBY STATE THAT WE ARE ALL THE PARTIES HAVING RECORD TITLE INTEREST IN THE LANDS SUBDIVIDED AND SHOWN ON THIS FINAL MAP OF "TRACT NO. 4213, SUBDIVISIONS OF SAN JOAQUIN COUNTY, CANNERY PARK, UNIT NO. 14 – VILLAGE I", CITY OF STOCKTON, CALIFORNIA AND WE HEREBY CONSENT TO THE PREPARATION AND FILING OF THIS FINAL MAP IN THE OFFICE OF THE COUNTY RECORDER OF SAN JOAQUIN COUNTY, CALIFORNIA.

WE ALSO OFFER THE REAL PROPERTY DESCRIBED BELOW, DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES, ALL PUBLIC UTILITY EASEMENTS, SOUND WALL MAINTENANCE EASEMENTS, ALL STREET RIGHTS–OF–WAY, AND THE VARIABLE WIDTH WIDENING OF STREET RIGHT–OF–WAY ALONG PFC JESSE MIZENER STREET, AND RELINQUISH TO THE CITY OF STOCKTON ALL ACCESS RIGHTS OF LOTS 4, 5, 6, 90, 91, 96, 97, 98, 99, 105, 10, 11, AND LOT B TO AND FROM PFC JESSE MIZENER STREET, ALL AS SHOWN ON THIS FINAL MAP.

OWNER: CENTURY COMMUNITIES OF CALIFORNIA, LLC, A DELAWARE LIMITED LIABILITY COMPANY

BY: _____ 6/25/25
DATE

NAME: Dean Mills TITLE: Vice President

NOTARY STATEMENT (OWNER):

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA
COUNTY OF Contra Costa

ON June 25th, 2025, BEFORE ME, Louis M Robinson,

A NOTARY PUBLIC, PERSONALLY APPEARED Dean Mills,

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

SIGNATURE: _____ COMMISSION NUMBER: 2482630

PRINTED NAME: Louis M Robinson IV MY COMMISSION EXPIRES: 3/15/28

PRINCIPAL COUNTY OF BUSINESS: Alameda

BENEFICIARY'S STATEMENT:

JEN CALIFORNIA 31 LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, BENEFICIARY UNDER DEED OF TRUST AND ASSIGNMENT OF RENTS RECORDED MAY 20, 2025, AS DOCUMENT NO. 2025–042435 OF OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, HEREBY CONSENTS TO THE MAKING AND FILING OF THIS MAP.

BY: _____ 7/1/2025
DATE

NAME: CLIFTON TAYLOR

ITS: VICE PRESIDENT

NOTARY STATEMENT (BENEFICIARY):

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA
COUNTY OF Placer

ON July 1, 2025, BEFORE ME, Shawn Buckenmeyer,

A NOTARY PUBLIC, PERSONALLY APPEARED Clifton Taylor,

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

SIGNATURE: _____ COMMISSION NUMBER: 2382782

PRINTED NAME: Shawn Buckenmeyer MY COMMISSION EXPIRES: Nov. 10, 2026

PRINCIPAL COUNTY OF BUSINESS: Placer

CITY CLERK'S STATEMENT:

THIS IS TO STATE THAT AT ITS REGULARLY HELD MEETING ON THE _____ DAY OF _____, 202__, THE CITY COUNCIL OF THE CITY OF STOCKTON, CALIFORNIA PER COUNCIL RESOLUTION NO. _____ APPROVED THIS FINAL MAP OF "TRACT NO. 4213, SUBDIVISIONS OF SAN JOAQUIN COUNTY, CANNERY PARK, UNIT NO. 14 – VILLAGE I", CITY OF STOCKTON, CALIFORNIA, AND ACCEPTED ON BEHALF OF THE PUBLIC FOR PUBLIC USE THE OFFER OF DEDICATION OF ALL PUBLIC UTILITY EASEMENTS, SOUND WALL MAINTENANCE EASEMENTS AND ACCEPTED ON BEHALF OF THE CITY THE RELINQUISHMENT TO THE CITY OF STOCKTON ALL ACCESS RIGHTS OF LOTS 4, 5, 6, 90, 10, 11, 91, 96, 97, 98, 99, 105 AND LOT B TO AND FROM PFC JESSE MIZENER STREET, ALL AS SHOWN ON THIS FINAL MAP, AND ACCEPTED THE OFFER OF DEDICATION OF ALL STREET RIGHTS–OF–WAY AND THE VARIABLE WIDTH WIDENING OF STREET RIGHT–OF–WAY ALONG PFC JESSE MIZENER STREET SUBJECT TO SATISFACTORY COMPLETION OF IMPROVEMENTS THEREON OF SAID STREET RIGHTS–OF–WAY IN ACCORDANCE WITH CHAPTER 16, ARTICLE 6 OF THE STOCKTON MUNICIPAL CODE, AND ANY AMENDMENTS THERETO, APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP AND PURSUANT TO SECTION 66434(G) OF THE CALIFORNIA SUBDIVISION MAP ACT ABANDONED THE 96–FOOT WIDE PUBLIC UTILITY EASEMENT AS DEDICATED ON THE PARCEL MAP FILED IN BOOK 24 OF PARCEL MAPS, AT PAGE 105, SAN JOAQUIN COUNTY RECORDS.

DATED THIS _____ DAY OF _____, 202__.

_____
KATHERINE ROLAND, CMC, CPMC, CITY CLERK

THIS FINAL MAP IS SUBJECT TO THE PROVISIONS OF A SUBDIVISION AGREEMENT RECORDED ON _____, 20___, AS DOCUMENT NO. _____, SAN JOAQUIN COUNTY RECORDS.

D.D. SHEET NO. 28

SURVEYOR'S STATEMENT:

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF JIM BRECHER ON NOVEMBER 5, 2024. I HEREBY STATE THAT ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED OR THAT WILL BE SET IN THOSE POSITIONS BEFORE DECEMBER 31, 2026, AND THAT THE MONUMENTS ARE, OR WILL BE, SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED, AND THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP.

DATED THIS 2 DAY OF July, 2025.

_____
RYAN VANCE, L.S. 8225
LICENSE EXPIRATION DATE: 06/30/2027

LICENSED LAND SURVEYOR · RYAN VANCE · No. 8225 · STATE OF CALIFORNIA

CITY ENGINEER'S STATEMENT:

I, ERIC ALVAREZ, HEREBY STATE THAT I AM THE CITY ENGINEER OF THE CITY OF STOCKTON, CALIFORNIA, AND THAT I HAVE EXAMINED THIS FINAL MAP OF "TRACT NO. 4213, SUBDIVISIONS OF SAN JOAQUIN COUNTY, CANNERY PARK, UNIT NO. 14 – VILLAGE I", CITY OF STOCKTON, CALIFORNIA AND THAT THE SUBDIVISION SHOWN HEREON IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, AND ANY APPROVED ALTERATIONS THEREOF. I FURTHER STATE THAT THIS FINAL MAP COMPLIES WITH ALL THE PROVISIONS OF CHAPTER 16, ARTICLE 6 OF THE STOCKTON MUNICIPAL CODE, AND ANY AMENDMENTS THERETO, APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP.

DATED THIS 9th DAY OF July, 2025.

_____
ERIC ALVAREZ, RCE 57830
CITY ENGINEER OF THE CITY OF STOCKTON
REGISTRATION EXPIRATION DATE: 06/30/2026

REGISTERED PROFESSIONAL ENGINEER · ERIC ALVAREZ · NO. C057830 · STATE OF CALIFORNIA

COUNTY SURVEYOR'S STATEMENT:

I, JAMES E. HART, HEREBY STATE THAT I HAVE EXAMINED THIS FINAL MAP OF "TRACT NO. 4213, SUBDIVISIONS OF SAN JOAQUIN COUNTY, CANNERY PARK, UNIT NO. 14 – VILLAGE I", CITY OF STOCKTON, CALIFORNIA AND THAT THE SUBDIVISION SHOWN HEREON COMPLIES WITH ALL THE PROVISIONS OF CHAPTER 2 OF THE CALIFORNIA SUBDIVISION MAP ACT, AS AMENDED, AND THAT THIS FINAL MAP IS TECHNICALLY CORRECT.

DATED THIS 7TH DAY OF JULY, 2025.

_____
JAMES E. HART, L.S. 8657
COUNTY SURVEYOR

PROFESSIONAL LAND SURVEYOR · JAMES E. HART · LICENSE No. 8657 · STATE OF CALIFORNIA

RECORDER'S STATEMENT:

FILED THIS _____ DAY OF _____, 202__, AT _____ .M.

IN BOOK _____ OF MAPS AND PLATS, AT PAGE _____, AT THE REQUEST OF VVH CONSULTING ENGINEERS.

FEE $ _____

_____ BY: _____
STEVE J. BESTOLARIDES
ASSESSOR–RECORDER–COUNTY CLERK
ASSISTANT/DEPUTY RECORDER

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TRACT NO. 4213

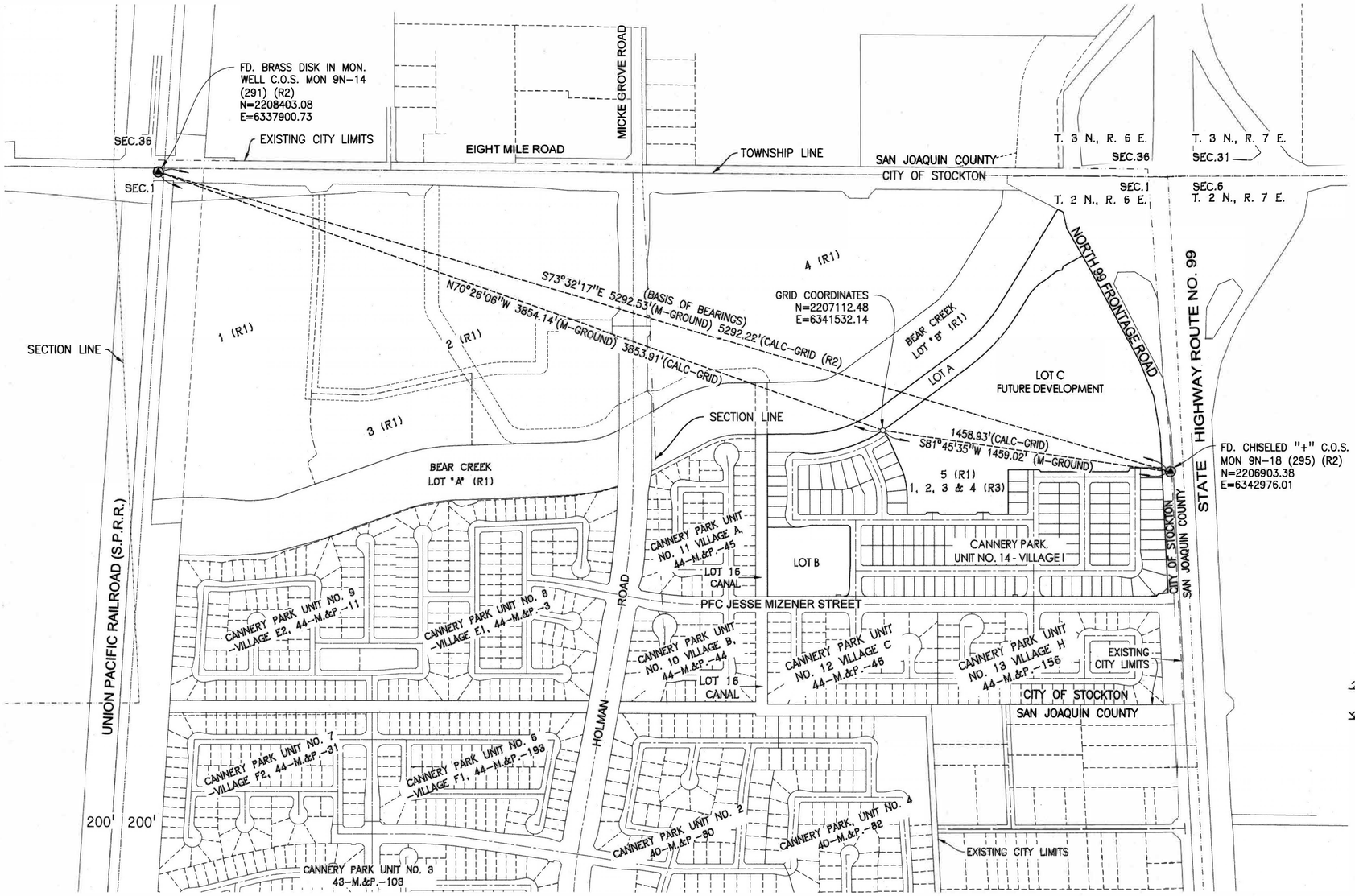
SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK
UNIT NO. 14 - VILLAGE I

BEING A SUBDIVISION OF PARCELS 1, 2, 3 AND 4, AS SHOWN ON THE PARCEL MAP FILED IN BOOK 24 OF PARCEL MAPS, AT PAGE 105, JOAQUIN COUNTY RECORDS, LYING IN SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 EAST, MOUNT DIABLO MERIDIAN, CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA

JULY, 2025

CONSULTING ENGINEERS
430 10th Street
Modesto, CA 95354
Tel: 209.568.4477 Fax: 209.568.4478



NOTES:

1. ALL DISTANCES ARE MEASURED UNLESS OTHERWISE NOTED.
2. A 10' PUBLIC UTILITY EASEMENT IS DEDICATED ALONG ALL STREETS AS SHOWN ON THIS MAP.
3. SET A WITNESS CORNER CUT "+" IN CONCRETE ON PROJECTION OF ALL LOT LINES INTO THE RIGHT-OF-WAY AT 1 FOOT, WITNESS CORNER SET RADIALLY OR PERPENDICULAR TO THE RIGHT-OF-WAY AT ALL CURVE AND RETURN POINTS.
4. EACH LOT SHALL BE DESIGNED, GRADED AND MAINTAINED TO PROVIDE PROPER DRAINAGE WITHOUT PONDING, CAUSING SOIL EROSION OR DRAINING ONTO ADJACENT PROPERTY. ALL LOTS ARE TO DRAIN FROM REAR TO FRONT UNLESS OTHERWISE SHOWN.
5. THIS MAP REFERS TO APPROVED TENTATIVE MAP TM8-04, AMENDED BY THE CITY OF STOCKTON RESOLUTION NO. 2024-02-08-05001-05, ON FEBRUARY 8, 2024.
6. ALL REFERENCES ARE TO SAN JOAQUIN COUNTY RECORDS AND BOOK OR VOLUME PRECEDES PAGE.
7. BY THIS NOTE, ACCESS RIGHTS TO CORNER LOTS ARE RESTRICTED IN CONFORMANCE WITH STOCKTON MUNICIPAL CODE 16.36.030. FURTHER, THE DEVELOPER OF THE SUBDIVISION SHALL SELECT THE STREETS ABUTTING THE CORNER LOTS UPON WHICH ACCESS IS TO BE PROVIDED AND ACCESS IS HEREBY RESTRICTED ON ALL OTHER FRONTAGES.
8. THE 96-FOOT WIDE PUBLIC UTILITY EASEMENT CREATED BY 24-PM-105, TO BE ABANDONED BY THIS MAP.

REFERENCES:

(R1) CANNERY PARK UNIT NO. 1, BOOK 40 OF MAPS & PLATS, PAGE 51, SJCR
(R2) BOOK 35 OF SURVEYS, PAGE 5, SJCR CITY OF STOCKTON TRAVERSE CONTROL SURVEY.
(R3) BOOK 24 OF PARCEL MAPS, PAGE 105, SJCR
(R4) GRANT DEED DN 2024-093296, SJCR

BASIS OF BEARINGS:

BEARINGS, DISTANCES, AND COORDINATES ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM-83, ZONE 3, (1991.35). A LINE BETWEEN CITY OF STOCKTON MONUMENTS NO. 9N-14 (291) AND 9N-18 (295) BEARS S73°32'17"E AS CALCULATED FROM CITY OF STOCKTON TRAVERSE CONTROL MONUMENT SURVEY, FILED FOR RECORD IN BOOK 35 OF SURVEYS, AT PAGE 5, SAN JOAQUIN COUNTY RECORDS. ALL DISTANCES SHOWN ARE GROUND LEVEL AND MUST BE MULTIPLIED BY 0.99994647 TO OBTAIN GRID DISTANCES.

N

400 200 0 400 800

SCALE: 1" = 400'

SHEET INDEX:

SHEET 1: CERTIFICATES.
SHEET 2: NOTES, LEGEND, REFERENCES AND BASIS OF BEARINGS.
SHEET 3: BOUNDARY AND LEGEND.
SHEET 4: LOT DETAILS.
SHEET 5: LOT DETAILS.
SHEET 6: LOT DETAILS.
SHEET 7: LOT DETAILS.
SHEET 8: LOT DETAILS, LINE AND CURVE TABLES.

LEGEND:

—●—	FOUND AND ACCEPTED 3/4" IRON PIPE TAGGED L.S. 6953 PER (R1) UNLESS NOTED OTHERWISE.
—◬—	FOUND CITY OF STOCKTON CONTROL MONUMENT, AS NOTED PER (R1)(R2).
—◉—	FOUND AND ACCEPTED 3/4" IRON PIPE TAGGED L.S. 6953 IN MONUMENT WELL PER (R1) UNLESS NOTED OTHERWISE.
—○—	SET 3/4" x 30" LONG IRON PIPE TAGGED L.S. 8225.
—◎—	SET 3/4" x 30" LONG IRON PIPE TAGGED L.S. 8225 IN MONUMENT WELL.
⊤	SET 1/2" X 24" LONG IRON PIPE TAGGED L.S. 8225 AT ALL REAR LOT CORNERS, UNLESS OTHERWISE NOTED.
3' W.C.	WITNESS CORNER: SET 1/2"x24" LONG IRON PIPE TAGGED L.S. 8225 AT OFFSET NOTED, ALL LOT DIMENSIONS SHOWN ALONG LOT LINES THAT CONTAIN A WITNESS CORNER ARE FROM THE LOT CORNER TO LOT CORNER.
⊠	MEASURE POINT
//////////	EXISTING RESTRICTED ACCESS. ACCESS RIGHTS RELINQUISHED TO THE CITY OF STOCKTON (R1)
xxxxxxxxxx	ACCESS RIGHTS RELINQUISHED TO THE CITY OF STOCKTON BY THIS MAP
9	CENTERLINE GRID COORDINATE NUMBERS
SJCR	SAN JOAQUIN COUNTY RECORDS
RS	RECORD OF SURVEY
PM	PARCEL MAP
(M)	MEASURED ON THIS MAP
PUE	PUBLIC UTILITY EASEMENT
C99	CURVE DATA TABLE REFERENCE
L99	LINE DATA TABLE REFERENCE
(R)	RADIAL BEARING
WC	WITNESS CORNER
DN	DOCUMENT NUMBER
SF	SQUARE FEET
AC	ACRE
M.&P.	MAPS AND PLATS
FD	FOUND
SFN	SEARCHED, FOUND NOTHING
SME	SOUND WALL MAINTENANCE EASEMENT
RD	ROAD
IP	IRON PIPE
MON	MONUMENT
EX	EXISTING
N=2153535.135 E=6327497.231	CALIF. COORDINATES-83, ZONE 3 (CENTERLINE AND CONTROL MONUMENTS)

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TRACT NO. 4213

SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK
UNIT NO. 14 - VILLAGE I

BEING A SUBDIVISION OF PARCELS 1, 2, 3 AND 4, AS SHOWN ON THE PARCEL MAP FILED IN BOOK 24 OF PARCEL MAPS, AT PAGE 105, JOAQUIN COUNTY RECORDS, LYING IN SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 EAST, MOUNT DIABLO MERIDIAN, CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA

JULY, 2025

VVH CONSULTING ENGINEERS
430 10th Street
Modesto, CA 95354
Tel: 209.568.4477 Fax: 209.568.4478

N

150 75 0 150 300

SCALE: 1" = 150'

SUBDIVISION SUMMARY:

LOT A (PARK)	=216,249 S.F.=	4.96 AC
LOT B (DRAINAGE BASIN)	=145,216 S.F.=	3.34 AC
LOT C (FUTURE DEVELOPMENT)	=996,282 S.F.=	22.87 AC
131 RESIDENTIAL LOTS	=742,183 S.F.=	17.04 AC
STREET (ROW DEDICATION)	=334,043 S.F.=	7.67 AC
TOTAL	=2,433,973 S.F.=	55.88 AC

LINE DATA TABLE			
LINE	BEARING	DISTANCE	
L1	N89°22'15"E	150.78'	(M)(R1)(R3)
L2	N31°57'15"E	248.32'	(M)(R1)(R3)
L3	N30°48'26"E	278.36'	(M)(R1)(R3)
L4	N32°03'59"E	10.36'	(M)(R1)(R3)
L5	S62°54'23"E	28.98'	(M)(R1)(R3)
L6	S12°39'10"E	82.92'	(M)(R1)(R3)
L7	S29°35'46"E	159.98'	
L8	N61°43'52"E	110.21'	
L9	N16°43'52"E	20.78'	
L10	N52°30'43"E	60.02'	
L11	N31°57'15"E	98.27'	
L12	S33°17'16"E	54.00'	(R)
L13	S23°52'50"E	147.51'	
L14	S0°00'00"E	88.36'	
L15	N90°00'00"E	90.00'	

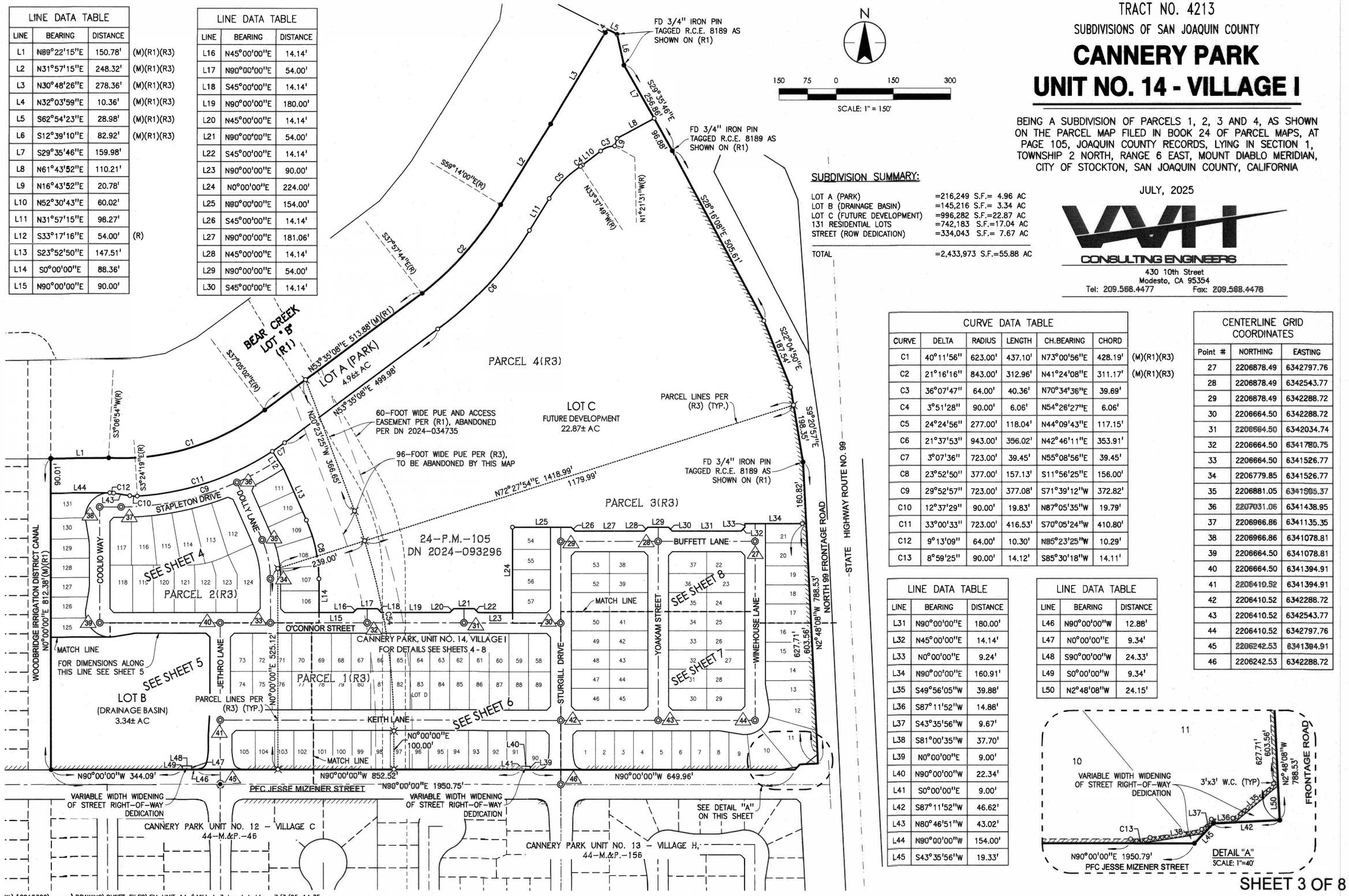
LINE DATA TABLE		
LINE	BEARING	DISTANCE
L16	N45°00'00"E	14.14'
L17	N90°00'00"E	54.00'
L18	S45°00'00"E	14.14'
L19	N90°00'00"E	180.00'
L20	N45°00'00"E	14.14'
L21	N90°00'00"E	54.00'
L22	S45°00'00"E	14.14'
L23	N90°00'00"E	90.00'
L24	N0°00'00"E	224.00'
L25	N90°00'00"E	154.00'
L26	S45°00'00"E	14.14'
L27	N90°00'00"E	181.06'
L28	N45°00'00"E	14.14'
L29	N90°00'00"E	54.00'
L30	S45°00'00"E	14.14'

CURVE DATA TABLE						
CURVE	DELTA	RADIUS	LENGTH	CH.BEARING	CHORD	
C1	40°11'56"	623.00'	437.10'	N73°00'56"E	428.19'	(M)(R1)(R3)
C2	21°16'16"	843.00'	312.96'	N41°24'08"E	311.17'	(M)(R1)(R3)
C3	36°07'47"	64.00'	40.36'	N70°34'36"E	39.69'	
C4	3°51'28"	90.00'	6.06'	N54°26'27"E	6.06'	
C5	24°24'56"	277.00'	118.04'	N44°09'43"E	117.15'	
C6	21°37'53"	943.00'	356.02'	N42°46'11"E	353.91'	
C7	3°07'36"	723.00'	39.45'	N55°08'56"E	39.45'	
C8	23°52'50"	377.00'	157.13'	S11°56'25"E	156.00'	
C9	29°52'57"	723.00'	377.08'	S71°39'12"W	372.82'	
C10	12°37'29"	90.00'	19.83'	N87°05'35"W	19.79'	
C11	33°00'33"	723.00'	416.53'	S70°05'24"W	410.80'	
C12	9°13'09"	64.00'	10.30'	N85°23'25"W	10.29'	
C13	8°59'25"	90.00'	14.12'	S85°30'18"W	14.11'	

CENTERLINE GRID COORDINATES		
Point #	NORTHING	EASTING
27	2206878.49	6342797.76
28	2206878.49	6342543.77
29	2206878.49	6342288.72
30	2206664.50	6342288.72
31	2206664.50	6342034.74
32	2206664.50	6341780.75
33	2206664.50	6341526.77
34	2206779.85	6341526.77
35	2206881.05	6341505.37
36	2207031.06	6341438.95
37	2206966.86	6341135.35
38	2206966.86	6341078.81
39	2206664.50	6341078.81
40	2206664.50	6341394.91
41	2206410.52	6341394.91
42	2206410.52	6342288.72
43	2206410.52	6342543.77
44	2206410.52	6342797.76
45	2206242.53	6341394.91
46	2206242.53	6342288.72

LINE DATA TABLE		
LINE	BEARING	DISTANCE
L31	N90°00'00"E	180.00'
L32	N45°00'00"E	14.14'
L33	N0°00'00"E	9.24'
L34	N90°00'00"E	160.91'
L35	S49°56'05"W	39.88'
L36	S87°11'52"W	14.88'
L37	S43°35'56"W	9.67'
L38	S81°00'35"W	37.70'
L39	N0°00'00"E	9.00'
L40	N90°00'00"W	22.34'
L41	S0°00'00"E	9.00'
L42	S87°11'52"W	46.62'
L43	N80°46'51"W	43.02'
L44	N90°00'00"W	154.00'
L45	S43°35'56"W	19.33'

LINE DATA TABLE		
LINE	BEARING	DISTANCE
L46	N90°00'00"W	12.88'
L47	N0°00'00"E	9.34'
L48	S90°00'00"W	24.33'
L49	S0°00'00"W	9.34'
L50	N2°48'08"W	24.15'



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TRACT NO. 4213

SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK
UNIT NO. 14 - VILLAGE I

BEING A SUBDIVISION OF PARCELS 1, 2, 3 AND 4, AS SHOWN ON THE PARCEL MAP FILED IN BOOK 24 OF PARCEL MAPS, AT PAGE 105, JOAQUIN COUNTY RECORDS, LYING IN SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 EAST, MOUNT DIABLO MERIDIAN, CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA

JULY, 2025

CONSULTING ENGINEERS
430 10th Street
Modesto, CA 95354
Tel: 209.568.4477 Fax: 209.568.4478

BEAR CREEK
LOT "B" (R1)

LOT A
4.96 ACRES
FOR DETAILS SEE
SHEET 3

LOT C

SEE SHEET 3

STAPLETON DRIVE

COOLIO WAY

DOLLY LANE

JETHRO LANE

O'CONNOR STREET

WOODBRIDGE IRRIGATION DISTRICT CANAL

SEE SHEET 5

SEE SHEET 6

NOTES:

1. SEE NOTE 7 SHEET 2 FOR THIS SYMBOL ▲
2. SEE LINE AND CURVE TABLES ON SHEET 8
3. SEE SHEET 2 FOR LEGEND, REFERENCES, BASIS OF BEARINGS AND ADDITIONAL NOTES.

N

40 20 0 40 80

SCALE: 1" = 40'

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TRACT NO. 4213

SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK
UNIT NO. 14 - VILLAGE I

BEING A SUBDIVISION OF PARCELS 1, 2, 3 AND 4, AS SHOWN ON THE PARCEL MAP FILED IN BOOK 24 OF PARCEL MAPS, AT PAGE 105, JOAQUIN COUNTY RECORDS, LYING IN SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 EAST, MOUNT DIABLO MERIDIAN, CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA

JULY, 2025

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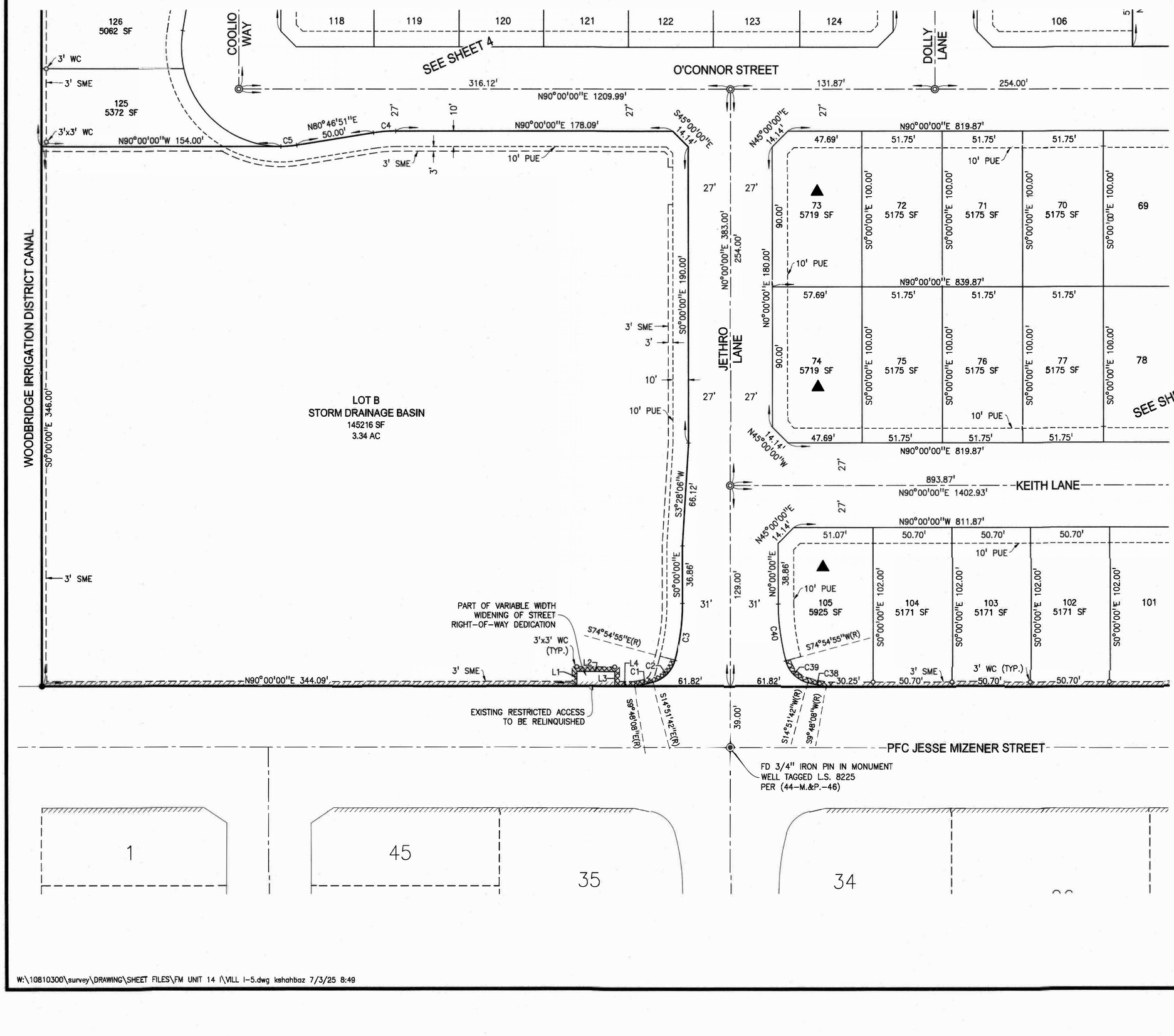

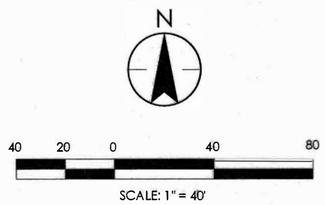

NOTES:

1. SEE NOTE 7 SHEET 2 FOR THIS SYMBOL ▲
2. SEE LINE AND CURVE TABLES ON SHEET 8
3. SEE SHEET 2 FOR LEGEND, REFERENCES, BASIS OF BEARINGS AND ADDITIONAL NOTES.

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SHEET 5 OF 8

N

40 20 0 40 80

SCALE: 1" = 40'

NOTES:

1. SEE NOTE 7 SHEET 2 FOR THIS SYMBOL ▲
2. SEE LINE AND CURVE TABLES ON SHEET 8
3. SEE SHEET 2 FOR LEGEND, REFERENCES, BASIS OF BEARINGS AND ADDITIONAL NOTES.

TRACT NO. 4213

SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK

UNIT NO. 14 - VILLAGE I

BEING A SUBDIVISION OF PARCELS 1, 2, 3 AND 4, AS SHOWN ON THE PARCEL MAP FILED IN BOOK 24 OF PARCEL MAPS, AT PAGE 105, JOAQUIN COUNTY RECORDS, LYING IN SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 EAST, MOUNT DIABLO MERIDIAN, CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA

JULY, 2025

VWH CONSULTING ENGINEERS
430 10th Street
Modesto, CA 95354
Tel: 209.568.4477 Fax: 209.568.4478

LOT C

106 SEE SHEET 4

N90°00'00"W 54.00' — 27.00' — 27.00' — N90°00'00"E 54.00'

90.00' N90°00'00"E 180.00' — L5 — L6 — N90°00'00"E 180.00' — L7 — L8 — 90.00' N90°00'00"E 180.00'

N00°00'00"E 37.00' — N00°00'00"E 37.00'

SEE SHEET 3 — 57 SEE SHEET 8

27' — 254.00' — 254.00' — 254.00' — 27'

N90°00'00"E 1209.99' — O'CONNOR STREET

27' — 27'

N90°00'00"E 819.87'

	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	47.68'	
70	S0°00'00"E 100.00' **69** 5175 SF	S0°00'00"E 100.00' **68** 5175 SF	S0°00'00"E 100.00' **67** 5175 SF	S0°00'00"E 100.00' **66** 5175 SF	S0°00'00"E 100.00' **65** 5175 SF	N0°00'00"E 100.00' **64** 5175 SF	N0°00'00"E 100.00' **63** 5175 SF	N0°00'00"E 100.00' **62** 5175 SF	S0°00'00"E 100.00' **61** 5175 SF	S0°00'00"E 100.00' **60** 5175 SF	S0°00'00"E 100.00' **59** 5175 SF	S0°00'00"E 100.00' **58** 5718 SF ▲		
	10' PUE													

N90°00'00"E 839.87'

	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	51.75'	57.68'	
77	S0°00'00"E 100.00' **78** 5175 SF	S0°00'00"E 100.00' **79** 5175 SF	S0°00'00"E 100.00' **80** 5175 SF	S0°00'00"E 100.00' **81** 5175 SF	S0°00'00"E 100.00' **82** 5175 SF	S0°00'00"E 100.00' **83** 5175 SF	S0°00'00"E 100.00' **84** 5175 SF	N0°00'00"E 100.00' **85** 5175 SF	S0°00'00"E 100.00' **86** 5175 SF	N0°00'00"E 100.00' **87** 5175 SF	N0°00'00"E 100.00' **88** 5175 SF	N0°00'00"E 100.00' **89** 5718 SF ▲		
	10' PUE													

N90°00'00"E 819.87'

27' — 27'

893.87'

SEE SHEET 5 — N90°00'00"E 1402.93' — KEITH LANE

27' — 27'

N90°00'00"W 811.87'

	50.70'	50.70'	50.70'	50.35'	50.00'	50.00'	50.00'	55.00'	50.00'	50.00'	50.25'	51.00'		
102	S0°00'00"E 102.00' **101** 5171 SF	S0°00'00"E 102.00' **100** 5171 SF	S0°00'00"E 102.00' **99** 5171 SF	S0°00'00"E 102.00' **98** 5136 SF	S0°00'00"E 102.00' **97** 5100 SF	S0°00'00"E 102.00' **96** 5100 SF	S0°00'00"E 102.00' **95** 5100 SF	S0°00'00"E 102.00' **94** 5610 SF	S0°00'00"E 102.00' **93** 5100 SF	S0°00'00"E 102.00' **92** 5100 SF	S0°00'00"E 102.00' **91** 5025 SF	S0°00'00"E 93.00' **90** 5818 SF ▲		
	10' PUE													

3' W.C. — 3' SME — 3'x3' WC (TYP.) — L15 — L16 — L14 — L17 — C42 — C41 — C43

50.70' — 50.70' — 50.70' — 50.35' — 50.00' — 50.00' — 50.00' — 55.00' — 50.00' — 50.00' — 39.08' — 22.34' — 19.01' — 61.82'

N90°00'00"W 770.23'

PFC JESSE MIZENER STREET

N90°00'00"E 893.87'

PART OF VARIABLE WIDTH WIDENING OF STREET RIGHT-OF-WAY DEDICATION

EXISTING RESTRICTED ACCESS TO BE RELINQUISHED

S45°00'00"E 14.14' — S74°54'55"E(R) — S9°48'08"E(R) — S14°51'42"E(R) — S45°00'00"W 14.14'

S0°00'00"E 634.00' — 254.00' — N0°00'00"E 180.00' — 90.00' — 27' — 27' — 38.86' — 31' — 31' — 129.00' — 39.00'

STURGILL DRIVE

48 — 47 SEE SHEET 7 — 46 — 1

W:\10810300\survey\DRAWING\SHEET FILES\FM UNIT 14 I\VILL I-6.dwg kshahbaz 7/3/25 8:38

SHEET 6 OF 8

NOTES:

1. SEE NOTE 7 SHEET 2 FOR THIS SYMBOL ▲
2. SEE LINE AND CURVE TABLES ON SHEET 8
3. SEE SHEET 2 FOR LEGEND, REFERENCES, BASIS OF BEARINGS AND ADDITIONAL NOTES.

TRACT NO. 4213

SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK
UNIT NO. 14 - VILLAGE I

BEING A SUBDIVISION OF PARCELS 1, 2, 3 AND 4, AS SHOWN ON THE PARCEL MAP FILED IN BOOK 24 OF PARCEL MAPS, AT PAGE 105, JOAQUIN COUNTY RECORDS, LYING IN SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 EAST, MOUNT DIABLO MERIDIAN, CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA

JULY, 2025

CONSULTING ENGINEERS
430 10th Street
Modesto, CA 95354
Tel: 209.568.4477 Fax: 209.568.4478

CURVE DATA TABLE					
CURVE	DELTA	RADIUS	LENGTH	CH.BEARING	CHORD
C1	5°03'34"	137.00'	12.10'	S77°40'05"W	12.09'
C2	60°03'13"	20.00'	20.96'	S45°06'42"W	20.02'
C3	15°05'05"	140.00'	36.86'	S7°32'32"W	36.75'
C4	9°13'09"	90.00'	14.48'	N85°23'25"E	14.47'
C5	9°13'10"	64.00'	10.30'	S85°23'25"W	10.29'
C6	77°21'52"	64.00'	86.42'	S51°19'04"E	80.00'
C7	21°51'17"	64.00'	24.41'	S1°42'29"E	24.26'
C8	108°26'18"	64.00'	121.13'	S45°00'00"E	103.84'
C9	9°13'08"	90.00'	14.48'	S4°36'35"W	14.47'
C10	9°13'09"	90.00'	14.48'	S4°36'35"E	14.47'
C11	7°59'20"	64.00'	8.92'	S5°13'29"E	8.92'
C12	91°13'49"	64.00'	101.91'	S44°23'05"W	91.48'
C13	9°13'09"	64.00'	10.30'	S85°23'25"E	10.29'
C14	108°26'18"	64.00'	121.13'	S45°00'00"W	103.84'
C15	12°37'28"	90.00'	19.83'	N87°05'35"W	19.79'
C16	6°48'42"	377.00'	44.82'	S20°28'29"E	44.79'
C17	11°46'38"	377.00'	77.49'	S11°10'49"E	77.36'
C18	5°17'30"	377.00'	34.82'	S2°38'45"E	34.81'

CURVE DATA TABLE					
CURVE	DELTA	RADIUS	LENGTH	CH.BEARING	CHORD
C19	6°48'42"	277.00'	32.93'	N20°28'29"W	32.91'
C20	11°46'38"	277.00'	56.94'	N11°10'49"W	56.84'
C21	5°17'30"	277.00'	25.58'	N2°38'45"W	25.57'
C22	23°52'50"	277.00'	115.45'	S11°56'25"E	114.62'
C23	23°52'50"	250.00'	104.20'	S11°56'25"E	103.45'
C24	23°52'50"	223.00'	92.95'	S11°56'25"E	92.27'
C25	3°21'43"	777.00'	45.59'	N70°31'45"E	45.59'
C26	3°57'14"	777.00'	53.62'	N74°11'13"E	53.61'
C27	3°57'14"	777.00'	53.62'	N78°08'27"E	53.61'
C28	3°57'14"	777.00'	53.62'	N82°05'41"E	53.61'
C29	3°54'11"	777.00'	52.93'	N86°01'24"E	52.92'
C30	2°01'31"	777.00'	27.46'	N88°59'15"E	27.46'
C31	6°55'11"	200.00'	24.16'	S69°34'45"W	24.14'
C32	13°25'11"	200.00'	46.84'	N79°44'57"W	46.74'
C33	3°32'28"	200.00'	12.36'	N88°13'46"E	12.36'
C34	12°06'00"	200.00'	42.24'	S72°10'10"W	42.16'
C35	11°46'50"	200.00'	41.12'	N84°06'36"E	41.05'
C36	23°52'50"	200.00'	83.36'	N78°03'35"E	82.76'

CURVE DATA TABLE					
CURVE	DELTA	RADIUS	LENGTH	CH.BEARING	CHORD
C37	6°40'42"	777.00'	90.57'	N60°03'05"E	90.52'
C38	5°03'34"	137.00'	12.10'	N77°40'05"W	12.09'
C39	60°03'13"	20.00'	20.96'	N45°06'42"W	20.02'
C40	15°05'05"	140.00'	36.86'	N7°32'33"W	36.75'
C41	5°03'34"	137.00'	12.10'	S77°40'05"W	12.09'
C42	60°03'13"	20.00'	20.96'	S45°06'42"W	20.02'
C43	15°05'05"	140.00'	36.86'	S7°32'33"W	36.75'
C44	15°05'05"	140.00'	36.86'	N7°32'33"W	36.75'
C45	60°03'13"	20.00'	20.96'	N45°06'42"W	20.02'
C46	5°03'34"	137.00'	12.10'	N77°40'05"W	12.09'
C47	9°13'09"	90.00'	14.48'	N4°36'35"W	14.47'
C48	24°56 30"	64.00'	27.86'	N3°15'06"E	27.64'
C49	34°06'17"	64.00'	38.10'	N32°46'30"E	37.54'
C50	34°25'20"	64.00'	38.45'	S67°02'18"W	37.87'
C51	14°58' 11"	64.00'	16.72'	S88°15'56"E	16.67'
C52	108°26' 18"	64.00'	121.13'	S45°00'00"W	103.84'
C53	9°13'09"	90.00'	14.48'	S85°23'25"E	14.47'
C54	8°59'25"	90.00'	14.12'	N85°30'18"E	14.11'

TRACT NO. 4213

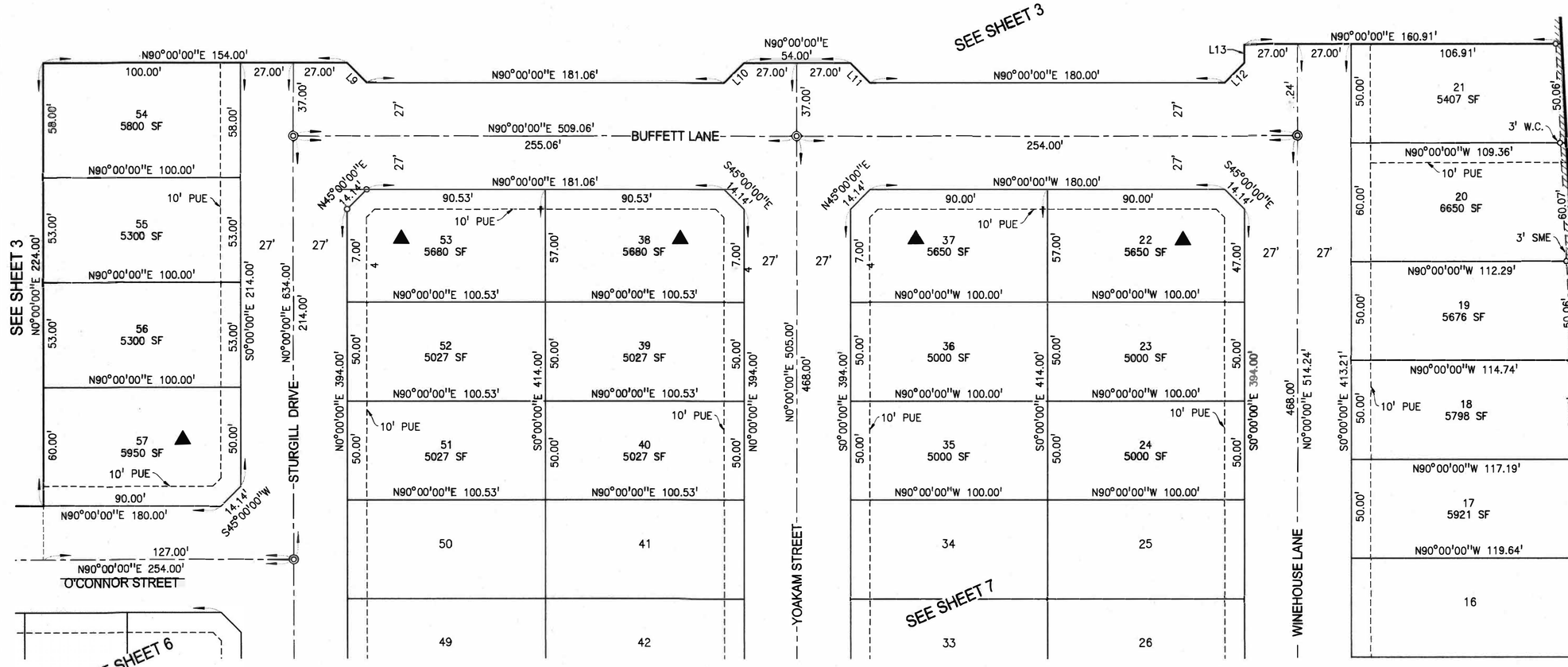
SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK
UNIT NO. 14 - VILLAGE I

BEING A SUBDIVISION OF PARCELS 1, 2, 3 AND 4, AS SHOWN ON THE PARCEL MAP FILED IN BOOK 24 OF PARCEL MAPS, AT PAGE 105, JOAQUIN COUNTY RECORDS, LYING IN SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 EAST, MOUNT DIABLO MERIDIAN, CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA

JULY, 2025

CONSULTING ENGINEERS
430 10th Street
Modesto, CA 95354
Tel: 209.568.4477 Fax: 209.568.4478



NOTES:

1. SEE NOTE 7 SHEET 2 FOR THIS SYMBOL ▲
2. SEE LINE AND CURVE TABLES ON SHEET 8
3. SEE SHEET 2 FOR LEGEND, REFERENCES, BASIS OF BEARINGS AND ADDITIONAL NOTES.

LINE DATA TABLE		
LINE	BEARING	DISTANCE
L1	N0°00'00"E	9.34'
L2	N90°00'00"E	24.33'
L3	S0°00'00"W	9.34'
L4	N90°00'00"E	12.88'
L5	S45°00'00"W	14.14'
L6	N45°00'00"W	14.14'
L7	N45°00'00"E	14.14'
L8	S45°00'00"E	14.14'
L9	S45°00'00"E	14.14'
L10	N45°00'00"E	14.14'
L11	S45°00'00"E	14.14'
L12	N45°00'00"E	14.14'
L13	N0°00'00"E	9.24'
L14	N0°00'00"E	9.00'
L15	N90°00'00"W	11.17'
L16	N90°00'00"W	11.17'
L17	S0°00'00"E	9.00'

SHEET 8 OF 8

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File #: 25-0727, **Version:** 1

ADOPT A RESOLUTION APPROVING A FINAL MAP AND SUBDIVISION AGREEMENT FOR CANNERY PARK, UNIT NO. 15 (VILLAGE J) TRACT NO. 4214 PROJECT

RECOMMENDATION

It is recommended that the City Council adopt a resolution to:

1. Approve the Final Map for Cannery Park, Unit No. 15 (Village J), Tract No. 4214;

2. Authorize the City Manager to execute the subdivision agreement, accept on behalf of the public all offers of dedication, and record the Final Map for Cannery Park, Unit No. 15 (Village J), Tract No. 4214; and

3. Authorize the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the resolution.

Summary

The proposed resolution approves the Final Map and authorizes the City Manager to execute a Subdivision Agreement between Century Communities of California, LLC, accept all offers of dedication, and record the map for Cannery Park, Unit No. 15 (Village J), Tract No. 4214. The subdivision contains 22.87 acres divided into 136 lots for the construction of single-family residential homes and street right-of-way dedication. The Final Map complies with the Tentative Maps (TM 8-04 A&B and TM P21-0435) approved by the Planning Commission on August 12, 2004, and February 8, 2024, and approved development conditions. The proposed property subdivision is located north of PFC Jesse Mizener Street and east of Holman Road (Attachment A - Vicinity Map).

Review and approval of the Final Map and Subdivision Agreement are necessary to ensure the Tentative Map conditions have been fulfilled. If the Final Map is approved by the City Council, the City will transmit the map and Subdivision Agreement to the County Recorder. It is recommended that the Council adopt the proposed resolution, as Century Communities of California, LLC, has fulfilled all necessary conditions.

DISCUSSION

Background

On August 12, 2004, the Planning Commission approved a Small Lot and Large Lot Tentative Subdivision Map (TM 8-04 A&B) for the Cannery Park Mixed Use Project and recommended that City Council approve an Environmental Impact Report, General Plan Amendment, Eight Mile Road Specific Plan Amendment, Annexation, Pre-zoning and Development Agreement. On September 14,

2004, the City Council approved the Planning Commission and Staff recommendations. The Project proposed to develop a 448-acre project site with 1,100 single-family lots, 210 multi-family units, commercial retail and office, industrial, parks, a school, and a fire station.

The Tentative Small Lot Map 8-04A shows how the proposed site would be divided up into smaller parcels, creating the residential lots, a lot for multi-family, 49 lots for light industrial and commercial, and lots for the fire station, parks, school, and various accessory lots. The Tentative Large Lot Map shows how the proposed site would be divided up into 17 large lots to provide the developer an opportunity to sell larger blocks of developable land off while site development is underway. The tentative maps were approved subject to specified conditions to be met upon subdivision of the project site.

The City Council approved the formation of the Community Facilities District (CFD) No. 2019-1 for Cannery Park II to levy Special Taxes within the CFD to finance the construction of capital infrastructure and ongoing services related to police, fire, parks, roads, and open space.

On February 8, 2024, the Planning Commission approved a Tentative Subdivision Map (TM P21-0435) for the Cannery Park Mixed Use Project, and on April 2, 2024, the City Council approved the associated General Plan Amendment, Rezone, EIR Addendum, and Development Agreement (extending the existing agreement by 10 years).

Up to the present time, the City Council has approved twelve final maps that created 1,031 residential lots, a school, public rights-of-way, and easements.

Present Situation

Century Communities of California, LLC, submitted a final map to complete the subdivision process for the earlier approved Tentative Maps. The subdivision name is Cannery Park Unit No. 15 (Village J), Tract No. 4214, and will subdivide the 22.87-acre project site into 136 lots for the construction of single-family residential homes and street right-of-way dedication. The residential lot sizes, ranging from 4,500 to 7,649 square feet, will have access through the project site to public streets.

Staff reviewed the Final Map and Subdivision applications and determined that all conditions necessary for approval are met. This includes preparing improvement plans for all proposed public streets and utilities to be constructed within the subdivision, dedicating right-of-way easements, paying proportionate share fees towards off-site improvement costs, and posting security bonds to guarantee the subdivision improvements.

The City Engineer reviewed the Final Map for technical accuracy, substantial conformance with the approved tentative maps, and that the required conditions are completed or incorporated within a Subdivision Agreement. The City Engineer recommends forwarding the Final Map, Subdivision Agreement, and any offers of dedication to the City Council for consideration and approval.

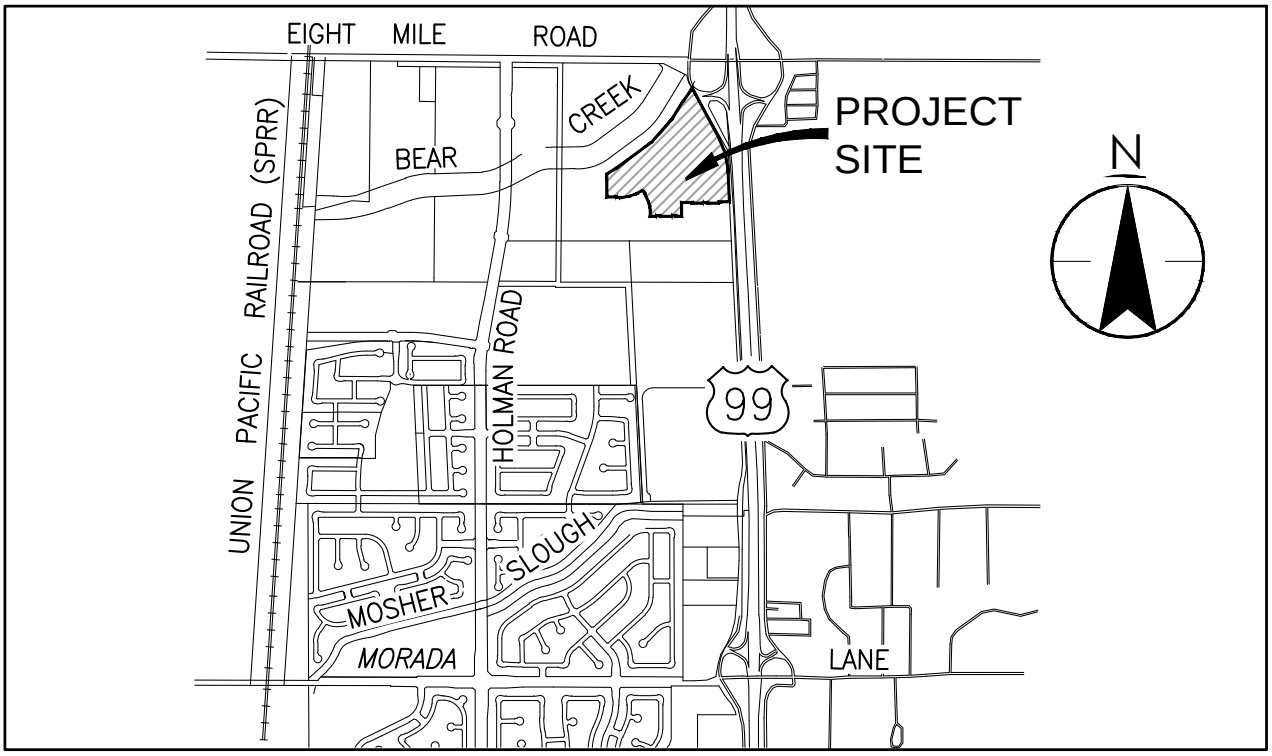
The Subdivision Agreement (Exhibit 1 to the proposed resolution) contains the developer’s obligations for project site development. The proposed resolution authorizes the City Manager to execute the Subdivision Agreement, accept on behalf of the public all offers of dedication, and authorizes the recordation of the Final Map. It is recommended that the Council adopt the proposed resolution, as Century Communities of California, LLC, has fulfilled all necessary conditions.

FINANCIAL SUMMARY

The costs of creating the Subdivision Agreement, including plan checking, inspection, map filing, and computer mapping services provided by City staff, have been paid by the subdivider in the amount of $262,438.73 and deposited in various fee accounts in the Development Services Fund and Street Sign Public Facility Fee Fund. These fees and deposits are described in detail in Exhibit A of the Subdivision Agreement. All other fees will be assessed at the time building permits are issued.

Cannery Park, Unit No. 15 (Village J) will be incorporated into CFD No. 2019-1, which provides funding for the necessary infrastructure improvements and ongoing City services related to police, fire, parks, roads, and open space to support the project development. There is no financial impact to the City because of the execution of the Subdivision Agreement. The developer bears the costs of constructing the required infrastructure improvements and development of the subdivision.

Attachment A - Vicinity Map



VICINITY MAP
NOT TO SCALE

NO.	REV. DATE	BY	APRVD.
DWG. BY			
CK. BY			
SCALE			

Cannery Park, Unit 15
Vicinity Map

CITY OF STOCKTON
DEPARTMENT OF PUBLIC WORKS

APPROVED BY	
CITY ENGINEER	
DATE	DRAWING NO.

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE THE SUBDIVISION AGREEMENT, ACCEPTING ON BEHALF OF THE PUBLIC ALL OFFERS OF DEDICATION, AND AUTHORIZING RECORDATION OF THE FINAL MAP FOR CANNERY PARK, UNIT NO. 15 (VILLAGE J) - TRACT NO. 4214

Cannery Park, Unit No. 15 (Village J), Tract No. 4214 is located north of PFC Jesse Mizener and east of Holman Road; and

The project will subdivide an approximately 22.87-acre project site into 136 lots for the construction of single-family residential homes and street right-of-way dedication; and

The subdivider is CENTURY COMMUNITIES OF CALIFORNIA, LLC (Subdivider); and

The Subdivider has submitted the Cannery Park, Unit No. 15 (Village J), Tract No. 4214, Final Map for approval; and

Staff reviewed the Final Map and Subdivision applications and determined that all conditions necessary for approval have been met, which includes preparing improvement plans for all proposed public streets and utilities to be constructed within the subdivision unit, dedicating right-of-way easements, and posting security bonds to guarantee the subdivision improvements; and

The subdivision agreement contains the Subdivider's obligations for project site development; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Manager is hereby authorized to execute on behalf of the City of Stockton a Subdivision Agreement outlining conditions for the approval of Cannery Park, Unit No. 15 (Village J), Tract No. 4214, a copy of which is attached as Exhibit 1 and incorporated by this reference.

2. The certain Final Map, consisting of eight sheets, entitled Cannery Park, Unit No. 15 (Village J), Tract No. 4214 filed with the City Clerk on August 12, 2025, is hereby approved as and for the Final Map of that certain subdivision known as Cannery Park, Unit No. 15 (Village J), Tract No. 4214, Stockton, California, a copy of which is attached as Exhibit 2 and incorporated by reference.

3. The City Council hereby accepts on behalf of the public all offers of dedication for the purposes designated and authorizes the recordation of the map.

4. The approval and acceptance by the City on behalf of the public of Tract No. 4214, Subdivisions of San Joaquin County, Cannery Park, Unit No. 15 – Village J, is subject to the owner or owners constructing all public improvements required by the Community Development Department and the payment of all fees required under Chapter 16, Division 4, of the Stockton Municipal Code, and subject to the owner or owners submitting to the City of Stockton the final map of the subdivision approved by the County Surveyor indicating conformance to the Subdivision Map Act of the State of California.

5. The City Clerk is hereby authorized and directed to sign and have recorded said subdivision map when same is submitted to the City, bearing said approval of the County Surveyor, and is approved by the City Engineer.

6. The City Manager is authorized to take such other actions as are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED August 12, 2025 .

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

After Recording Return To:
City of Stockton
Community Development Department
Planning & Engineering Services Div.
425 North El Dorado Street
Stockton CA 95202

SUBDIVISION AGREEMENT
(FINAL MAP)

THIS SUBDIVISION AGREEMENT ("Agreement") is made and entered into as of _____ by and between the CITY OF STOCKTON, hereafter referred to as "CITY," and CENTURY COMMUNITIES OF CALIFORNIA, LLC, A DELAWARE LIMITED LIABILITY COMPANY, hereinafter referred to as "SUBDIVIDER."

W I T N E S S E T H:

Subdivider has presented to City for approval a final subdivision map (hereinafter called "MAP") entitled **CANNERY PARK, UNIT NO. 15 (VILLAGE J) -- TRACT NO. 4214 (TM 8-04 A&B and P21-0435)** which Map has been checked and approved by the County Surveyor; and

Said Map has been filed with the City Engineer for presentation to the City Council of the City for its approval, which Map is hereby referred to and incorporated herein; and

Subdivider has requested approval of said Map prior to the construction and completion of improvements, including all streets, highways or public ways and public utility facilities which are a part of, or appurtenant to, the subdivision (hereinafter called "subdivision") designated in the Map, all in accordance with, and as required by, the plans and specifications for all or any of said improvements in, appurtenant to, or outside the limits of subdivision, which plans and specifications (5607C) dated 2/12/25, prepared by VVH Consulting Engineers, and consisting of Sheets 1 through 25 are now on file in the Office of the City Engineer; and

This agreement is executed pursuant to the provisions of the Subdivision Map Act of the State of California and Title 16, Division 6, of the Stockton Municipal Code.

NOW, THEREFORE, for and in consideration of these premises and the approval of said Map and of the acceptance of the dedications, or some thereof, therein offered, and in order to ensure satisfactory performance by Subdivider of Subdivider's obligations under said Subdivision Map Act and said Municipal Code, the parties hereto agree as follows:

1. PERFORMANCE OF WORK

Subdivider shall construct or cause to be constructed, at Subdivider's own expense, in a good and workmanlike manner, under the direction and to the satisfaction of the City Engineer, all of the following work and improvements within the subdivision, to-wit:

Those certain improvements designated and shown on said Map as streets, curbs, gutters, sanitary sewers, storm sewers, water mains,

street lights, sidewalks, and other on or off-site improvements in accordance with the plans and specifications on file in the office of City Engineer together with any changes required or ordered by said Engineer, which in the Engineer's opinion, are necessary or required to complete the work.

2. WORK: PLACES AND GRADES TO BE FIXED BY ENGINEER

All of said work is to be done to the satisfaction of the City Engineer, and to the grades as shown upon the approved plans and specifications on file in the Office of the City Engineer. Subdivider warrants that construction will not adversely affect any portion of adjacent properties.

3. WORK: TIME FOR COMMENCEMENT AND PERFORMANCE

At least seventy-two (72) hours prior to the commencement of any work hereunder, Subdivider shall notify City Engineer in writing of the date fixed by Subdivider for commencement thereof, so that City Engineer shall be able to provide services of inspection.

Subdivider will complete, or cause to be completed, within two (2) years of approval of said Map and construction plans by the City Council, all improvements in accordance with the plans and specifications on file as hereinbefore specified, including any changes required or ordered by the said Engineer.

The work shall be performed in a safe and good worklike manner, and enough workers to quickly and adequately perform the work in accordance with normal construction standards for similar jobs shall be employed and used. All work must comply with State of California, Division of Industrial Safety Construction Orders.

Except during an emergency, as determined by the City Engineer, all work shall be performed between the hours of 7:00 a.m. and 9:00 p.m.

Any contractor not performing as required by this agreement may, at the discretion of the City Engineer, be barred from doing any work within the City of Stockton on any subdivision or any public works project for a maximum period of two (2) years.

City may require Subdivider to furnish a licensed Soils Engineer to test and certify that all cuts, fills and trench backfill conform to the requirements of City and State codes.

4. TIME OF ESSENCE: EXTENSION

Time is of the essence of this agreement; provided that in the event good cause is shown, the City Council may extend the time for completion of the improvements hereunder. Any such extension may be granted without notice to the Subdivider's surety, and extensions so granted shall not release or modify the surety's liability on the bond to secure the faithful performance of this agreement, or the payment for labor and materials.

5. REPAIRS AND REPLACEMENTS

Subdivider shall replace, or have replaced, or repair or have repaired, as the case may be, all pipes and monuments shown on the map which have been destroyed or damaged, and Subdivider shall replace or have replaced, repair or have repaired, as the case may be, or pay the

owner, the entire cost of replacement or repairs, of any and all property damaged or destroyed by reason of any work done hereunder, whether such property be owned by the United States or any agency thereof, or the State of California or any agency or political subdivision thereof, or by the City or by any public or private corporation, or by any person whomsoever, or by any combination of such owners. Any such repair or replacement shall be to the satisfaction, and subject to the approval of the City Engineer.

6. UTILITY DEPOSITS: STATEMENT

Subdivider shall make all deposits legally required by each public utility corporation for the connection of any and all public utilities to be supplied by such public utility corporation within the subdivision.

7. PERMITS: COMPLIANCE WITH LAW

Subdivider shall, at Subdivider's expense, obtain all necessary permits and licenses for the construction of such improvements, give all necessary notices and pay all fees and taxes required by law.

8. SUPERINTENDENCE BY SUBDIVIDER

Subdivider shall give personal superintendence to the work on said improvement, or have a competent foreman or superintendent, satisfactory to the City Engineer, on the work at all times during progress, with authority to act for Subdivider.

9. INSPECTION BY CITY

Subdivider shall at all times maintain proper facilities, and provide safe access for inspection by City, to all parts of the work, and to the shops wherein the work is in preparation.

10. CONTRACT SECURITY

Concurrently with the execution hereof, Subdivider shall furnish:

A. A cash bond guaranteeing payment for placing monuments in the amount of (26 Monuments)..... $52,000.00

B. A surety bond, cash deposit or letter of credit (50% of the public improvements cost) as security for the faithful performance of this agreement in the amount of $1,580,670.00

C. A separate security bond, cash deposit or letter of credit (50% of the public improvements cost) as security for the payment of all persons performing labor and furnishing materials in connection with this agreement in the amount of..... $1,580,670.00

The surety on each of said bonds shall be a corporate surety company authorized to transact business in the State of California, and the form thereof shall be satisfactory to the City Attorney and the Administrative Services Officer. Release of securities shall be as follows:

A. Security given for faithful performance shall be released after the City has finally accepted the work, and provided that security of at least ten (10) percent of the public improvements cost has been retained or security has been furnished to the City to guarantee and warrant the work for 1-year following the date of such acceptance of the work.

B. Security securing the payment to the contractor, the subcontractors of the contractor, and to persons furnishing labor, materials or equipment shall be released sixty (60) days after recording the Notice of Completion provided that the City has finally accepted the work and provided no claims or liens have been filed with the City. If claims of lien have been filed, an amount of security at least equal to the claims shall be retained pending the outcome of the claims.

C. The security guaranteeing that the completed work remains satisfactory during the required 1-year warranty period shall be released upon correction, by Subdivider, of any defects in the work existing at the end of the warranty period.

D. Monument security shall be released in accordance with the provisions of Section 66497 of the Government Code.

In the event that improvements do not conform to the plans and specifications or defects are not corrected within the time limit specified by the City, the City shall have the authority to order the necessary work done and to recover the cost of such work as well as any costs of enforcing such obligation, including attorney fees, from the Subdivider and the Subdivider's surety or the financial institution providing the Instrument of Credit.

11. INDEMNITY AND HOLD HARMLESS AGREEMENT

With the exception that this section shall in no event be construed to require indemnification by SUBDIVIDER to a greater extent than permitted under the public policy of the State of California, SUBDIVIDER shall, indemnify, protect, defend with counsel approved by CITY and at SUBDIVIDER'S sole cost and expense, and hold harmless City of Stockton and its officers, officials, employees and volunteers from and against any and all claims, causes of action, liabilities, judgments, awards, losses, liens, claims, stop notices, damages, expenses, and costs (including without limitation attorneys' fees, expert and subdivider fees, and other expenses of litigation) of every nature, including, but not limited to, death or injury to persons, or damage to property, which arise out of or are in any way connected with the work performed, materials furnished, or services provided under this Agreement, or from any violation of any federal, state, or municipal law or ordinance, or CITY Policy, by SUBDIVIDER or SUBDIVIDER'S officers, agents, employees, volunteers or subcontractors. SUBDIVIDER shall not be obligated to indemnify or defend CITY for claims finally determined by a court of law or arbitrator to arise from the active negligence or willful misconduct of the CITY. It is the intent of the Parties that this indemnity obligation is at least as broad as is permitted under California law. To the extent California Civil Code sections 2782, et seq., limit the defense or indemnity obligations of SUBDIVIDER to CITY, the intent hereunder is to provide the maximum defense and indemnity obligations allowed by SUBDIVIDER under the law. The indemnity set forth in this section shall not be limited by insurance requirements or by any other provision of this Agreement.

With the exception that this section shall in no event be construed to require indemnification, including the duty to defend, by SUBDIVIDER to a greater extent than permitted under the public policy of the State of California, the parties agree that SUBDIVIDER'S duty to defend CITY is immediate and arises upon the filing of any claim against the CITY for damages which arise out of

or are in any way connected with the work performed, materials furnished, or services provided under this Agreement by SUBDIVIDER or SUBDIVIDER'S officers, agents, employees, volunteers or subcontractors. SUBDIVIDER'S duties and obligations to defend the CITY shall apply regardless of whether or not the issue of the CITY'S liability, breach of this Agreement, or other obligation or fault has been determined. SUBDIVIDER shall be immediately obligated to pay for CITY'S defense costs of the claim, including, but not limited to, court costs, attorney's fees and costs, expert subdivider and witness fees and costs, other witness fees, document reproduction costs, arbitration fees, and, if after final judgment an appeal is pursued, all of such costs for the appeal. At the conclusion of the claim, if there is any determination or finding of sole active negligence or willful misconduct on the part of the CITY, CITY will then reimburse SUBDIVIDER for amounts paid in excess of SUBDIVIDER'S proportionate share of responsibility for the damages within 30 days after SUBDIVIDER provides CITY with copies of all bills and expenses incurred in the defense of the claim(s). It is agreed between the parties that this reimbursement provision assures SUBDIVIDER is not obligated to defend or indemnify CITY, in an amount greater than provided for under California law, including, without limitation, California Civil Code sections 2782, 2782.6, and 2782.8.

With the exception that this section shall in no event be construed to require indemnification by SUBDIVIDER to a greater extent than permitted under the public policy of the State of California, and in addition to the other indemnity obligations in this Agreement, SUBDIVIDER shall indemnify, defend, and hold harmless City of Stockton and its officers, officials, employees and volunteers from and against all claims, losses, expenses, and costs including but not limited to attorneys' fees, arising out of any claim brought against the CITY by an employee, office, agent, or volunteer of SUBDIVIDER, regardless of whether such claim may be covered by any applicable workers compensation insurance. SUBDIVIDER'S indemnification obligation is not limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the SUBDIVIDER under workers' compensation acts, disability acts, or other employee benefit acts.

INSURANCE REQUIREMENTS

Subdivider shall comply with the insurance requirements set forth in Exhibit B.

Subdivider shall contractually require the selected contractor to carry the insurance required within Exhibit C.

12. TITLE TO IMPROVEMENTS

Title to, and ownership of, all improvements constructed hereunder by Subdivider shall vest absolutely in City, upon completion and acceptance of such improvements by City, except as otherwise may be provided in this agreement. Prior to final acceptance by the City, the Subdivider shall submit to the City Engineer accurately revised "as built" plans showing all the sanitary, storm and water lateral locations, monuments with tie notes and unit prices and quantities of the underground sewer, storm drainage, water, street lighting and street facilities installed as part of this subdivision unit.

13. REPAIR OR RECONSTRUCTION OF DEFECTIVE WORK

If, within a period of one (1) year after final acceptance of the work performed under this agreement, any structure or part of any structure furnished and/or installed or constructed, or caused to be installed or constructed by Subdivider, or any of the work done under this agreement, fails to fulfill any of the requirements of this agreement or the specifications referred to herein, Subdivider shall without delay and without any cost to City, repair or replace or reconstruct any

defective or otherwise unsatisfactory part or parts of the work or structure. Should Subdivider fail to act within thirty (30) days after written notice or in case of emergency, City may, at its option, make the necessary repairs or replacements or perform the necessary work and Subdivider shall pay to City the actual cost of such repairs plus twenty-five (25) percent as administrative costs. In accordance with Section 16.72.070 of the Stockton Municipal Code, the subdivider shall deposit $31,613.00 with the City to correct deficiencies and conditions caused by the Subdivider or contractor during or after the construction of this subdivision.

14. SUBDIVIDER NOT AGENT OF CITY

Subdivider or any of Subdivider's agents or contractors are not or shall not be considered agents of City in connection with the performance of Subdivider's obligations under this agreement.

15. COST OF ENGINEERING AND INSPECTION

Prior to commencement of construction, the Subdivider shall pay to the City of Stockton the cost for the checking of engineering plans, inspection of the work, and the checking and testing of the materials at the appropriate existing rate. The cost of such improvements is based on an approved estimate, or on the construction contract, if awarded prior to filing of the map with the City Council.

Plan Checking Fee	=	$73,887.28
Inspection Fee	=	$111,193.94

No work shall be performed without inspection by the City. Any work performed without an inspection will not be accepted by the City.

All work, which requires inspection, shall be performed during the City's normal working hours and work days. If any work is performed before 8:00 a.m., after 5:00 p.m., or on a City holiday, or on a weekend, there must be a request in writing twenty-four (24) hours in advance for an inspector during those hours, and there must be paid to the City double the Inspector's hourly cost to the City. This payment is not included in the 3.5 percent (3.5%) engineering and inspection fee.

If an inspector is not available to work during such hours, as requested, no work shall be performed during those hours.

16. FILING FEES

Concurrently with execution hereof, Subdivider shall pay a computer mapping fee of $597.00 ($155 + $3.25/lot), a map filing fee of $3,685.00 and, present one check for recording the Map and the agreement, payable to the San Joaquin County Recorder in the amount of $116.00 and $239.00, respectively. City will forward the checks with the Map for recording.

17. NOTICE OF BREACH AND DEFAULT

If Subdivider refuses or fails to obtain prosecution of the work, or any severable part thereof, with such diligence as will insure its completion within the time specified, or any extensions thereof, or fails to obtain completion of said work within such time, or if the Subdivider should be adjudged a bankrupt, or Subdivider should make a general assignment for the benefit of Subdivider's creditors, or if a receiver should be appointed in the event of Subdivider insolvency, or if Subdivider, or any of Subdivider's contractors, subcontractors, agents, or employees should violate any of the provisions

of this agreement, City Engineer or City Council may serve written notice upon Subdivider and Subdivider's surety of breach of this agreement or of any portion thereof and default of Subdivider.

18. BREACH OF AGREEMENT: PERFORMANCE BY SURETY OR CITY

In the event of any such notice, Subdivider's surety shall have the duty to take over and complete the work and the improvements herein specified; provided, however, that if the surety, within ten (10) days after the serving upon it of such notice of breach does not give City written notice of its intention to take over the performance of the contract, and does not commence performance thereof within ten (10) days after notice to City of such election, City may take over the work and prosecute the same to completion, by contract or by any other method City may deem advisable, for the account and at the expense of Subdivider, and Subdivider's surety shall be liable to City for the cost and damages occasioned City thereby; and, in such event, City without liability for so doing may take possession of, and utilize in completing the work, such materials, appliances, plant and other property belonging to Subdivider as may be on the site of the work and necessary therefor. The City reserves to itself all remedies available to it at law or in equity for breach of Subdivider's obligations under this Agreement. The right of City to draw upon or utilize the security is additional to and not in lieu of any other remedy available to City. In the event that Subdivider fails to perform any obligations hereunder, Subdivider agrees to pay all costs and expenses incurred by City in securing performance of such obligations, including costs of suit and reasonable attorney fees.

19. NOTICES

All notices herein required shall be in writing, and delivered in person or sent by registered mail, postage prepaid.

Notices required to be given to City shall be addressed as follows:

CITY ENGINEER
22 E. WEBER AVENUE
STOCKTON CA 95202

Notices required to be given to Subdivider shall be addressed as follows:

CENTURY COMMUNITIES OF CALIFORNIA, LLC, A DELAWARE LIMITED LIABILITY COMPANY
6700 KOLL CENTER PARKWAY, SUITE 210
PLEASANTON CA 94566

Notices required to be given to surety of Subdivider shall be addressed as follows:

MARSH USA LLC
1225 17TH STREET, SUITE 1300
DENVER CO 80202

Provided that any party or the surety may change such address by notice in writing to the other party and, thereafter, notices shall be addressed and transmitted to the new address.

20. FIRE PROTECTION

No building permits will be issued in this subdivision until the water system has been completed and tested and all access streets installed and made serviceable. This provision may be modified or waived if an alternate method of providing fire protection is provided and approved by the Stockton Fire Department.

21. STREET TREE SECURITY

The Subdivider shall provide a faithful performance bond, cash deposit, or letter of credit for 125% of the street tree fee based on $195 per tree.

Street Tree Security: 170 trees @ $195 ea. X 125% = $41,437.50

22. STREET NAME SIGN FEE

The Subdivider shall pay a street name sign fee based on $286.25 per sign to be furnished and installed by the City.

Street Name Sign Fee: 11 signs @ $286.25 ea. = $3,148.75

23. SUMMARY OF FEES

The fees mentioned in this Agreement are summarized in Exhibit A attached hereto and incorporated herein by reference. However, some fees such as the Public Facilities Fee and Parkland Fee, which are collected at the building permit stage, are not included in this summary.

24. BINDING UPON SUCCESSORS

This agreement shall be binding upon and inure to the benefit of, and be enforceable by and against, the heirs, successors, and assigns of the parties hereto, subject to the terms hereof.

25. ASSIGNMENT

Subdivider shall have the right to assign (by sale, transfer, or otherwise) directly or indirectly, all or part of its rights, duties and obligations under this agreement as to any portion or all of the Property upon a specific written request and written consent by the City Manager which shall not be unreasonably withheld, delayed or conditioned. Except that Subdivider may, without the consent of the City, assign this Agreement to a controlled subsidiary of Subdivider or a purchaser of all or substantially all of Subdivider's interest in the real property which is the subject of the Map, provided the assigning party causes the assignee to assume in writing all obligations of the assignor under this Agreement. Notice of an assignment to a controlled subsidiary of Subdivider or a purchaser of all or substantially all of Subdivider's interest shall be given to the City in writing within 30 days of such change. Upon any such assignments, Subdivider shall be released from its obligations under this Agreement and shall receive the immediate return of all security deposits, including, but not limited to bonds, letters of credit, security instruments or any other financial commitments upon the replacement of same by the assignee. The rights and obligations of this Agreement shall bind and benefit any successors or assigns of the parties.

26. SPECIAL PROVISIONS

The subdivision of the property subject to the Map described herein shall be subject to the tentative map conditions in TM8-04 & P21-0435 as shown in Exhibit D (attached) shall apply to this Agreement.

The property to be subdivided by the Map described herein shall participate in the Cannery Park Storm Water Quality Assessment District formed by City Council on November 15, 2005 by Resolution 05-0505.

Note: No building permits shall be issued until the Map described herein is recorded.

Note: Right-of-way dedication for bus turnouts, street right-of-way, and slope easements for grade separations shall be dedicated when necessary with the Map described herein.

ATTEST:

KATHERINE ROLAND, CMC, CPMC
CITY CLERK

By_____

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY

BY_____
CITY ATTORNEY

CITY OF STOCKTON:

STEVE COLANGELO
INTERIM CITY MANAGER

By_____

CENTURY COMMUNITIES OF CALIFORNIA, LLC, A DELAWARE LIMITED LIABILITY COMPANY

Dean Kelly
(PRINT NAME)

BY_____
(SIGNATURE)

Vice President
(TITLE)

APPROVED BY CITY COUNCIL RESOLUTION NO. _____
ON _____, 20___.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California h Contra Costa
County of ~~Contra Costa~~)

On 6/23/2025 before me, Lewis M Robinson III Notary Public
(insert name and title of the officer)

personally appeared Dean Mills,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

LOUIS M. ROBINSON III
Notary Public - California
Alameda County
Commission # 2482630
My Comm. Expires Mar 15, 2028

Signature _____ **(Seal)**

(NOTARY FOR SUBDIVIDER)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____)

On _____ before me, _____
(insert name and title of the officer)

personally appeared _____
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ **(Seal)**

(NOTARY FOR CITY MANAGER)

EXHIBIT A
CANNERY PARK UNIT NO. 15, VILLAGE J
LEGAL DESCRIPTION

Being a Lot C as shown on the map entitled "Tract No. 4213, Cannery Park Unit No. 14 – Village I", filed in Book ___ of Maps and Plats, at Page ___, also being a portion of Lot 5 as shown on the map entitled "Tract No. 3465, Cannery Park Unit No. 1", filed in Book 40 of Maps and Plats, at Page 51, both San Joaquin County Records, Lying in Section 1, Township 2 North, Range 6 East, Mount Diablo Meridian, City of Stockton, County of San Joaquin, State of California, more particularly described as follows:

BEGINNING at a point distance North 2°48'08" West 627.71 feet from the Southeast corner of said Lot 5; thence, West 160.91 feet; thence, South 9.24 feet; thence, South 45°00'00" West 14.14 feet; thence, West 180.00 feet; thence, North 45°00'00" West 14.14 feet; thence, West 54.00 feet; thence, South 45°00'00" West 14.14 feet; thence, West 181.06 feet; thence, North 45°00'00" West 14.14 feet; thence, West 154.00 feet; thence, South 224.00 feet; thence, West 90.00 feet; thence, North 45°00'00" West 14.14 feet; thence, West 54.00 feet; thence, South 45°00'00" West 14.14 feet; thence, West 180.00 feet; thence, North 45°00'00" West 14.14 feet; thence, West 54.00 feet; thence, South 45°00'00" West 14.14 feet; thence, West 90.00 feet; thence, North 88.36 feet to a tangent curve concave to the Southwest, having a radius of 377.00 feet; thence, along said curve through a central angle of 23°52'50", an arc distance of 157.13 feet; thence, North 23°52'50" West 147.51 feet; thence, North 33°17'16" West 54.00 feet to a non-tangent curve concave to the Northwest, having a radius of 723.00 feet, at which a radial line bears South 33°17'16" East; thence, along said curve through a central angle of 03°07'36", an arc distance of 39.45 feet; thence, North 53°35'08" East 499.98 feet to a tangent curve concave to the Northwest, having a radius of 943.00 feet; thence, through a central angle of 21°37'53", an arc distance of 356.02 feet; thence, North 31°57'15" East 98.27 feet to a tangent curve concave to the Southeast having a radius of 277.00 feet; thence, along said curve through a central angle of 24°24'56", an arc distance of 118.04 feet to a point of reverse curve concave to Northwest having a radius of 90.00 feet, at which a radial line bears South 33°37'49" East; thence, along said curve through central angle of 03°51'28", an arc distance of 6.06 feet; thence, North 52°30'43" East 60.02 feet to a tangent curve concave to the South having a radius of 64.00 feet; thence, along said curve through central angle of 36°07'47", an arc distance of 40.36 feet; thence, North 16°43'52" East, a distance of 20.78 feet; thence, North 61°43'52" East 110.21 feet to the Northeasterly line of said Lot 5; thence, along the Northeasterly line of said Lot5 the following five (5) courses: (1) South 29°35'46" East 96.88 feet; thence, (2) South 28°16'08" East 505.61 feet; thence, (3) South 22°04'50" East 187.54 feet; thence, (4) South 09°20'57" East 198.35 feet; thence, (5) South 02°48'08" East 160.82 feet to **THE POINT OF BEGINNING.**

Containing 22.87 acres, more or less.

Subject to covenants, conditions, restrictions, reservations, rights, rights-of-way, and easements of record, if any.

Kaiser Shahbaz, L. S. 8599 — 1/21/2025 Date

LICENSED LAND SURVEYOR ★ KAISER ISAAC SHAHBAZ ★ NO. 8599 ★ STATE OF CALIFORNIA

EXHIBIT A

SUMMARY OF FEES AND BONDS

STREET NAME SIGN FEE	$3,148.75
PLAN CHECK FEE	$73,887.28
INSPECTION FEE	$111,193.94
MATERIAL TESTING FEE	$12,278.32
FILING FEE	$3,685.00
TECH FEE	$14,157.47
CRS FEE	$11,325.97
CASH DEPOSIT	$31,613.00
COMPUTER MAPPING FEE	$597.00
MUD IMAGING FEE	$552.00
ASSESSMENT DISTRICT SEGREGATION	$0.00
TOTAL	$262,438.73

RECORDING FEE (payable to San Joaquin County Recorder)

MAP (8 Sheets)	$116.00
AGREEMENT (51 Sheets)	$239.00
TOTAL	$355.00

BONDS

MONUMENT BOND	$52,000.00
PERFORMANCE BOND	$1,580,670.00
LABOR AND MATERIAL BOND	$1,580,670.00
STREET TREE BOND	$41,437.50
TOTAL	$3,254,777.50

SUMMARY OF FEES AND BONDS (CONT.)

PROPORTIONATE SHARES

GRADE SEPARATION AT UPRR (SPRR) AND EIGHT MILE ROAD	PFF
EIGHT MILE ROAD/HAM LANE	$4,427.68
EIGHT MILE ROAD/LEACH ROAD	$4,427.68
EIGHT MILE ROAD/HWY 99 WEST FRONTAGE ROAD	$9,158.62
EIGHT MILE ROAD/HWY 99 EAST FRONTAGE ROAD	$882.78
EIGHT MILE ROAD/HWY 99 EAST FRONTAGE ROAD AT NORTHBOUND RAMP	$2,234.43
MORADA LANE/HWY 99 WEST FRONTAGE ROAD	$2,714.22
MORADA LANE/HWY 99 EAST FRONTAGE ROAD	$3,541.91
PARK AND RIDE FACILITIES (686-0000-237.67-38)	$51,000.00
STREET MICROSURFACING (686-0000-237.67-40)	$65,072.44
TOTAL	$143,459.76

Exhibit B:
Insurance Requirements
(Subdividers)

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability**: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than **$1,000,000** per accident for bodily injury and property damage.

3. **Workers' Compensation**: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.

4. **Surety Requirement**: as described below.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Stockton, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 if a later edition is used). Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

Primary Coverage

For any claims related to this contract, the **Contractor's insurance coverage shall be primary and non-contributory** and at least as broad as ISO CG 20 01 04 13 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies. The City of Stockton does not accept endorsements limiting the Contractor's insurance coverage to the sole negligence of the Named Insured.

Umbrella or Excess Policy

The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess liability policies are exhausted.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City of Stockton.

Waiver of Subrogation

Contractor hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this

provision applies regardless of whether or not the City of Stockton has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured retention (SIR) or deductible that exceeds $25,000 unless approved in writing by City of Stockton. Any and all deductibles and SIRs shall be the sole responsibility of Contractor or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. City of Stockton may deduct from any amounts otherwise due Contractor to fund the SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. City of Stockton reserves the right to obtain a copy of any policies and endorsements for verification.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Stockton.

Claims Made Policies (Professional & Pollution only)

If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained, and evidence of insurance must be provided ***for at least five (5) years after completion of the contract of work***.

3. If coverage is canceled or non-renewed, and not replaced ***with another claims-made policy form with a Retroactive Date prior to*** the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of ***five (5)*** years after completion of work.

Verification of Coverage

Contractor shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause **and a copy of the Declarations and Endorsements Pages of the CGL and any Excess policies listing all policy endorsements**. All certificates and endorsements and copies of the Declarations & Endorsements pages are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Surety Requirement

Contractor shall provide the following Surety Bonds:

1. Performance Bond

2. Payment Bond

3. Cash Deposit

The Payment Bond and the Performance Bond shall be in a sum based on the engineer's cost estimate. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

Cash deposit of one (1) percent of the construction cost or a minimum of $5,000.00, whichever is greater.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees, and Volunteers
400 E Main St, 3rd Floor – HR
Stockton, CA 95202

Exhibit C:
Insurance Requirements
(Construction Contracts)

Contractor shall procure and maintain for the duration of the contract, *and for five (5) years thereafter*, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees, or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability** (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$3,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability**: Insurance Services Office Form CA 0001 covering Code 1 (any auto), with limits no less than **$3,000,000** per accident for bodily injury and property damage.

3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employers' Liability insurance with a limit of no less than **$1,000,000** per accident for bodily injury or disease.

4. **Professional Liability** (if Design/Build), with limits no less than **$2,000,000** per occurrence or claim, and **$2,000,000** policy aggregate.

5. **Contractors' Pollution Legal Liability** and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) with limits no less than **$2,000,000** per occurrence or claim, and **$2,000,000** policy aggregate.

6. **Surety Bonds** as described below.

If the contractor maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured retention (SIR) or deductible that exceeds $25,000 unless approved in writing by City of Stockton. Any and all deductibles and SIRs shall be the sole responsibility of Contractor or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. City of Stockton may deduct from any amounts otherwise due Contractor to fund the SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named Insured. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. City of Stockton reserves the right to obtain a copy of any policies and endorsements for verification.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **The City of Stockton, its officers, officials, employees, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used). Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

2. For any claims related to this project, the **Contractor's insurance coverage shall be primary and non-contributory** insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies. The City of Stockton does not accept endorsements limiting the Contractor's insurance coverage to the sole negligence of the Named Insured.

3. Each insurance policy required by this clause shall provide that coverage shall not be canceled, except with notice to the City of Stockton.

Claims Made Policies (Professional & Pollution only)
If any coverage required is written on a claims-made coverage form:

1. The retroactive date must be shown, and this date must be before the execution date of the contract or the beginning of contract work.

2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.

3. If coverage is cancelled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective, or start of work date, the Contractor must purchase extended reporting period coverage for a minimum of five (5) years after completion of contract work.

4. A copy of the claims reporting requirements must be submitted to the City of Stockton for review.

5. If the services involve lead-based paint or asbestos identification/remediation, the Contractors Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

Umbrella or Excess Policies
The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess liability policies are exhausted.

Acceptability of Insurers
Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City of Stockton.

Waiver of Subrogation

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. **The Workers' Compensation policy shall be endorsed with a waiver of subrogation** in favor of the City of Stockton for all work performed by the Contractor, its employees, agents and subcontractors.

Verification of Coverage

Contractor shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause **and a copy of the Declarations and Endorsements Pages of the CGL and any Excess policies listing all policy endorsements**. All certificates and endorsements and copies of the Declarations & Endorsements pages are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance meeting all requirements stated herein, and Contractor shall ensure that City of Stockton is an additional insured on insurance required from subcontractors. For CGL coverage, subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

Duration of Coverage

CGL & Excess liability policies **for any construction related work, including, but not limited to, maintenance, service, or repair work**, shall continue coverage for a minimum of 5 years for Completed Operations liability coverage. Such Insurance must be maintained and evidence of insurance must be provided **for at least five (5) years after completion of the contract of work.**

Surety Bonds

Contractor shall provide the following Surety Bonds:

1. Bid Bond
2. Performance Bond
3. Payment Bond
4. Maintenance Bond

The Payment Bond and the Performance Bond shall be in a sum equal to the contract price. If the Performance Bond provides for a one-year warranty a separate Maintenance Bond is not necessary. If the warranty period specified in the contract is for longer than one year a Maintenance Bond equal to 10% of the contract price is required. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees and Volunteers
400 E Main Street, 3rd Floor – HR
Stockton, CA 95202

General Conditions

The owners, and developers and/or successors-in-interest (the 'ODS') who subdivide property with the Cannery Park Subdivision shall comply with the following general conditions. These general conditions may be more specifically detailed in the development scenarios presented herein. These Conditions of Approval (COAs) were updated as part of the Cannery Park Project Amendments (P21-0435).

1. Comply with all applicable Federal, State, County, and City codes, regulations, and adopted standards and pay all applicable fees. (#1), (SPA#1)

2. Pursuant to Section 15091 and 15093 of the State CEQA Guidelines, the project shall be subject to all applicable mitigation measures identified in the City-adopted "Findings, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program for the Cannery Park Mixed Use Project." (#2), (SPA#2)

3. Lot 5 and Lot 6 of Cannery Park Unit No. 1 Final Map shall be annexed to the Cannery Park Residential Property Protective Restrictions recorded on May 17, 2017, Document No 2017-055715, San Joaquin County (CC&Rs). The City is declared as a third party beneficiary in Section 9.01.A of the CC&R's.

4. Based on the effective 200-Year Floodplain Analysis Map, and the Technical Memorandum prepared by VVH Consulting Engineers dated January 23, 2024, portions of the project site have areas of potential flooding in excess of three (3) feet from a storm event that has a 1-in-200 chance of occurring in any given year, from sources other than local drainage, in urban and urbanizing areas. The finished floors of future structures shall be elevated to within three (3) feet of the 200-year base flood elevation providing an urban level of flood protection in accordance with SMC 16.90.020(A)2. All future construction will adhere to the City's established Criteria for Development in 200-Year Floodplains, for the issuance of building permits for new residential units in master planned communities.

5. Comply with all applicable Federal, State, County, and City Codes, regulations and adopted standards and pay all applicable fees.

6. The property owners, developers, and/or successors-in-interest (ODS) shall be responsible for the City's legal and administrative costs associated with defending any legal challenge of the approval for this project or its related environmental document.

7. To minimize any adverse financial impact on the City of Stockton associated development and/or use of the subject site, the ODS agrees that it will not challenge, or protest and applicable fees associated with the development of the site, but if such fees are amended or modified, the ODS agree to pay such fees as they may be amended or modified from time to time.

Traffic & Circulation (Analysis, Phasing and Dedication)

8. Conduct a queuing and traffic access analysis at proposed signalized intersections to determine appropriate intersection location and required turn pocket/lane length. (#8)

9. The ODS shall conduct a project phasing analysis to determine the timing and level of project development that can occur before degrading the operational level of service at the Eight Mile Road/State Highway Route 99 interchange and Morada Lane/State Highway Route 99 interchange below level of service that conforms with State Urban Highway Standards. Said study shall be approved by the City and identified improvement timing shall be binding on the ODS. (#14)

Traffic & Circulation (Design, Construction and/or Funding Proportionate Share)

10. The ODS shall be responsible for 100 percent of the design and construction costs of on-site roadway and intersection improvements and roadway extensions and public utilities identified on the Tentative Map and/or included in the project EIR, project description or as mitigation measures. Improvements include but are not limited to all sewer, water and storm drain lines, traffic signals, street lighting, street paving, curb, gutter and sidewalk. (#10)

Eight Mile Road Specific Plan

11. If the improvements allowed by Specific Plan Amendment SPA1-03 are not constructed within five years, the Specific Plan Amendment shall be null and void. (SPA#6)

Domestic Water

12. Appropriately sized utilities and 3-phase electrical service shall be provided for all City owned or operated facilities. (#29)

Oak Tree Avoidance/mitigation

13. Removal of Oak trees shall be avoided whenever feasible. The owners, developers, and/or successors-in-interest shall coordinate the layout of project plans with the Community Development Department Director t to minimize or eliminate Oak tree removals. If removal of an Oak tree cannot be avoided, the owners, developers, and/or successors-in-interest shall be responsible for replacement of Oak trees on site, as approved by the Community Development Department Director or designated representative. If on-site planting is not possible, the owners, developers, and/or successors-in-interest shall pay the Community Development Department the estimated cost (as determined by the Community Development Department Director or designated representative for the City to have the replacement Oak trees planted by private contract on a site deemed appropriate by the Community Development Department Director of designated representative in accordance with the mitigation measures identified in the Final Environmental Impact Report (EIR1-03), as amended, and in the related CEQA Findings, Statement of Overriding Considerations, and Mitigation Monitoring/Reporting Program for the Cannery Park Mixed Use Project. (#46)

<u>Improvement/Development Plan</u>

In order to provide an appropriate and reliable Improvement/Development Plan for a mixed-use development with the component elements contained in the Cannery Park Subdivision, the Subdivision has been divided into five (5) Plan Areas (Exhibit 'X'). The on-site/in-tract improvements and the off-site improvements corresponding to subdivision map conditions are listed separately for each Plan Area in Exhibit B (Master Subdivision Agreement Cannery Park) to the Subdivision Agreement for the Cannery Park Unit No. 1 Final Map, Tract No. 3465.

Cannery Park Subdivision Plan Areas:The improvements associated with each Plan Area are as follows:

PLAN AREA 'A'

Plan Area 'A' encompasses approximately 112.65± acres and includes Lot 11, Lot 12 (elementary school site), Lot 13 (neighborhood park), and Lot 14. The following general conditions are associated with development within Plan Area 'A' for Lot 11:

Morada Lane/Hwy 99 Interchange Frontage Roads

A1. Provide appropriate security, design and construct the following interim improvements to mitigate near-term impacts and enhance circulation.

A2. Design and install a traffic signal at Morada Lane/Hwy 99 West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13)

a. NB - one through/left-turn shared lane, and one right-turn lane
b. SB - one through/left-turn shared lane, and one right-turn lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one through, one left-turn lane, and one right-turn lane

A3. Design and install a traffic signal at the Morada Lane/Hwy 99 East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane, one through lane and one right-turn lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

If the owner/subdivider of Lot 11 constructs the interim improvements identified in A21 and A22, the payment of a proportionate share of the cost of those improvements as defined in A18 above is not required.

Morada Lane Interchange Frontage Roads

A4. Design and install a traffic signal at Morada Lane/Hwy 99 West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13)

a. NB - one through/left-turn shared lane, and one right-turn lane
b. SB - one through/left-turn shared lane, and one right-turn lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one through, one left-turn lane, and one right-turn lane

A5. Design and install a traffic signal at the Morada Lane/Hwy 99 East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane, one through lane and one right-turn lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

If the owner/subdivider of Lot 14 constructs the interim improvements identified in A39 and A40, the payment of a proportionate share of the cost of those improvements as defined in A36 above is not required.

PLAN AREA 'B'

Plan Area 'B' encompasses approximately 99.86± acres consisting of Lot 7, Lot 8, Lot 9 and Lot 10. The following general conditions are associated with development within Plan Area 'B' Lot 7, Lot 8, Lot 9 and Lot 10:

General Conditions

Bikeway, Pedestrian Pathway & Crossings

B1. All crossings of Holman Road proposed for bikeway/pedestrian purposes (i.e., "Parkway" and Bear Creek) shall be grade separated or occur at pedestrian actuated (midblock) signals. (#22)

B2. The Final Map prepared for Lot 9 and Lot 10 shall show those access point dedications along the south side of Bear Creek that are associated with the class one bike trail. All access points will need to be a separate lot acquired and improved by the ODS. All plans and improvements shall be subject to approval by the, the City Police Department and the City Public Works Department. (#34)

B3. The owner/subdivider of Lot 10 shall provide appropriate security, design and install a bikeway/pedestrian walkway along the south side of the Bear Creek drainage corridor. The bikeway/pedestrian walkway shall consist of an asphalt or concrete bike path as proposed in the project environmental document. Provide a Master Plan for the bikeway/pedestrian walkway prior to approval of the Final Map. The Master Plan shall contain but not be limited to the following component plans: signage, bollards, public access, landscaping, fencing, security (including hours of operation), and maintenance (including litter removal). A consolidated maintenance district will be

responsible for litter clean-up for the Bear Creek Corridor. The master plan shall be subject to review and approval by the Community Development Director and the Public Works Director. (#40), (#48)

B4. Prior to the recording a Final Subdivision Map within Plan Area B, design and submit to the Union Pacific Railroad (UPRR) the plans necessary to obtain UPRR approval of an a bikeway/pedestrian walkway crossing of the UPRR right-of-way along the south levee bank of Bear Creek.

Easements

B5. Comply with all requirements of agencies having jurisdiction over the Woodbridge Irrigation District (WID). (#25)

B6. The Final Map for Lot 9 and Lot 10 shall include a ten (10) foot easement from the existing toe of the levee along Bear Creek for maintenance of all levee slopes. Note: This condition is not required if the easement is already included as a component of another recorded map. (#18)

B7. Provide an accessible 10-foot wide maintenance/access easement or license agreement from UPRR for access purposes along the westerly side and a 3-foot wide maintenance/access easement along the easterly side of the masonry soundwall/fence constructed on the western side of Lot 10. (#33)

Disclosure/Notification

B8. The owner/subdivider of Lot 10 shall disclose to all prospective home buyers as a condition of sale and prior to the opening of escrow, the existence of any present or former remediation site (lead or any other contaminant) within the project boundaries. (#43)

The following on-site/in-tract improvements are necessary to support development within Plan Area 'B' Lot 7, Lot 8, Lot 9 and Lot 10:

On-site/In-tract Improvements Holman Road

B9. Prior to recording a final subdivision map within Lot 7, Lot 8, or Lot 10 within Plan Area B, prepare preliminary design plans and submit permit applications with Federal and State permitting agencies for the Holman Road Bridge crossing at Bear Creek and extension of Holman Road to Eight Mile Road. If the Federal and State permitting agencies approve and issue permits for the Holman Road Bridge crossing at Bear Creek, then prior to recording any additional final subdivision maps within Plan Area B, design and submit for City approval plans for the Holman Road Bridge crossing at Bear Creek and the extension of Holman Road to Eight Mile Road. Upon approval of the Homan Road Bridge and extension plans by the City, initiate the construction of the extension of Holman Road to Eight Mile Road and the Holman Road Bridge crossing at Bear Creek. To assure adequate right- of-way is reserved to accommodate the Holman Road Bridge crossing at Bear Creek, no final subdivision map(s) shall be recorded within Lot 9 until the Federal and State permitting agencies approve and issue permits for the Holman Road Bridge crossing at Bear Creek. Include median lighting. (#11)

B10. Concurrent with the construction of the extension of Holman Road to Eight Mile Road, install barricades per City of Stockton standards at the intersection of Holman Road and Cannery Circle/Tri-Valley Drive.

B11. Install bus turnouts at the intersection of Holman Road and Pfc Jessie Mizener Street and Holman Road and Eight Mile Road as depicted on the tentative map. (#17)

B12. The owner/subdivider of Lot 8 and Lot 9 shall construct a masonry sound wall along the east side of Holman Road from the northern boundary of the Woodbridge Irrigation District canal easement northward to The Bear Creek levee. The height of the soundwall shall be a minimum of seven feet, subject to design approval by the Community Development Director. (#47)

B13. The owner/subdivider of Lot 10 shall construct a masonry sound wall along the west side of Holman Road from the northern boundary of the Woodbridge Irrigation District canal easement northward to The Bear Creek levee. The height of the soundwall shall be a minimum of seven feet, subject to design approval by the Community Development Director. (#47)

B14. Access to Holman Road shall be restricted except at public street intersections. (#7)

B15. Install landscaping and sidewalk between masonry soundwall and back of curb subject to review and approval by the Community Development Director and the Public Works Director. (#40)

Lt. Col. Mark Taylor Street

B16. The owner/subdivider of Lot 10 shall construct the road to the full ninety-six (96) foot width (sixty-six (66) feet from curb face to curb face) from the western most curb flare at the intersection of Lt. Col. Mark Taylor Street and Street 'P' to the western boundary of Cannery Park TM8-04A&B at a time determined to be appropriate by the Public Works Director.

B17. Access to Lt. Col. Mark Taylor Street shall be restricted except at public street intersections. (#7)

B18. Construct a masonry sound wall along the north side of Lt. Col. Mark Taylor Street beginning at the western curb flare of the intersection of Lt. Col. Mark Taylor Street and Holman Road extending westward to the property boundary. The height of the soundwalls shall be at a minimum of seven feet, subject to design approval by the Community Development Director. (#47)

B19. Install landscaping and sidewalk between masonry soundwall and back of curb subject to review and approval by the Community Development Director and the Public Works Director. (#40)

Pfc. Jessie Mizener Street

B20. The owner/subdivider of Lot 7, Lot 8 or Lot 9 shall construct Pfc Jessie Mizener Street pursuant to the following improvement conditions. Note: In the event that the

Holman Road Road/Bear Creek Bridge is not granted its environmental permits allowing for its construction, and security has been provided for the construction of the bridge and Holman Road to Eight Mile Road, then in order to accommodate the daily trips from Improvement Plan Area B, the first final map within Plan Area B (i.e., Lot 7, Lot 8, Lot 9 or Lot 10) shall include the construction of Pfc Jessie Mizener Street pursuant to the dimensions and segment length described in B26 below.

B21. Construct the road to the full seventy-eight (78) foot width (forty-eight (48) feet from curb face to curb face) from approximately one hundred (100) feet west of the western most curb flare at the intersection with Holman Road and Pfc Jessie Mizener Street to the State Route Hwy 99 Frontage Road.

B22. Install a barricade per City of Stockton standards at the intersection of Pfc Jessie Mizener Street and Collector A.

B23. Access to Pfc Jessie Mizener Street shall be restricted except at public street intersections. (#7)

B24. The owner/subdivider of Lot 9 shall construct a masonry sound wall along the north side of Pfc Jessie Mizener Street beginning at the eastern most curb flare of the intersection of Holman Road and Pfc Jessie Mizener Street eastward across the southern property boundary intersecting with the easement of the Woodbridge Irrigation District Canal; excepting appropriate access points into the subdivision. The height of the soundwall shall be at a minimum of seven feet, subject to design approval by the Community Development Director. (#47)

B25. The owner/subdivider of Lot 8 shall construct a masonry sound wall along the south side of Pfc Jessie Mizener Street beginning at the eastern most curb flare of the intersection of Holman Road and Pfc Jessie Mizener Street eastward along the northern boundary of the property intersecting with the easement of the Woodbridge Irrigation District Canal; excepting appropriate access points into the subdivision. The height of the soundwall shall be at a minimum of seven feet, subject to design approval by the Community Development Director. (#47)

B26. The owner/subdivider of Lot 7 shall construct a masonry sound wall along the south side of Pfc Jessie Mizener Street beginning at the eastern boundary of the Woodbridge Irrigation District canal easement (Lot GG) eastward along the northern boundary of the property intersecting with the western boundary of Lot 5; excepting appropriate access points into the subdivision. The height of the soundwall shall be at a minimum of seven feet, subject to design approval by the Community Development Director. (#47)

B27. Install landscaping and sidewalk between masonry soundwall and back of curb subject to review and approval by the Community Development Director and the Public Works Director. (#40)

Minor roads and Collectors

B28. Rights of ways and/or lot layouts shall be reconfigured as necessary to accommodate traffic calming measures required by City Standard including, but not limited to, roundabouts and traffic circles. (#41)

Off-site Improvements

Eight Mile Road

B29. Prior to recording a final subdivision map within Plan Area B, design and submit for City approval a traffic signal at the intersection of Holman Road and Eight Mile Road and interim intersection improvements to the satisfaction of the Public Works Director, including appropriate alignment and striping of the intersection turn lanes and the provision of transition lanes on the south side of Eight Mile Road approaching and departing Holman Road. Provide vehicle acceleration and de-acceleration lanes, as appropriate. The improvements described in this Section B31 shall be constructed concurrent with the construction of the Holman Road Bridge crossing at Bear Creek and the extension of Holman Road to Eight Mile Road in conformance with Section B10 above. (#10), (#13)

Other Intersections/Roadways

B30. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 7 (i.e., 804), the owner/subdivider of Lot 7 shall pay a proportionate share (i.e., 1.65%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/I-lwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

B31. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 7 (i.e., 804), the owner/subdivider of Lot 7 shall pay a proportionate share (i.e., 1.65%) of the two-percent (2%) share of the cost of roadway improvements at the West Lane/Arterial A intersection. (#16)

B32. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 8 (i.e., 641), the owner/subdivider of Lot 8 shall pay a proportionate share (i.e., 1.32%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and

g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

B33. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 8 (i.e., 641), the owner/subdivider of Lot 8 shall pay a proportionate share (i.e., 1.32%) of the two-percent (2%) share of the cost of roadway improvements at the West Lane/Arterial A intersection. (#16)

B34. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 9 (i.e., 842), the owner/subdivider of Lot 9 shall pay a proportionate share (i.e.,1.73%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

B35. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 9 (i.e., 842), the owner/subdivider of Lot 9 shall pay a proportionate share (i.e., 1.73%) of the two-percent (2%) share of the cost of roadway improvements at the West Lane/Arterial A intersection. (#16)

B36. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 10 (i.e., 4,087), the owner/subdivider of Lot 10 shall pay a proportionate share (i.e., 8.39%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

B37. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 10 (i.e., 4,087), the owner/subdivider of Lot 10 shall pay a proportionate share (i.e., 8.39%) of the two-percent (2%) share of the cost of roadway improvements at the West Lane/Arterial A intersection. (#16)

Other Facilities

B38. Based upon the total gross acreage of land designated as single family residential on TM8-04A&B (i.e., 197.77 acres) compared to the total gross acreage associated with Lot 7 on TM8-04A&B (i.e., 9.01 acres), the owner/subdivider of Lot 7 shall pay a proportionate share (i.e., 4.6%) of the costs associated with the following improvements:

a. Bear Creek pedestrian/bicycle trail; and
b. Temporary Park & Ride Lot to be located on lot 17.

B39. Based upon the total gross acreage of land designated as single family residential on TM8-04A&B (i.e., 197.77 acres) compared to the total gross acreage associated with Lot 8 on TM8-04A&B (i.e., 6.59 acres), the owner/subdivider of Lot 8 shall pay a proportionate share (i.e., 3.3%) of the costs associated with the following improvements:

a. Bear Creek pedestrian/bicycle trail; and
b. Temporary Park & Ride Lot to be located on lot 17.

B40. Based upon the total gross acreage of land designated as single family residential on TM8-04A&B (i.e., 197.77 acres) compared to the total gross acreage associated with Lot 9 on TM8-04A&B (i.e., 9.29 acres), the owner/subdivider of Lot 9 shall pay a proportionate share (i.e., 4.7%) of the costs associated with the following improvements:

a. Bear Creek pedestrian/bicycle trail; and
b. Temporary Park & Ride Lot to be located on lot 17.

B41. Based upon the total gross acreage of land designated as single family residential on TM8-04A&B (i.e., 197.77 acres) compared to the total gross acreage associated with Lot 10 on TM8-04A&B (i.e., 74.97 acres), the owner/subdivider of Lot 10 shall pay a proportionate share (i.e., 37.9%) of the costs associated with the following improvements:

a. Temporary Park & Ride Lot to be located on lot 17.

Note: If development occurs within Plan Area 'B' prior to occurring in Plan Area 'A', the following on-site/in-tract improvements shall occur:

Holman Road

B42. Construct Holman Road to the full one hundred thirty-four (134) foot width (one hundred fourteen (114) feet from curb face to curb face) from southern boundary of TM8-04A&8 to the Woodbridge Irrigation canal easement. Include median lighting. (#11)

B43. Install a barricade per City of Stockton standards at the northern curb flare of the intersection of Holman Road and Lt. Col. Mark Taylor Street/Hendrix Drive.

B44. Install bus turnouts at the intersection of Holman Road and Lt. Col. Mark Taylor Street/Hendrix Drive as depicted on the tentative map. (#17)

B45. Access to Holman Road shall be restricted except at public street intersections. (#7)

Lt. Col. Mark Taylor Street

B46. Construct the road to the full ninety-six (96) foot width (sixty-six (66) feet from curb face to curb face) from the western most curb flare at the intersection with Holman Road westward to a point located approximately fifty feet (50) west of the intersection of Lt. Col. Mark Taylor Street and Street 'P'. Include median lighting.

Off-site Improvements

Eight Mile Road Interchange Frontage Roads

Provide appropriate security, design and construct the following interim improvements to mitigate near-term impacts and enhance circulation.

B47. Design and install a traffic signal at the intersection of Eight Mile Road/West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

B48. Design and construct a traffic signal at the intersection of Eight Mile Road/East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

B49. Install stop signs at the intersection of the north bound off-ramp and East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. N8 - one left-turn lane and one through/right-turn shared lane
b. SB - one right-lane and one through lane
c. EB - one left-turn lane and one right-turn lane
d. WB - Not applicable

If the owner/subdivider of Lot 7, Lot 8, Lot 9 or Lot 10 constructs the interim improvements identified in B50, B51 and B52, the payment of a proportionate share of the cost of those improvements as defined in B32, B34, B36 and B38 above is not required of the owner/subdivider who constructed said improvements.

Note: If development occurs in Improvement Plan Area 'B' prior to occurring in Improvement Plan Area 'A', the following off-site improvements shall occur:

Morada Lane Interchange Frontage Roads

Provide appropriate security, design and construct the following interim improvements to mitigate near-term impacts and enhance circulation.

B50. Design and install a traffic signal at Morada Lane/Hwy 99 West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13)

a. NB - one through/left-turn shared lane, and one right-turn lane
b. SB - one through/left-turn shared lane, and one right-turn lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one through, one left-turn lane, and one right-turn lane

B51. Design and install a traffic signal at the Morada Lane/Hwy 99 East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane, one through lane and one right-turn lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

If the owner/subdivider of Lot 7, Lot 8, Lot 9 or Lot 10 constructs the interim improvements identified in B53 and B54, the payment of a proportionate share of the cost of those improvements as defined in B32, B34, B36 and B38 above is not required of the owner/subdivider who constructed said improvements.

PLAN AREA 'C'

Plan Area 'C' encompasses approximately 73.52± acres of light industrial/business park uses, consisting of the Lot 1, Lot 2 and Lot 3. The following general conditions are associated with development within Improvement Plan Area 'C':

General Conditions

Easements

C1. The owner/subdivider of Lot 2 shall comply with all requirements of agencies having jurisdiction over the Woodbridge Irrigation District (WID). (#25)

C2. The Final Map for Lot 1 and Lot 2 shall include a ten (10) foot easement from the existing toe of the levee along Bear Creek for maintenance of all levee slopes. Note: This condition is not required if the easement is already included as a component of another recorded map. (#18)

C3. Provide non-exclusive access easements within the industrial and commercial areas as necessary to provide all required lot accesses. (#24)

Transportation System Management

C4. The owner/subdivider of Lots 1 and 2 shall participate in any Transportation Systems Management (TSM) programs established by the City of Stockton and provide a permanent area for a park and ride facility as a part of the development of Lots 1, 2, 4 or 5, or a combination thereof. Lot 17 is considered an interim park & ride location that will eventually be eliminated with the reconstruction of the State Highway Route 99/Eight Mile Road interchange. The Park and Ride facility may be a stand-alone designated lot or may consist of designated spaces within a parking area in the above referenced lots. The required number of park & ride spaces shall be determined by the Public Works Director in consultation with Caltrans. (# 21)

The following on-site/in-tract improvements are necessary to support development within Improvement Plan Area 'C':

On-site/In-tract Improvements

Signature Drive

C5. Dedicate the right-of-way and construct the road to the full sixty (60) foot width (forty (40) feet from curb face to curb face) from Eight Mile Road southward as depicted on TM8-04A&B.

Cannery Circle

C6. The owner/subdivider of Lot 2 shall dedicate the right-of-way and construct the road to the full seventy-eight (78) foot width (forty-eight (48) feet from curb face to curb face) from Holman Road westward approximately 365 feet as depicted on the tentative map. Dedicate the right-of-way and construct the road to the full sixty (60) foot width (forty (40) feet from curb face to curb face) as depicted on TM8-04A&B.

Off-site Improvements

Golfview Road

C7. Design and construct a traffic signal at the future intersection of Eight Mile Road/Golfview Road/Signature Drive and stripe to provide the following lane configuration (#10), (#13), (#16)

a. NB - one left-turn lane and 1through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and two through lanes
d. WB - one through lane and one through/right-turn shared lane

Other Roadways/Intersections

C8. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 1 (i.e., 4,061), the owner/subdivider of Lot 1 shall pay a proportionate share (i.e., 8.33%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

C9. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 1 (i.e., 4,061), the owner/subdivider of Lot 1 shall pay a proportionate share (i.e., 8.33%) of the two-percent (2%) share of the cost of roadway improvements at the West lane/Arterial A intersection. (#16)

C10. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 2 (i.e., 5,844), the owner/subdivider of Lot 2 shall pay a proportionate share (i.e., 12.00%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

C11. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 2 (i.e., 5,844), the owner/subdivider of Lot 2 shall pay a proportionate share (i.e., 12.00%) of the two-percent (2%) share of the cost of roadway improvements at the West Lane/Arterial A intersection. (#16)

Note: If development occurs in Improvement Plan Area 'C' prior to occurring in Improvement Plan Areas 'B' or 'D', the following on-site/in- tract improvements shall occur:

Holman Road

C12. Construct Holman Road to the full one hundred thirty-four (134) foot width (one hundred fourteen (114) feet from curb face to curb face) from Eight Mile Road southward to Bear Creek. Include median lighting. (#11)

C13. Install a bus turnout at the intersection of Holman Road and Eight Mile Road as depicted on TM8-04A&B. (#17)

C14. Access to Holman Road shall be restricted except at public street intersections. (#7)

Traffic Signals/Intersection Improvements

C15. Design and install a traffic signal at the intersection of Holman Road and Cannery Circle/Tri-Valley Drive. Activation of the traffic signal shall be at the discretion of the Public Works Director. (#13)

Note: If development occurs in Improvement Plan Area 'C' prior to occurring in Improvement Plan Areas 'B', 'D' or 'E', the following off-site improvements shall occur:

Eight Mile Road

C16. Comply with all conditions of Specific Plan Amendment SPA1-03 and install all improvements required by said amendment. (#6)

C17. Install frontage improvements from the western boundary of TM8-04A&B eastward to the eastern boundary of TM8-04A&B, including but not limited to curb, gutter, sidewalk, pavement widening and street lighting along Eight Mile Road to provide a minimum 72-foot half street section. (#5)

C18. Existing points of access shall remain unrestricted until such time as the Eight Mile Road improvements are constructed or until an adjacent parcel is developed. (#12)

C19. Install a continuous eleven (11) foot minimum width deceleration lane on the south side of Eight Mile Road for a minimum of 200 feet west of the driveway located approximately 800 feet east of the Union Pacific Railroad (formerly the SPRR). (SPA #5)

C20. The Project driveway(s) on Eight Mile Road shall be limited to a total of four (three new) driveways and shall be limited to right-turn in/right-turn out. Driveways shall be spaced a minimum distance of 300 feet from any intersection, driveway or creek and shall be a minimum of 750 feet from the Union Pacific Railroad tracks. Project driveway(s) shall be designed and constructed to prevent on-site cross traffic for a minimum distance of 100 feet from the future property line along Eight Mile Road. (SPA #3)

C21. Design and install a traffic signal at the intersection of Holman Road and Eight Mile Road. Construct interim intersection improvements to the satisfaction of the Public Works Director, including appropriate alignment and striping of the intersection turn lanes and the provision of transition lanes on the south side of Eight Mile Road approaching and departing Holman Road. Provide vehicle acceleration and de-acceleration lanes, as appropriate. (#10), (#13)

Eight Mile Road Interchange Frontage Roads

C22. Provide appropriate security, design and construct the following interim improvements to mitigate near-term impacts and enhance circulation.

C23. Design and install a traffic signal at the intersection of Eight Mile Road/West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

C24. Design and construct a traffic signal at the intersection of Eight Mile Road/East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

C25. Install stop signs at the intersection of the north bound off-ramp and East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one right-lane and one through lane
c. EB - one left-turn lane and one right-turn lane
d. WB - Not applicable

If the owner/subdivider of Lot 1 or Lot 2 constructs the interim improvements identified in C23, C24 and C25, the payment of a proportionate share of the cost of those improvements as defined in C9 and C11 above is not required of the owner/subdivider who constructed said improvements.

PLAN AREA 'D'

Improvement Plan Area 'D' encompasses approximately 32.09± acres of business park/commercial uses consisting of Lot 4. Improvement Plan Area 'D' encompasses approximately 18.74 ± acres of business park/commercial uses and 12.34± acres of high density residential on Lot 4 of Cannery Park Unit No. 1 Final Map. The following conditions are associated with development within Improvement Plan Area 'D', Lot 4 (Parcels GC Lot 1 through CG Lot 15 and RH Lot 1) These conditions are based on Tentative Map approval of the Cannery Park Amendments (P21-0435):

General Conditions

D1. Prior to the approval of any Final Map, General Plan amendment, Rezoning and Development Agreement shall be approved by the City Council.

D2. Prior to the approval of any Building Permit for new structures, future residential development is subject to obtaining a Design Review approval per SMC Section 16.120.020(A)(1)(a).

D3. The ODS shall install full frontage improvements on Eight Mile Road, within the limits of the site, including, but not limited to, sidewalks, street lighting, and driveway installation. Said improvements shall be installed prior to occupancy of any buildings/structures on this site or prior to initiation of residential use. Further, all off-site improvements shall conform to City of Stockton Standard Plans and Specifications.

D4. The property Owners, Developers, and/or Successors-in-Interest must provide a single master water meter for each of the high-density residential developments. The master meter will be located near the entrance of the high-density development.

D5. The future design of the commercial and high-density residential sites shall comply with the City's Development Code and Design Guidelines. To ensure high-quality design and enhanced pedestrian/motor design, the following Design Guideline measures shall be applied to future Site Plan and Design Review submittals for any commercial and residential application:

- (3.03.070) Parking courts should be well designed, with consideration given to landscaping, lighting, building massing, and pedestrian/vehicular circulation.
- (3.03.070) Convenient pedestrian connections should be provided to adjoining residential developments, commercial projects, and other compatible land uses.
- (3.03.070) Pedestrian access to adjacent existing or planned open space areas and corridors should be provided for the development's residents.
- (3.03.070) Cross circulation between vehicles and pedestrians should be minimized. A continuous, clearly marked walkway should be provided from the parking areas to main entrances of buildings.
- (4.01.030) Provide safe, convenient, and efficient vehicular assessment, circulation, parking, loading, and maneuvering. Encourage pedestrian activity by providing convenient access and safe pedestrian routes.
- (4.01.040) Ensuring that new development considers its relationship to and interface with surrounding existing development, especially residential uses.

Easements Conditions

D6. Comply with all requirements of agencies having jurisdiction over the Woodbridge Irrigation District (WID). (#25)

D7. The Final Map for Lot 4 shall include a ten (10) foot easement from the existing toe of the levee along Bear Creek for maintenance of all levee slopes. Note: This condition is not required if the easement is already included as a component of another recorded map. (#18)

Public Works/Engineering

D8. The owner/subdivider shall participate in any Transportation Systems Management (TSM) programs established by the City of Stockton and provide a permanent area for a park and ride facility as a part of the development of Lots 1, 2, 4 or 5, or a combination thereof. Lot 17 is considered an interim park & ride location that will eventually be eliminated with the reconstruction of the State Highway Route 99/Eight Mile Road interchange. The Park and Ride facility may be a stand-alone designated lot or may consist of designated spaces within a parking area in the above referenced lots. The required number of park & ride spaces shall be determined by the Public Works Director in consultation with Caltrans. (# 21) How many park and ride spaces will be required?

D9. The ODS shall design and submit offsite improvement plans to the Community Development Department - Engineering Section for approval. Improvement Plans shall include but not be limited to traffic signal modifications, installation of roundabouts, traffic calming devices, curb, gutter, sidewalk, driveway access, wheelchair ramps, streetlight standards, and public utilities. A Neighborhood Traffic Management Plan shall be submitted with the improvement plans. Offsite improvements shall be constructed per City Standards prior to the issuance of any building permits.

D10. The ODS shall construct the private street per City standards.

D11. The ODS shall make necessary right-of-way dedications along the frontage of the project site to ensure all public improvements, including but not limited to sidewalks, wheelchair ramps, signals, and the like, are appropriated the needed public right of way.

D12. All off-site improvements proposed with the project shall require the preparation and submission of improvement plans to include but not limited to the installation of curb, gutter, sidewalk, street lighting, paving, and landscaping. The ODS shall provide proof of reclamation district approval for all improvement on, or adjacent to, the existing levees. Proof must be submitted prior to Site Improvement Plans.

D13. All improvements adjacent to Bear Creek are subject to the agency having jurisdiction of this waterway along with any dedication requirements that are required for this development.

D14. All off-site improvements proposed with the project shall require the preparation and submission of Improvement Plans and shall be subject to review and approval of the Director.

Municipal Utilities Department

D15. The property Owners, Developers, and/or Successors in Interest must provide a single master water meter for each of the high-density residential developments. The master meter will be located near the entrance of the high-density development.

D16. The property Owners, Developers, and/or Successors in Interest shall comply with any and all requirements, and pay all associated fees, as required by the City's

Storm Water Pollution Prevention Program as set forth in its NPDES Storm Water Permit.

D17. The ODS shall connect the Cannery Park (North) project to a 24-inch water main in Eight Mile Road that runs from West Lane to STATE ROUTE 99 and is connected to the 24-inch water main in West Lane from Bear Creek to Eight Mile Road and also connected to a 24-inch water main in N. STATE ROUTE 99 W. Frontage Road from Eight Mile Road to PFC Jesse Mizener Street; all of which is identified in the 2022 City Water Master Plan and will provide sufficient water supply and pressure to the project site. If the 24-inch water main is not available for the project to make said connection, then the ODS shall provide a water model identifying the improvements, if any, that are required to provide sufficient water supply and pressure to the project site and upon approval of the water model by the Director of Municipal Utilities, prepare improvement plans to be approved by the Director, and construct any required improvements. This includes any offsite approval that requires subsequent permits and environmental review. The ODS shall construct 8' masonry walls to enclose the perimeter of the City pump and controls in the new sewer pump station.

Note: If construction occurs in Improvement Plan Area 'D' prior to occurring in Improvement Plan Area 'C', the following improvement shall occur:

On-site/in-tract Improvements

O Street Tri-Valley Drive is referenced as O Street on TM P21-0435 so all references to O Street should be changed to O Street so it correlates with TM

D18. Dedicate the right-of-way and construct the road to the full width from curb face to curb face from Holman Road eastward to and including the cul-de-sac. Right of way dedication shall be for the purpose of constructing full roadway width suitable for the adjacent land use.

P Street Collector A is referenced as P Street on TM P21-0435 so all references to Collector A should be changed to P Street so it correlates with the TM

D19. Dedicate the right-of-way and construct the road to the full width from curb face to curb face from Eight Mile Road southward to and including the cul-de-sac. Right of way dedication shall be for the purpose of constructing full roadway width suitable for the adjacent land use

Access to P Street shall be restricted within 300 feet from the intersection with Eight Mile Road.

D20. Install bus turnouts at the intersection of Collector A and Eight Mile Road as depicted on TM8-04A&B. (#17)

D21. A full access intersection shall be allowed at Eight Mile Road and P Street, located 1,000 feet west of the west frontage road and a traffic signal shall be installed to use the access. (SPA#4)

Traffic Signals/Intersection Improvements

D22. Design and install a traffic signal at the intersection of Eight Mile Road and P Street. Activation of the traffic signal shall be at the discretion of the Public Works Director. (#13)

Off-site Improvements

Other Roadways/Intersections

D23. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 4 (i.e., 5,914), the owner/subdivider of Lot 4 shall pay a proportionate share (i.e., 12.13%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

D24. The proportionate share for roadway improvements at West Lane/Arterial A intersection for the Cannery Park TM8-04A&B is two percent (2%). Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 4 (i.e., 5,914), the owner/subdivider of Lot 4 shall pay a proportionate share (i.e., 12.13%) of the two-percent (2%) share of the cost of roadway improvements at the West Lane/Arterial A intersection. (#16)

Note: If development occurs in Improvement Plan Area 'D' prior to occurring in Improvement Plan Areas 'B' or 'C', the following on-site/in- tract improvements shall occur:

Holman Road

D25. Construct Holman Road to the full width from curb face to curb face from Eight Mile Road southward to Bear Creek. Include median lighting. (#11)

D26. Install a bus turnout at the intersection of Holman Road and Eight Mile Road as depicted on the tentative map. (#17)

D27. Access to Holman Road shall be restricted except at public street intersections. (#7)

Traffic Signals/Intersection Improvements

D28. Design and install a traffic signal at the intersection of Holman Road and Cannery Circle/O Street. Activation of the traffic signal shall be at the discretion of the Public Works Director. (#13)

Note: If development occurs in Improvement Plan Area 'D' prior to occurring in Improvement Plan Areas 'B', 'C' or 'E', the following off-site improvements shall occur:

Eight Mile Road

D29. Comply with all conditions of Specific Plan Amendment SPA 1-03 and install all improvements required by said amendment. (#6) An update to the Precise Plan is ongoing where lanes and right-of-way will be reduced in conformance with the General Plan.

D30. Install frontage improvements from Holman Road eastward to the eastern boundary of TM P21-0435 including but not limited to curb, gutter, sidewalk, pavement widening and street lighting along Eight Mile Road to provide a minimum 72-foot half street section. (#5) Full width shall comply with the updated Precise Road Plan

D31. Existing points of access shall remain unrestricted until such time as the Eight Mile Road improvements are constructed or until an adjacent parcel is developed. (#12)

D32. Install a continuous eleven (11) foot minimum width deceleration lane on the south side of Eight Mile Road for a minimum of 200 feet west of the driveway located approximately 800 feet east of the Union Pacific Railroad (formerly the SPRR). (SPA #5)

D33. The Project driveway(s) on Eight Mile Road shall be limited to a total of four (three new) driveways and shall be limited to right-turn in/right-turn out. Driveways shall be spaced a minimum distance of 300 feet from any intersection, driveway or creek and shall be a minimum of 750 feet from the Union Pacific Railroad tracks. Project driveway(s) shall be designed and constructed to prevent on-site cross traffic for a minimum distance of 100 feet from the future property line along Eight Mile Road. (SPA #3)

D34. Design and install a traffic signal at the intersection of Holman Road and Eight Mile Road. Construct interim intersection improvements to the satisfaction of the Public Works Director, including appropriate alignment and striping of the intersection turn lanes and the provision of transition lanes on the south side of Eight Mile Road approaching and departing Holman Road. Provide vehicle acceleration and de-acceleration lanes, as appropriate. (#10), (#13)

Eight Mile Road Interchange Frontage Roads

Provide appropriate security, design and construct the following interim improvements to mitigate near-term impacts and enhance circulation.

D35. D26. Design and install a traffic signal at the intersection of Eight Mile Road/West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations. (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

D36. Design and construct a traffic signal at the intersection of Eight Mile Road/East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

D37. Install stop signs at the intersection of the north bound off-ramp and East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one right-lane and one through lane
c. EB - one left-turn lane and one right-turn lane
d. WB - Not applicable

If the owner/subdivider of Lot 4 constructs the interim improvements identified in D48, D49, and D50, the payment of a proportionate share of the cost of those improvements as defined in D36 above is not required.

PLAN AREA 'E'

Plan Area 'E' encompasses approximately 67.74± acres consisting of the Lot 5 and Lot 6. The following conditions are associated with development within Improvement Plan Area 'E', Lot 5 (Lots 1-267, Lot A Park/Open Space, and Lot B Basin) and Lot 6 (Lots 268-331) These conditions are based on Tentative Map approval of the Cannery Park Amendments (P21-0435):

General Conditions

E1. Prior to the approval of any Final Map, General Plan amendment, Rezoning and Development Agreement shall be approved by the City Council.

E2. Prior to the approval of any building permit for the construction of new homes, future residential development is subject to obtaining a Design Review approval per SMC Section 16.120.020(A)(1)(a).

E3. Lots 181 and 43 will be required to have an 8' tall masonry wall between Lot A and the residential lots. The wall shall be constructed on private property.

E4. In lieu of a Bike Path along the top of the south bank of Bear Creek fronting the project site, a bike path shall be included in the design of the Park/Open Space on

Lot A and shall be constructed as per the Second Amended Development Agreement.

E5. ODS shall design and submit offsite improvement plans to the Community Development Department - Engineering Section for approval. Improvement Plans shall include but not be limited to traffic signal modifications, installation of roundabouts, traffic calming devices, curb, gutter, sidewalk, driveway access, wheelchair ramps, streetlight standards, and public utilities. A Neighborhood Traffic Management Plan shall be submitted with the improvement plans. Offsite improvements shall be constructed per City Standards prior to the issuance of any building permits.

E6. The ODS shall restrict the lots represented as Lots 291-296 in Village H to single story homes.

Neighborhood Park Conditions

NOTE: The following conditions specify the park obligations outlined in the Cannery Park Project Development Agreement.

E7. The ODS shall provide a turn-key developed park/open space (Lot A) to the City at no cost to the City, designed, improved, and maintained to the satisfaction of the City via a DDA. Such developed Lot A and other adjacent easements shall be maintained through the City's CLMAD or other entity acceptable to the City.

E8. The ODS shall maintain Lot A including all adjacent undeveloped easements and bike/pedestrian paths to the satisfaction of the City until the City has finally accepted the developed park/open space as completed publicly usable facilities.

Fire Department

E9. Fire hydrant locations, installation, and design shall be per COS Standards.

E10. Residential street design shall be per COS Standards.

E11. All single-family homes shall have automatic fire sprinklers designed and installed per NFPA 13-D Standards.

E12. A minimum of 1-inch water meters shall be installed at each single-family home to accommodate the domestic water and fire sprinkler demands.

E13. Deferred submittals are required for the fire sprinkler plans (per model type).

Public Works/Engineering

E14. The ODS shall make necessary right-of-way dedications along the frontage of the project site to ensure all public improvements, including but not limited to sidewalks, wheelchair ramps, and the like, are within the public right of way.

E15. The ODS shall design and submit offsite improvement plans to the Community Development Department - Engineering Section for approval. Improvement Plans shall include but not be limited to traffic signal modifications, installation of roundabouts, traffic calming devices, curb, gutter, sidewalk, driveway access, wheelchair ramps, streetlight standards, and public utilities. A Neighborhood Traffic Management Plan shall be submitted with the improvement plans. Offsite improvements shall be constructed per City Standards prior to the issuance of any building permits.

E16. The ODS shall install full frontage improvements on PFC Jesse Mizener Street, within the limits of the site, including, but not limited to, sidewalks, street lighting, and driveway installation. Said improvements shall be installed prior to occupancy of any buildings/structures on this site or prior to initiation of residential use. Further, all off-site improvements shall conform to City of Stockton Standard Plans and Specifications.

E17. Per the Stockton Municipal Code Section 16.72, development on the site shall require site frontage improvements, including, but not limited to, the installation of curb, gutter, sidewalk, street lighting, paving, and landscaping.

E18. The property owners, developers, and/or successors-in-interest shall submit subdivision master plans, or indicate compliance of existing master plans, for water, storm, and sanitary sewer service. These plans shall show all on-site and off-site utilities necessary to provide water, storm, and sanitary sewer utility service. These plans shall be approved by the Deputy Municipal Utilities District Director of Engineering & Department Services prior to the submittal of any improvement plans.

E19. The ODS shall be responsible (at no cost to the City) for all the improvements to the open space areas (greenbelt, related landscape improvements, and connecting lots (incl. lighting) all to the satisfaction of the City representative. This includes completion of the Class 1 bike pathway along Bear Creek. Proof must be submitted prior to Site Improvement Plans.

E20. All off-site improvements proposed with the project shall require the preparation and submission of improvement plans to include but not limited to the installation of curb, gutter, sidewalk, street lighting, paving, and landscaping. The ODS shall provide proof of reclamation district approval for all improvement on, or adjacent to, the existing levees. Proof must be submitted prior to Site Improvement Plans.

E21. All improvements adjacent to Bear Creek are subject to the agency having jurisdiction of this waterway along with any dedication requirements that are required for this development.

E22. All off-site improvements proposed with the project shall require the preparation and submission of Improvement Plans and shall be subject to the review and approval of the Director.

Municipal Utilities Department

E23. The property Owners, Developers, and/or Successors in Interest shall comply with any and all requirements, and pay all associated fees, as required by the City's Storm Water Pollution Prevention Program as set forth in its NPDES Storm Water Permit.

E24. The ODS shall provide a water model identifying the improvements, if any, that are required to provide sufficient water supply and pressure to the project site and upon approval of the water model by the Director of Municipal Utilities, prepare improvement plans to be approved by the Director, and construct any required improvements. This includes any offsite approval that requires subsequent permits and environmental review. The ODS shall connect the Cannery Park (North) project to a 24-inch water main in Eight Mile Road that runs from West Lane to STATE ROUTE 99 and is connected to the 24-inch water main in West Lane from Bear Creek to Eight Mile Road and also connected to a 24-inch water main in N. STATE ROUTE 99 W. Frontage Road from Eight Mile Road to PFC Jesse Mizener Street; all of which is identified in the 2022 City Water Master Plan and will provide sufficient water supply and pressure to the project site. If the 24-inch water main is not available for the project to make said connection, then the ODS shall provide a water model identifying the improvements, if any, that are required to provide sufficient water supply and pressure to the project site and upon approval of the water model by the Director of Municipal Utilities, prepare improvement plans to be approved by the Director, and construct any required improvements. This includes any offsite approval that requires subsequent permits and environmental review.

E25. The ODS shall provide a 16-foot wide all-weather access road around the detention basin and to the storm pump station.

E26. The ODS shall provide appropriately-sized utilities, including natural gas and three-phase electrical power to the storm pump station. The ODS shall provide an 8-inch waterline connection in Lot 306 and Lot A Park/Open Space that loops the water system between the internal subdivision to the external streets. A 10-foot-wide City water easement shall be dedicated on Lot 306.

E27. The ODS shall construct all sound walls consistent with the noise analysis and original mitigation measures included in the Project EIR.

E28. The ODS shall construct minimum 8' tall masonry walls to enclose the perimeter of the City pumps and controls in the storm pump station.

E29. The ODS shall construct minimum 6' tall ornamental iron fence, a 6' tall masonry block wall, or a combination of each as well as associated maintenance vehicle access gates along the perimeter of Lot B Basin.

E30. The ODS shall construct a minimum 8' tall masonry wall between Lot 187 and Lot B Basin. Such wall shall be on private property (Lot 187).

E31. The ODS shall provide an 8-inch water line connection in Lot 306 and Lot A Park/Open Space that loops the water system between the internal subdivision to the external streets. A 10-foot-wide City water easement shall be dedicated on Lot 306.

Easements

E32. Comply with all requirements of agencies having jurisdiction over the Woodbridge Irrigation District (WID). (#25)

E33. The Final Map for Lot 5 shall include a ten (10) foot easement from the existing toe of the levee along Bear Creek for maintenance of all levee slopes. Note: This condition is not required if the easement is already included as a component of another recorded map. (#18

Transportation System Management

E34. The owner/subdivider shall participate in any Transportation Systems Management (TSM) programs established by the City of Stockton and provide a permanent area for a park and ride facility as a part of the development of Lots 1, 2, or 4 as shown on Cannery Park Unit No. 1 Final Map ~~or 5~~, or a combination thereof. Lot 17 is considered an interim park & ride location that will eventually be eliminated with the reconstruction of the State Highway Route 99/Eight Mile Road interchange. The Park and Ride facility may be a stand-alone designated lot or may consist of designated spaces within a parking area in the above referenced lots. The required number of park & ride spaces shall be determined by the Public Works Director in consultation with Caltrans. (# 21) Lot 5 is SFR

E35. The ODS shall design and submit offsite improvement plans to the Community Development Department - Engineering Section for approval. Improvement Plans shall include but not be limited to traffic signal modifications, installation of roundabouts, traffic calming devices, curb, gutter, sidewalk, driveway access, wheelchair ramps, streetlight standards, and public utilities. A Neighborhood Traffic Management Plan shall be submitted with the improvement plans. Offsite improvements shall be constructed per City Standards prior to the issuance of any building permits.

The following on-site/in-tract improvements are necessary to support development within Improvement Plan Area 'E' Lot 5 and Lot 6:

Off-site Improvements

Other Roadways/Intersections

E36. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 5 (i.e., 20,126), the owner/subdivider of Lot 5 shall pay a proportionate share (i.e., 41.31%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

E37. Based upon the total daily trip generation rate for Cannery Park (i.e., 48,726) compared to the total daily trip generation estimate associated with Lot 6 (i.e., 1,517), the owner/subdivider of Lot 6 shall pay a proportionate share (i.e., 3.11%) of the total cost of roadway improvements at the following intersections (#13), (#16):

a. Eight Mile Road/Ham Lane;
b. Eight Mile Road/Leach Road;
c. Eight Mile Road/Hwy 99 West Frontage Road (interim improvements);
d. Eight Mile Road/Hwy 99 East Frontage Road (interim improvements);
e. Eight Mile Road/Hwy 99 East Frontage Road at Northbound ramp (interim improvements);
f. Morada Lane/Hwy 99 West Frontage Road (interim improvements); and
g. Morada Lane/Hwy 99 East Frontage Road (interim improvements).

Note: If construction occurs in Improvement Plan Area 'E' prior to occurring in improvement Plan Area 'C' or 'D', the following improvement shall occur:

Pfc Jessie Mizener Street

E38. Access to Pfc Jessie Mizener Street shall be restricted except at public street intersections. (#7)

Eight Mile Road Interchange Frontage Roads

Provide appropriate security, design and construct the following interim improvements to mitigate near-term impacts and enhance circulation.

E39. Design and install a traffic signal at the intersection of Eight Mile Road/West Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane

b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

E40. Design and construct a traffic signal at the intersection of Eight Mile Road/East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

a. NB - one left-turn lane and one through/right-turn shared lane
b. SB - one left-turn lane and one through/right-turn shared lane
c. EB - one left-turn lane and one through/right-turn shared lane
d. WB - one left-turn lane and one through/right-turn shared lane

E41. Install stop signs at the intersection of the north bound off-ramp and East Frontage Road and widen the intersection as appropriate, with striping to provide the following lane configurations: (#10), (#13), (#16)

e. NB - one left-turn lane and one through/right-turn shared lane
f. SB - one right-lane and one through lane
g. EB - one left-turn lane and one right-turn lane
h. WB - Not applicable

If the owner/subdivider of Lot 5 or Lot 6 constructs the interim improvements identified in D114, D115, and D116, the payment of a proportionate share of the cost of those improvements as defined in D94 and D96 above is not required of owner/subdivider who constructs said improvements.

OWNER'S STATEMENT:

WE, THE UNDERSIGNED, HEREBY STATE THAT WE ARE ALL THE PARTIES HAVING RECORD TITLE INTEREST IN THE LANDS SUBDIVIDED AND SHOWN ON THIS FINAL MAP OF "TRACT NO. 4214, SUBDIVISIONS OF SAN JOAQUIN COUNTY, CANNERY PARK, UNIT NO. 15 – VILLAGE J", CITY OF STOCKTON, CALIFORNIA AND WE HEREBY CONSENT TO THE PREPARATION AND FILING OF THIS FINAL MAP IN THE OFFICE OF THE COUNTY RECORDER OF SAN JOAQUIN COUNTY, CALIFORNIA.

WE ALSO OFFER THE REAL PROPERTY DESCRIBED BELOW, DEDICATED AS AN EASEMENT FOR PUBLIC PURPOSES, ALL PUBLIC UTILITY EASEMENTS, SOUND WALL MAINTENANCE EASEMENTS AND ALL STREET RIGHTS–OF–WAY. ALL AS SHOWN ON THIS FINAL MAP.

OWNER: CENTURY COMMUNITIES OF CALIFORNIA, LLC, A DELAWARE LIMITED LIABILITY COMPANY

BY: _____ 7/17/25 DATE

NAME: Dean K Mills

TITLE: Vice President

NOTARY STATEMENT (OWNER):

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA
COUNTY OF Alameda

ON 17th of July, 2025, BEFORE ME, Louis M Robinson III,

A NOTARY PUBLIC, PERSONALLY APPEARED Dean Mills,

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

SIGNATURE: _____ COMMISSION NUMBER: 2482630

PRINTED NAME: Louis M Robinson III MY COMMISSION EXPIRES: 3/15/2028

PRINCIPAL COUNTY OF BUSINESS: Alameda

BENEFICIARY'S STATEMENT:

JEN CALIFORNIA 31 LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, BENEFICIARY UNDER DEED OF TRUST AND ASSIGNMENT OF RENTS RECORDED MAY 20, 2025, AS DOCUMENT NO. 2025–042435 OF OFFICIAL RECORDS OF SAN JOAQUIN COUNTY, HEREBY CONSENTS TO THE MAKING AND FILING OF THIS MAP.

BY: _____ 7/8/2025 DATE

NAME: Katherine Hart Johns

ITS: Vice President

NOTARY STATEMENT (BENEFICIARY):

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA
COUNTY OF PLACER

ON July 18, 2025, BEFORE ME, Sharon Buckenmeyer,

A NOTARY PUBLIC, PERSONALLY APPEARED Katherine Hart Johns,

WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

SIGNATURE: _____ COMMISSION NUMBER: 2382482

PRINTED NAME: Sharon Buckenmeyer MY COMMISSION EXPIRES: Nov. 10, 2025

PRINCIPAL COUNTY OF BUSINESS: Placer

W:\10810300\survey\DRAWING\SHEET FILES\FM UNIT 15 J\VILL J–Sht 1.dwg kshahbaz 7/15/25 8:16

TRACT NO. 4214
SUBDIVISIONS OF SAN JOAQUIN COUNTY
CANNERY PARK
UNIT NO. 15 - VILLAGE J

BEING A SUBDIVISION OF LOT C AS SHOWN ON THE MAP ENTITLED "TRACT NO. 4213, CANNERY PARK UNIT NO. 14 – VILLAGE I" FILED IN BOOK _____ OF MAPS AND PLATS, AT PAGE _____, SAN JOAQUIN COUNTY RECORDS, LYING IN SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 EAST, MOUNT DIABLO MERIDIAN, CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA

JULY, 2025

VVH CONSULTING ENGINEERS
430 10th Street
Modesto, CA 95354
Tel: 209.568.4477 Fax: 209.568.4478

VICINITY MAP
NOT TO SCALE

CITY CLERK'S STATEMENT:

THIS IS TO STATE THAT AT ITS REGULARLY HELD MEETING ON THE _____ DAY OF _____, 202__, THE CITY COUNCIL OF THE CITY OF STOCKTON, CALIFORNIA PER COUNCIL RESOLUTION NO. _____ APPROVED THIS FINAL MAP OF "TRACT NO. 4214, SUBDIVISIONS OF SAN JOAQUIN COUNTY, CANNERY PARK, UNIT NO. 15 – VILLAGE J", CITY OF STOCKTON, CALIFORNIA, AND ACCEPTED ON BEHALF OF THE PUBLIC FOR PUBLIC USE THE OFFER OF DEDICATION OF ALL PUBLIC UTILITY EASEMENTS AND SOUND WALL MAINTENANCE EASEMENTS. ALL AS SHOWN ON THIS FINAL MAP, AND ACCEPTED THE OFFER OF DEDICATION OF ALL STREET RIGHTS–OF–WAY SUBJECT TO SATISFACTORY COMPLETION OF IMPROVEMENTS THEREON OF SAID STREET RIGHTS–OF–WAY IN ACCORDANCE WITH CHAPTER 16, ARTICLE 6 OF THE STOCKTON MUNICIPAL CODE, AND ANY AMENDMENTS THERETO, APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP.

DATED THIS _____ DAY OF _____, 202__ .

_____
KATHERINE ROLAND, CMC, CPMC
CITY CLERK

THIS FINAL MAP IS SUBJECT TO THE PROVISIONS OF A SUBDIVISION AGREEMENT RECORDED ON _____, 20___, AS DOCUMENT NO. _____, SAN JOAQUIN COUNTY RECORDS.

D.D. SHEET NO. 28

SURVEYOR'S STATEMENT:

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF JIM BRECHER ON NOVEMBER 5, 2024. I HEREBY STATE THAT ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED OR THAT WILL BE SET IN THOSE POSITIONS BEFORE DECEMBER 31, 2026, AND THAT THE MONUMENTS ARE, OR WILL BE, SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED, AND THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP.

DATED THIS 21 DAY OF July, 2025.

_____
RYAN VANCE, L.S. 8225

LICENSED LAND SURVEYOR — RYAN VANCE — No. 8225 — STATE OF CALIFORNIA

CITY ENGINEER'S STATEMENT:

I, ERIC ALVAREZ, HEREBY STATE THAT I AM THE CITY ENGINEER OF THE CITY OF STOCKTON, CALIFORNIA, AND THAT I HAVE EXAMINED THIS FINAL MAP OF "TRACT NO. 4214, SUBDIVISIONS OF SAN JOAQUIN COUNTY, CANNERY PARK, UNIT NO. 15 – VILLAGE J", CITY OF STOCKTON, CALIFORNIA AND THAT THE SUBDIVISION SHOWN HEREON IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, AND ANY APPROVED ALTERATIONS THEREOF. I FURTHER STATE THAT THIS FINAL MAP COMPLIES WITH ALL THE PROVISIONS OF CHAPTER 16, ARTICLE 6 OF THE STOCKTON MUNICIPAL CODE, AND ANY AMENDMENTS THERETO, APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP.

DATED THIS 22nd DAY OF July, 2025.

_____
ERIC ALVAREZ, RCE 57830
CITY ENGINEER OF THE CITY OF STOCKTON
REGISTRATION EXPIRATION DATE: 06/30/2026

REGISTERED PROFESSIONAL ENGINEER — ERIC ALVAREZ — NO. C057830 — STATE OF CALIFORNIA

COUNTY SURVEYOR'S STATEMENT:

I, JAMES E. HART, HEREBY STATE THAT I HAVE EXAMINED THIS FINAL MAP OF "TRACT NO. 4214, SUBDIVISIONS OF SAN JOAQUIN COUNTY, CANNERY PARK, UNIT NO. 15 – VILLAGE J", CITY OF STOCKTON, CALIFORNIA AND THAT THE SUBDIVISION SHOWN HEREON COMPLIES WITH ALL THE PROVISIONS OF CHAPTER 2 OF THE CALIFORNIA SUBDIVISION MAP ACT, AS AMENDED, AND THAT THIS FINAL MAP IS TECHNICALLY CORRECT.

DATED THIS 24TH DAY OF JULY, 2025.

_____
JAMES E. HART, L.S. 8657
COUNTY SURVEYOR

PROFESSIONAL LAND SURVEYOR — JAMES E. HART — LICENSE No. 8657 — STATE OF CALIFORNIA

RECORDER'S STATEMENT:

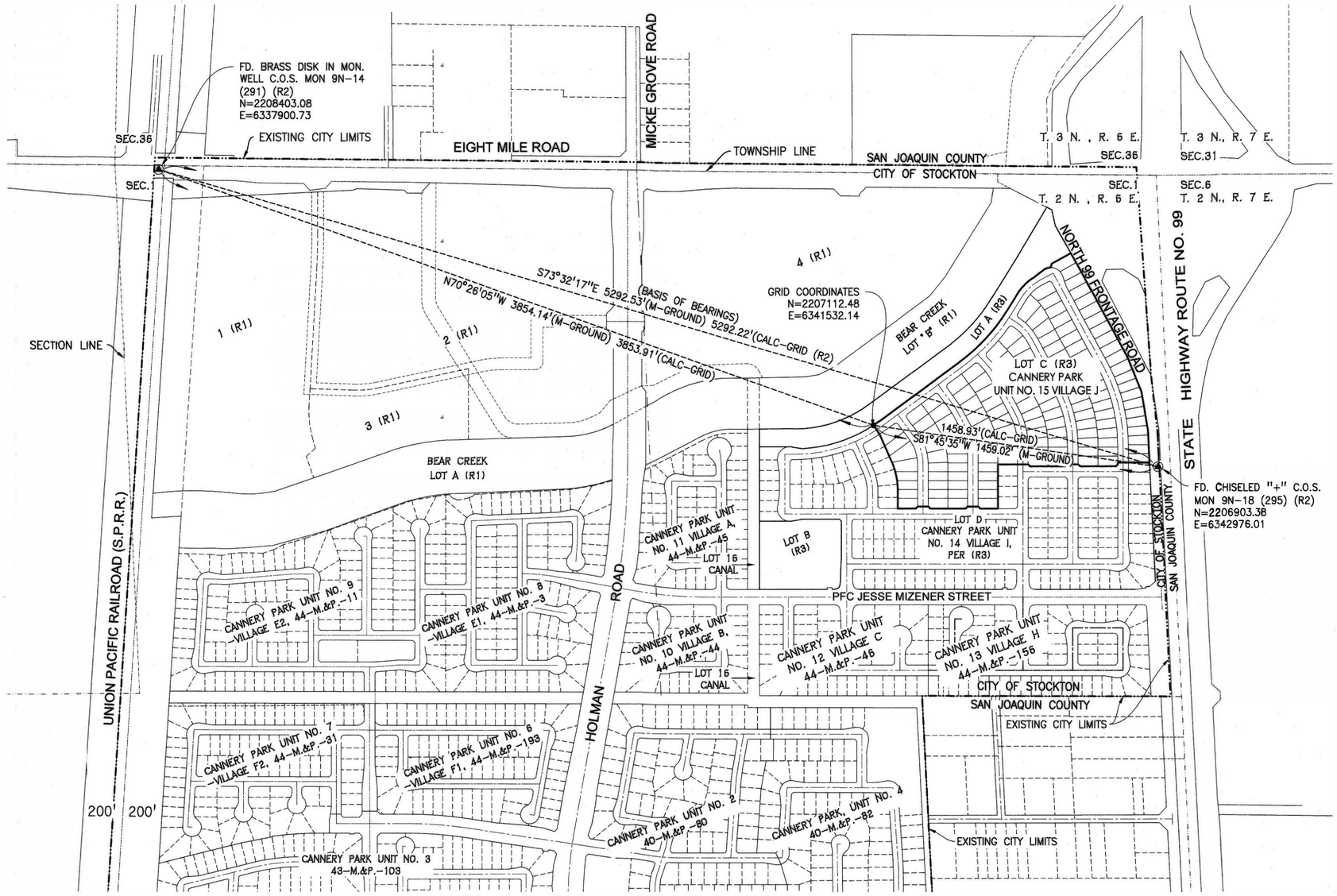
FILED THIS _____ DAY OF _____, 202__, AT _____ .M.

IN BOOK _____ OF MAPS AND PLATS, AT PAGE _____, AT THE REQUEST OF VVH CONSULTING ENGINEERS.

FEE $ _____

_____
STEVE J. BESTOLARIDES
ASSESSOR–RECORDER–COUNTY CLERK

BY: _____
ASSISTANT/DEPUTY RECORDER



TRACT NO. 4214

SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK UNIT NO. 15 - VILLAGE J

BEING A SUBDIVISION OF LOT C AS SHOWN ON THE MAP ENTITLED "TRACT NO. 4213, CANNERY PARK UNIT NO. 14 – VILLAGE I" FILED IN BOOK _____ OF MAPS AND PLATS, AT PAGE _____, SAN JOAQUIN COUNTY RECORDS, LYING IN SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 EAST, MOUNT DIABLO MERIDIAN, CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA

JULY, 2025

VWH CONSULTING ENGINEERS
430 10th Street
Modesto, CA 95354
Tel: 209.568.4477 Fax: 209.568.4478

LEGEND:

—●—	FOUND AND ACCEPTED 3/4" IRON PIPE TAGGED L.S. 6953 PER (R1) UNLESS NOTED OTHERWISE.
—▲—	FOUND CITY OF STOCKTON CONTROL MONUMENT, AS NOTED PER (R1)(R2).
—◉—	FOUND AND ACCEPTED 3/4" IRON PIPE TAGGED L.S. 6953 IN MONUMENT WELL PER (R1) UNLESS NOTED OTHERWISE.
—○—	SET 3/4" x 30" LONG IRON PIPE TAGGED L.S. 8225.
—◎—	SET 3/4" x 30" LONG IRON PIPE TAGGED L.S. 8225 IN MONUMENT WELL.
—|—	SET 1/2" X 24" LONG IRON PIPE TAGGED L.S. 8225 AT ALL REAR LOT CORNERS, UNLESS OTHERWISE NOTED.
3' W.C.	WITNESS CORNER: SET 1/2"x24" LONG IRON PIPE TAGGED L.S. 8225 AT OFFSET NOTED, ALL LOT DIMENSIONS SHOWN ALONG LOT LINES THAT CONTAIN A WITNESS CORNER ARE FROM THE LOT CORNER TO LOT CORNER.
⊗	MEASURE POINT
//////	EXISTING RESTRICTED ACCESS. ACCESS RIGHTS RELINQUISHED TO THE CITY OF STOCKTON (R1)
xxxxxx	ACCESS RIGHTS RELINQUISHED TO THE CITY OF STOCKTON BY THIS MAP
9	CENTERLINE GRID COORDINATE NUMBERS
SJCR	SAN JOAQUIN COUNTY RECORDS
RS	RECORD OF SURVEY
PM	PARCEL MAP
(M)	MEASURED ON THIS MAP
PUE	PUBLIC UTILITY EASEMENT
C99	CURVE DATA TABLE REFERENCE
L99	LINE DATA TABLE REFERENCE
(R)	RADIAL BEARING
WC	WITNESS CORNER
DN	DOCUMENT NUMBER
SF	SQUARE FEET
AC	ACRE
M.&P.	MAPS AND PLATS
FD	FOUND
SFN	SEARCHED, FOUND NOTHING
SME	SOUND WALL MAINTENANCE EASEMENT
RD	ROAD
IP	IRON PIPE
MON	MONUMENT
EX	EXISTING
N=2153535.135 E=6327497.231	CALIF. COORDINATES–83, ZONE 3 (CENTERLINE AND CONTROL MONUMENTS)

NOTES:

1. ALL DISTANCES ARE MEASURED UNLESS OTHERWISE NOTED.
2. A 10' PUBLIC UTILITY EASEMENT IS DEDICATED ALONG ALL STREETS AS SHOWN ON THIS MAP.
3. SET A WITNESS CORNER CUT "+" IN CONCRETE ON PROJECTION OF ALL LOT LINES INTO THE RIGHT–OF–WAY AT 1 FOOT, WITNESS CORNER SET RADIALLY OR PERPENDICULAR TO THE RIGHT–OF–WAY AT ALL CURVE AND RETURN POINTS.
4. EACH LOT SHALL BE DESIGNED, GRADED AND MAINTAINED TO PROVIDE PROPER DRAINAGE WITHOUT PONDING, CAUSING SOIL EROSION OR DRAINING ONTO ADJACENT PROPERTY. ALL LOTS ARE TO DRAIN FROM REAR TO FRONT UNLESS OTHERWISE SHOWN.
5. THIS MAP REFERS TO APPROVED TENTATIVE MAP TM8–04, AMENDED BY THE CITY OF STOCKTON RESOLUTION NO. 2024–02–08–05001–05, ON FEBRUARY 8, 2024.
6. ALL REFERENCES ARE TO SAN JOAQUIN COUNTY RECORDS AND BOOK OR VOLUME PRECEDES PAGE.
7. BY THIS NOTE, ACCESS RIGHTS TO CORNER LOTS ARE RESTRICTED IN CONFORMANCE WITH STOCKTON MUNICIPAL CODE 16.36.030. FURTHER, THE DEVELOPER OF THE SUBDIVISION SHALL SELECT THE STREETS ABUTTING THE CORNER LOTS UPON WHICH ACCESS IS TO BE PROVIDED AND ACCESS IS HEREBY RESTRICTED ON ALL OTHER FRONTAGES.
8. THE 96–FOOT WIDE PUBLIC UTILITY EASEMENT CREATED BY 24–PM–105, TO BE ABANDONED BY THIS MAP.

REFERENCES:

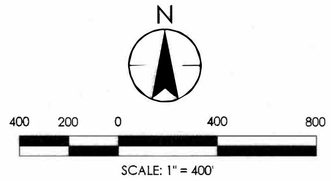
(R1) CANNERY PARK UNIT NO. 1, BOOK 40 OF MAPS & PLATS, PAGE 51, S.J.C.R.
(R2) BOOK 35 OF SURVEYS, PAGE 5, S.J.C.R. CITY OF STOCKTON TRAVERSE CONTROL SURVEY.
(R3) CANNERY PARK UNIT NO. 14 – VILLAGE I, BOOK_____OF MAPS & PLATS, PAGE_____, S.J.C.R.
(R4) BOOK 24 OF PARCEL MAPS, PAGE 105, S.J.C.R.

BASIS OF BEARINGS:

BEARINGS, DISTANCES, AND COORDINATES ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM–83, ZONE 3, (1991.35). A LINE BETWEEN CITY OF STOCKTON MONUMENTS NO. 9N–14 (291) AND 9N–18 (295) BEARS S73°32'17"E AS CALCULATED FROM CITY OF STOCKTON TRAVERSE CONTROL MONUMENT SURVEY, FILED FOR RECORD IN BOOK 35 OF SURVEYS, AT PAGE 5, SAN JOAQUIN COUNTY RECORDS. ALL DISTANCES SHOWN ARE GROUND LEVEL AND MUST BE MULTIPLIED BY 0.99994647 TO OBTAIN GRID DISTANCES.

SHEET INDEX:

SHEET 1: CERTIFICATES.
SHEET 2: NOTES, LEGEND, REFERENCES AND BASIS OF BEARINGS.
SHEET 3: KEYNOTE VILLAGE J UNIT 15
SHEET 4: BOUNDARY AND LEGEND.
SHEET 5: LOT DETAILS.
SHEET 6: LOT DETAILS.
SHEET 7: LOT DETAILS.
SHEET 8: LOT DETAILS AND CURVE TABLES.



W:\10810300\survey\DRAWING\SHEET FILES\FM UNIT 15 J\VILL J–Sht 2.dwg kshahbaz 7/16/25 12:00

TRACT NO. 4214

SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK
UNIT NO. 15 - VILLAGE J

BEING A SUBDIVISION OF LOT C AS SHOWN ON THE MAP ENTITLED "TRACT NO. 4213, CANNERY PARK UNIT NO. 14 – VILLAGE I" FILED IN BOOK _____ OF MAPS AND PLATS, AT PAGE _____, SAN JOAQUIN COUNTY RECORDS, LYING IN SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 EAST, MOUNT DIABLO MERIDIAN, CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA
JULY, 2025

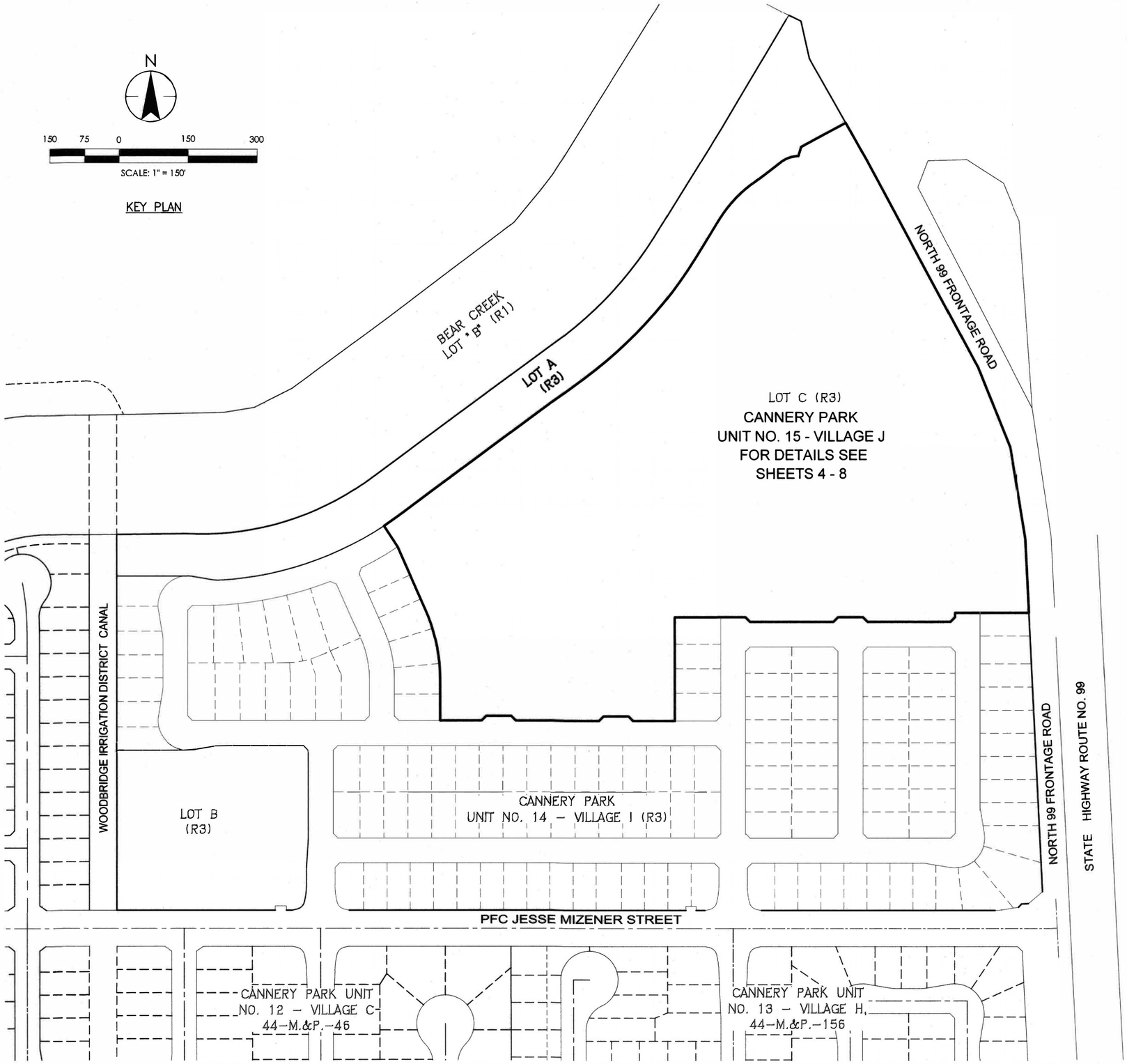
VVH CONSULTING ENGINEERS
430 10th Street
Modesto, CA 95354
Tel: 209.568.4477 Fax: 209.568.4478

N

150 75 0 150 300

SCALE: 1" = 150'

KEY PLAN

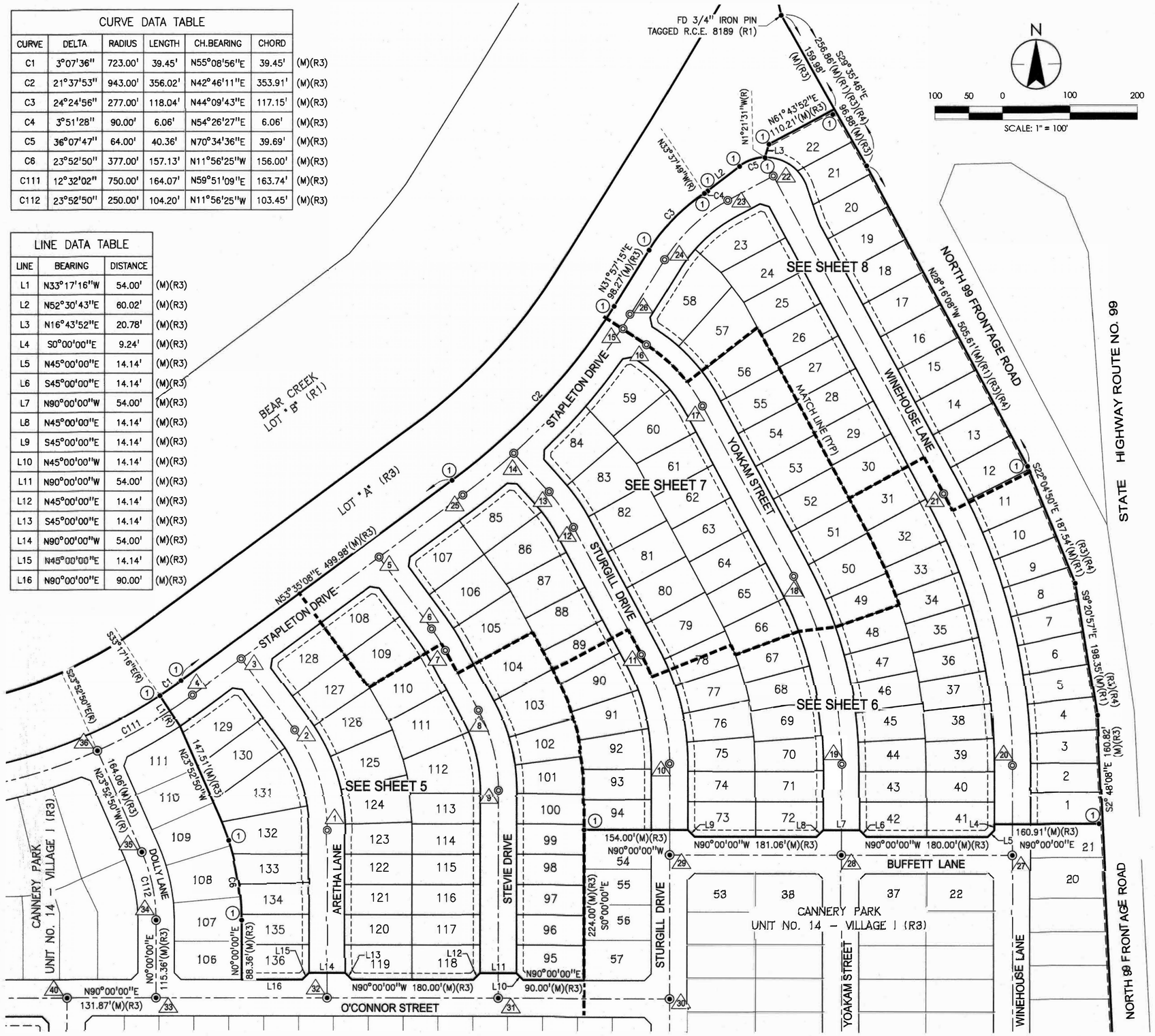


NOTE:

SEE SHEET 2 FOR BASIS OF BEARINGS, NOTES, REFERENCES AND LEGEND.

CURVE DATA TABLE						
CURVE	DELTA	RADIUS	LENGTH	CH.BEARING	CHORD	
C1	3°07'36"	723.00'	39.45'	N55°08'56"E	39.45'	(M)(R3)
C2	21°37'53"	943.00'	356.02'	N42°46'11"E	353.91'	(M)(R3)
C3	24°24'56"	277.00'	118.04'	N44°09'43"E	117.15'	(M)(R3)
C4	3°51'28"	90.00'	6.06'	N54°26'27"E	6.06'	(M)(R3)
C5	36°07'47"	64.00'	40.36'	N70°34'36"E	39.69'	(M)(R3)
C6	23°52'50"	377.00'	157.13'	N11°56'25"W	156.00'	(M)(R3)
C111	12°32'02"	750.00'	164.07'	N59°51'09"E	163.74'	(M)(R3)
C112	23°52'50"	250.00'	104.20'	N11°56'25"W	103.45'	(M)(R3)

LINE DATA TABLE			
LINE	BEARING	DISTANCE	
L1	N33°17'16"W	54.00'	(M)(R3)
L2	N52°30'43"E	60.02'	(M)(R3)
L3	N16°43'52"E	20.78'	(M)(R3)
L4	S0°00'00"E	9.24'	(M)(R3)
L5	N45°00'00"E	14.14'	(M)(R3)
L6	S45°00'00"E	14.14'	(M)(R3)
L7	N90°00'00"W	54.00'	(M)(R3)
L8	N45°00'00"E	14.14'	(M)(R3)
L9	S45°00'00"E	14.14'	(M)(R3)
L10	N45°00'00"W	14.14'	(M)(R3)
L11	N90°00'00"W	54.00'	(M)(R3)
L12	N45°00'00"E	14.14'	(M)(R3)
L13	S45°00'00"E	14.14'	(M)(R3)
L14	N90°00'00"W	54.00'	(M)(R3)
L15	N45°00'00"E	14.14'	(M)(R3)
L16	N90°00'00"E	90.00'	(M)(R3)



TRACT NO. 4214

SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK UNIT NO. 15 - VILLAGE J

BEING A SUBDIVISION OF LOT C AS SHOWN ON THE MAP ENTITLED "TRACT NO. 4213, CANNERY PARK UNIT NO. 14 – VILLAGE I" FILED IN BOOK _____ OF MAPS AND PLATS, AT PAGE _____, SAN JOAQUIN COUNTY RECORDS, LYING IN SECTION 1, TOWNSHIP 2 NORTH, RANGE 6 EAST, MOUNT DIABLO MERIDIAN, CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA
JULY, 2025

VWH CONSULTING ENGINEERS
430 10th Street
Modesto, CA 95354
Tel: 209.568.4477 Fax: 209.568.4478

SUBDIVISION SUMMARY:

136 LOTS (RESIDENTIAL)	=	736,926 S.F. = 16.92 Ac
STREET R/W DEDICATION	=	259,356 S.F. = 5.95 Ac
TOTAL	=	996,282 S.F. = 22.87 Ac

NOTE:

SEE SHEET 2 FOR BASIS OF BEARINGS, NOTES, REFERENCES AND LEGEND.

MONUMENT NOTE:

(1) FOUND 3/4" IRON PIPE TAGGED L.S. 8225 PER (R3).

CENTERLINE GRID COORDINATES		
Point #	NORTHING	EASTING
1	2206913.33	6341780.75
2	2207061.73	6341731.94
3	2207167.45	6341653.96
4	2207113.29	6341580.54
5	2207318.22	6341858.35
6	2207210.18	6341938.05
7	2207180.18	6341957.05
8	2207091.14	6342004.92
9	2206972.74	6342034.74
10	2207013.54	6342288.72
11	2207175.50	6342247.94
12	2207363.47	6342146.86
13	2207412.95	6342111.92
14	2207471.94	6342058.46
15	2207658.70	6342218.17
16	2207634.41	6342255.21
17	2207543.77	6342338.28
18	2207293.82	6342472.70
19	2207011.56	6342543.77

CENTERLINE GRID COORDINATES			
Point #	NORTHING	EASTING	
20	2207011.56	6342797.76	
21	2207414.11	6342698.39	
22	2207884.83	6342443.26	
23	2207848.54	6342375.78	
24	2207760.67	6342282.06	
25	2207410.08	6341982.87	
26	2207677.30	6342230.06	
27	2206878.49	6342797.76	(R3)
28	2206878.49	6342543.77	(R3)
29	2206878.49	6342288.72	(R3)
30	2206664.50	6342288.72	(R3)
31	2206664.50	6342034.74	(R3)
32	2206664.50	6341780.75	(R3)
33	2206664.50	6341526.77	(R3)
34	2206779.85	6341526.77	(R3)
35	2206881.05	6341505.37	(R3)
36	2207031.06	6341438.95	(R3)
40	2206664.50	6341394.91	(R3)

TRACT NO. 4214

SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK
UNIT NO. 15 - VILLAGE J

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JULY, 2025

VVH CONSULTING ENGINEERS
430 10th Street
Modesto, CA 95354
Tel: 209.568.4477 Fax: 209.568.4478

N

40 20 0 40 80

SCALE: 1" = 40'

NOTE:
1. SEE SHEET 2 FOR BASIS OF BEARINGS, NOTES, REFERENCE'S AND LEGEND.
2. SEE NOTE 7 SHEET 2 FOR THIS SYMBOL ▲
3. SEE CURVE TABLE ON SHEET 8.

MONUMENT NOTE:
(1) FOUND 3/4" IRON PIPE TAGGED L.S. 8225 PER (R3).

TRACT NO. 4214

SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK
UNIT NO. 15 - VILLAGE J

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NOTE:

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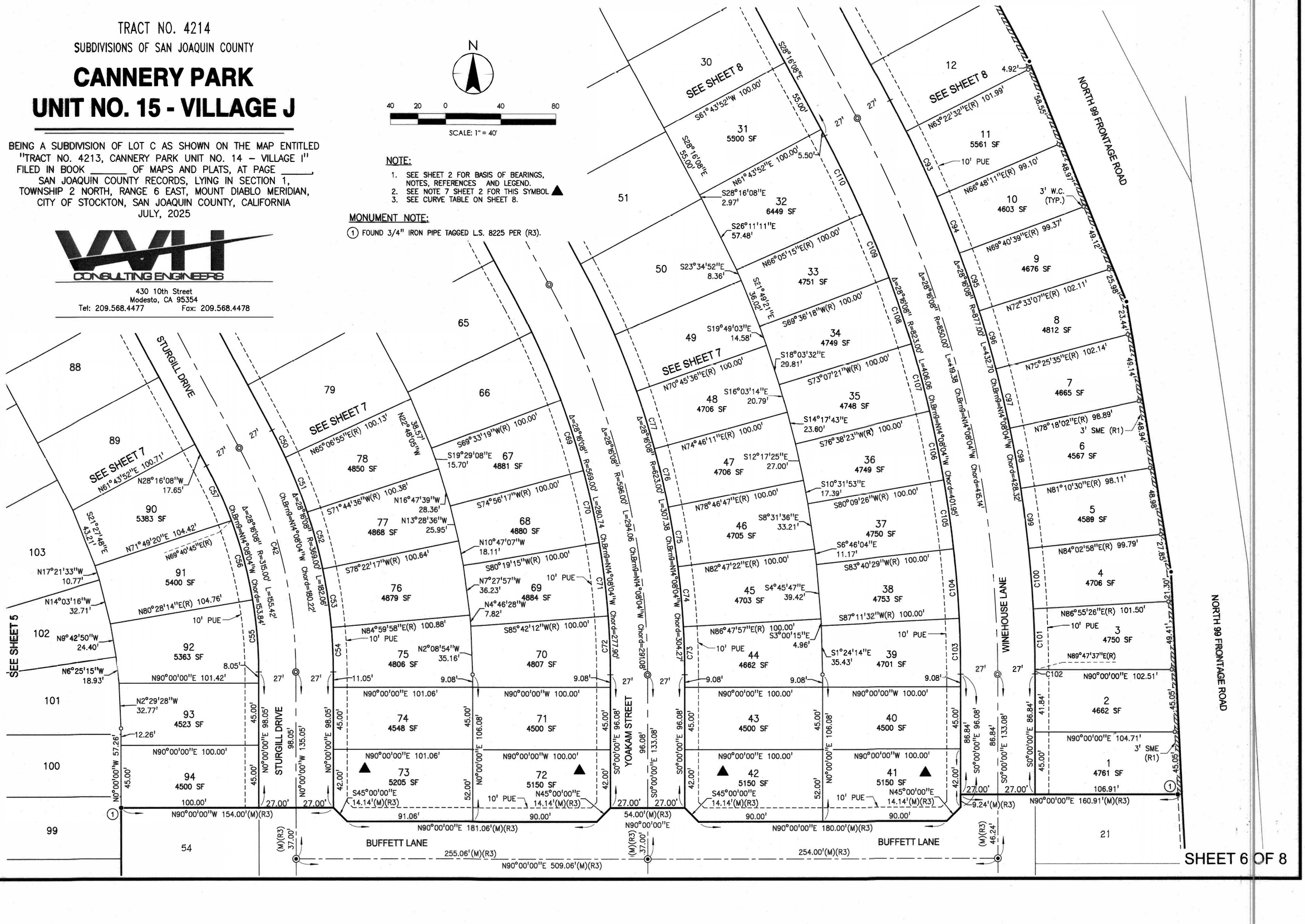
3. SEE CURVE TABLE ON SHEET 8.

MONUMENT NOTE:

① FOUND 3/4" IRON PIPE TAGGED L.S. 8225 PER (R3).



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SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK
UNIT NO. 15 - VILLAGE J

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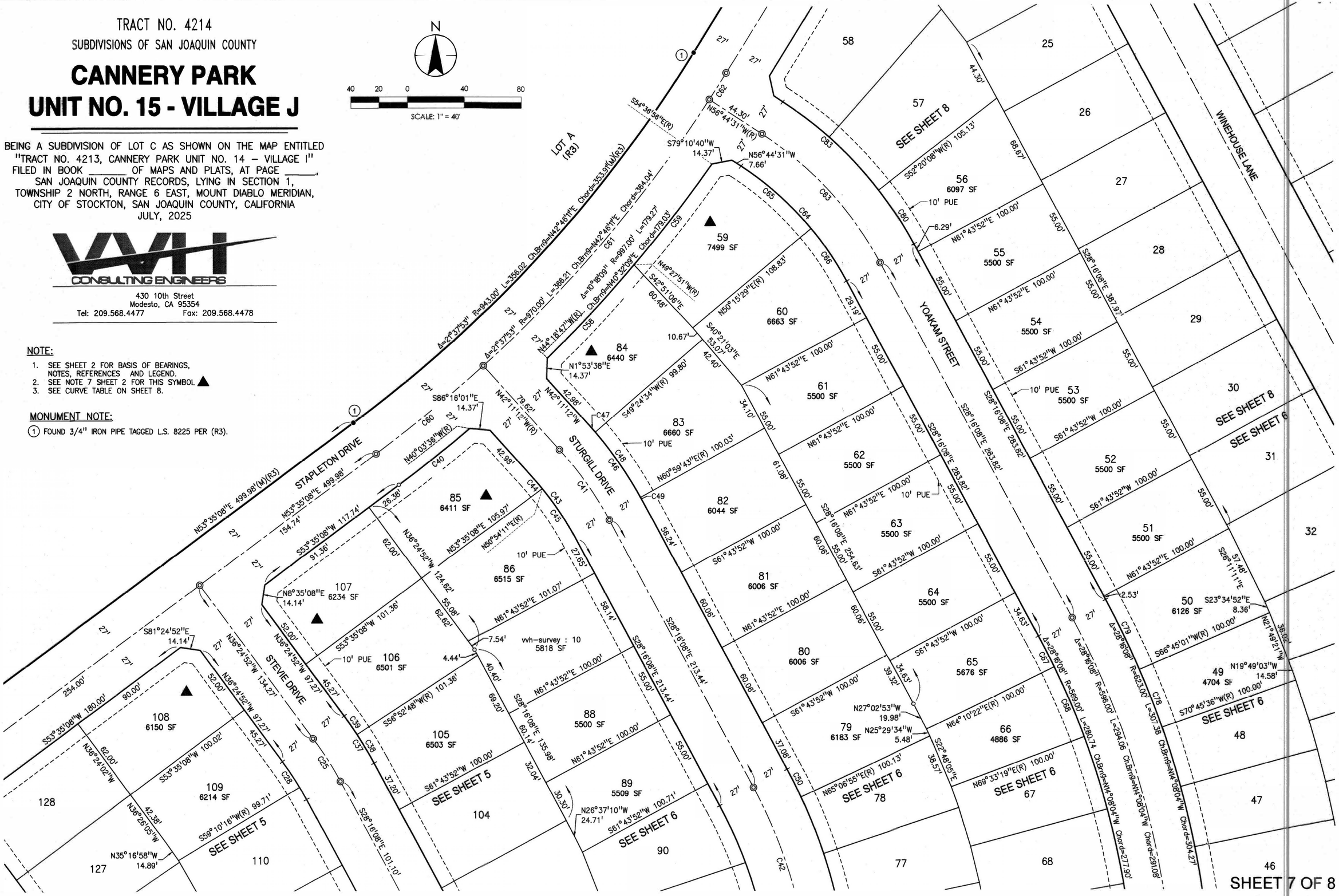

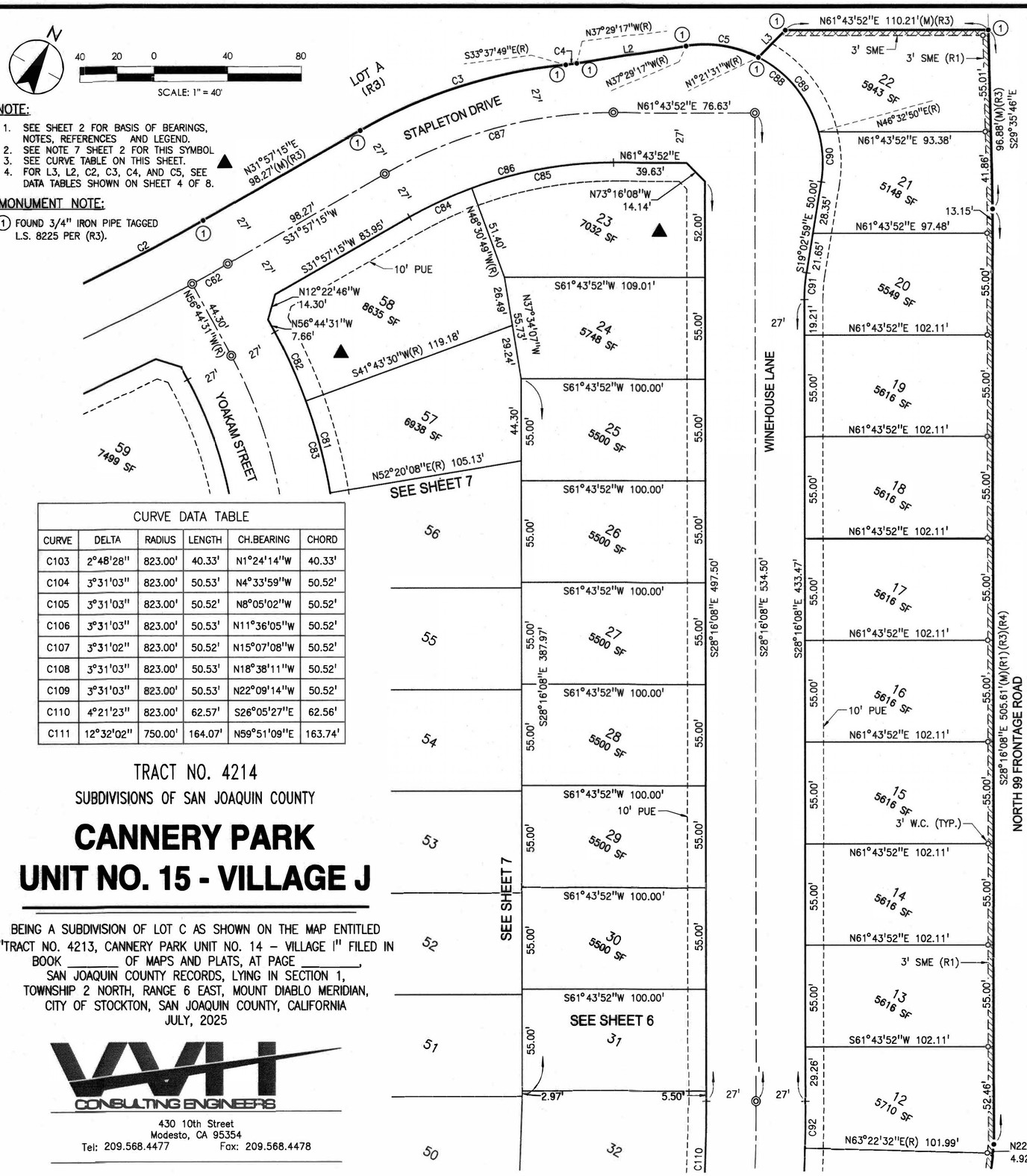

CURVE DATA TABLE					
CURVE	DELTA	RADIUS	LENGTH	CH.BEARING	CHORD
C103	2°48'28"	823.00'	40.33'	N1°24'14"W	40.33'
C104	3°31'03"	823.00'	50.53'	N4°33'59"W	50.52'
C105	3°31'03"	823.00'	50.52'	N8°05'02"W	50.52'
C106	3°31'03"	823.00'	50.53'	N11°36'05"W	50.52'
C107	3°31'02"	823.00'	50.52'	N15°07'08"W	50.52'
C108	3°31'03"	823.00'	50.53'	N18°38'11"W	50.52'
C109	3°31'03"	823.00'	50.53'	N22°09'14"W	50.52'
C110	4°21'23"	823.00'	62.57'	S26°05'27"E	62.56'
C111	12°32'02"	750.00'	164.07'	N59°51'09"E	163.74'

TRACT NO. 4214

SUBDIVISIONS OF SAN JOAQUIN COUNTY

CANNERY PARK
UNIT NO. 15 - VILLAGE J

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JULY, 2025

CONSULTING ENGINEERS
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Tel: 209.568.4477 Fax: 209.568.4478

CURVE TABLES

CURVE DATA TABLE					
CURVE	DELTA	RADIUS	LENGTH	CH.BEARING	CHORD
C7	1°18'50"	377.00'	8.65'	S0°39'25"E	8.65'
C8	6°52'00"	377.00'	45.18'	S4°44'50"E	45.15'
C9	6°59'16"	377.00'	45.98'	S11°40'28"E	45.95'
C10	7°36'46"	377.00'	50.09'	N18°58'29"W	50.05'
C11	1°05'58"	377.00'	7.23'	S23°19'51"E	7.24'
C12	3°07'36"	777.00'	42.40'	S55°08'56"W	42.40'
C13	3°07'36"	750.00'	40.93'	N55°08'56"E	40.92'
C14	3°14'37"	223.00'	12.62'	N34°47'33"W	12.62'
C15	23°49'05"	223.00'	92.70'	N21°15'42"W	92.04'
C16	9°21'10"	223.00'	36.41'	S4°40'35"E	36.36'
C17	36°24'52"	223.00'	141.73'	N18°12'26"W	139.35'
C18	36°24'52"	250.00'	158.89'	N18°12'26"W	156.23'
C19	36°24'52"	277.00'	176.05'	N18°12'26"W	173.10'
C20	2°28'53"	277.00'	12.00'	S35°10'25"E	12.00'
C21	10°39'28"	277.00'	51.53'	S28°36'15"E	51.45'
C22	10°39'28"	277.00'	51.53'	S17°56'47"E	51.45'
C23	10°39'28"	277.00'	51.53'	S7°17'19"E	51.45'
C24	1°57'35"	277.00'	9.46'	S0°58'48"E	9.47'
C25	8°08'44"	250.00'	35.54'	N32°20'30"W	35.51'
C26	28°16'08"	250.00'	123.35'	N14°08'04"W	122.10'
C27	8°08'44"	223.00'	31.70'	N32°20'30"W	31.68'
C28	5°35'08"	223.00'	21.74'	N33°37'18"W	21.73'
C29	2°33'36"	223.00'	9.96'	N29°32'56"W	9.96'
C30	28°16'08"	223.00'	110.02'	N14°08'04"W	108.91'
C31	5°25'38"	223.00'	21.12'	N25°33'19"W	21.11'
C32	22°50'30"	223.00'	88.90'	N11°25'15"W	88.31'
C33	28°16'08"	277.00'	136.67'	N14°08'04"W	135.29'
C34	7°51'34"	277.00'	38.00'	S3°55'47"E	37.97'
C35	8°40'52"	277.00'	41.97'	S12°12'00"E	41.93'
C36	11°43'42"	277.00'	56.70'	S22°24'17"E	56.60'
C37	8°08'44"	277.00'	39.38'	N32°20'30"W	39.35'
C38	4°51'04"	277.00'	23.45'	S30°41'40"E	23.45'
C39	3°17'40"	277.00'	15.93'	S34°46'02"E	15.93'
C40	3°38'44"	997.00'	63.44'	S51°45'46"W	63.43'
C41	13°55'04"	250.00'	60.73'	N35°13'40"W	60.58'
C42	28°16'08"	342.00'	168.74'	N14°08'04"W	167.03'
C43	13°55'04"	223.00'	54.17'	N35°13'40"W	54.04'
C44	3°05'23"	223.00'	12.03'	N40°38'31"W	12.02'
C45	10°49'41"	223.00'	42.14'	N33°40'59"W	42.08'
C46	13°55'04"	277.00'	67.29'	N35°13'40"W	67.12'
C47	1°35'46"	277.00'	7.72'	S41°23'19"E	7.72'
C48	11°35'09"	277.00'	56.01'	S34°47'51"E	55.92'
C49	0°44'07"	277.16'	3.56'	S28°38'12"E	3.56'
C50	3°23'03"	369.00'	21.80'	S26°34'36"E	21.79'
C51	6°37'41"	369.00'	42.69'	S21°34'14"E	42.66'
C52	6°37'41"	369.00'	42.69'	S14°56'33"E	42.66'
C53	6°37'41"	369.00'	42.69'	S8°18'52"E	42.66'
C54	5°00'02"	369.00'	32.19'	S2°30'01"E	32.19'

CURVE DATA TABLE					
CURVE	DELTA	RADIUS	LENGTH	CH.BEARING	CHORD
C55	9°31'46"	315.00'	52.39'	N4°45'53"W	52.33'
C56	10°47'29"	315.00'	59.33'	N14°55'30"W	59.24'
C57	7°56'53"	315.00'	43.70'	N24°17'42"W	43.66'
C58	5°09'04"	997.00'	89.63'	S43°06'41"W	89.60'
C59	5°09'05"	997.00'	89.64'	S37°57'37"W	89.60'
C60	5°46'20"	970.00'	97.72'	N50°41'58"E	97.68'
C61	14°33'19"	970.00'	246.42'	N40°32'08"E	245.76'
C62	1°18'14"	970.00'	22.07'	N32°36'22"E	22.07'
C63	28°28'23"	250.00'	124.24'	N42°30'20"W	122.96'
C64	28°28'23"	223.00'	110.82'	N42°30'20"W	109.68'
C65	17°00'01"	223.00'	66.17'	N48°14'30"W	65.92'
C66	11°28'22"	223.00'	44.65'	N34°00'19"W	44.58'
C67	2°26'30"	569.00'	24.24'	N27°02'53"W	24.24'
C68	5°22'57"	569.00'	53.46'	N23°08'10"W	53.44'
C69	5°22'58"	569.00'	53.46'	N17°45'12"W	53.44'
C70	5°22'58"	569.00'	53.46'	N12°22'14"W	53.44'
C71	5°22'57"	569.00'	53.46'	N6°59'17"W	53.44'
C72	4°17'48"	569.00'	42.66'	N2°08'54"W	42.66'
C73	3°12'03"	623.00'	34.80'	S1°36'01"E	34.80'
C74	4°00'35"	623.00'	43.60'	S5°12'20"E	43.59'
C75	4°00'35"	623.00'	43.60'	S9°12'56"E	43.59'
C76	4°00'36"	623.00'	43.60'	S13°13'31"E	43.59'
C77	4°00'35"	623.00'	43.60'	S17°14'06"E	43.59'
C78	4°00'35"	623.00'	43.60'	S21°14'42"E	43.59'
C79	5°01'09"	623.00'	54.57'	S25°45'34"E	54.56'
C80	9°23'44"	277.00'	45.42'	S32°58'00"E	45.37'
C81	10°36'38"	277.00'	51.30'	S42°58'11"E	51.22'
C82	8°28'01"	277.00'	40.93'	S52°30'30"E	40.90'
C83	28°28'23"	277.00'	137.65'	N42°30'20"W	136.24'
C84	9°31'56"	223.00'	37.10'	N36°43'13"E	37.06'
C85	20°14'41"	223.00'	78.79'	N51°36'32"E	78.38'
C86	29°46'37"	223.00'	115.89'	S46°50'34"W	114.59'
C87	29°46'37"	250.00'	129.93'	S46°50'34"W	128.47'
C88	108°26'18"	64.00'	121.13'	N73°16'08"W	103.84'
C89	47°54'21"	64.00'	53.51'	N67°24'20"W	51.97'
C90	24°24'11"	64.00'	27.26'	N31°15'04"W	27.05'
C91	9°13'09"	90.00'	14.48'	N23°39'33"W	14.47'
C92	1°38'40"	877.00'	25.17'	S27°26'48"E	25.17'
C93	3°25'39"	877.00'	52.47'	S24°54'39"E	52.46'
C94	2°52'28"	877.00'	44.00'	S21°45'35"E	43.99'
C95	2°52'28"	877.00'	44.00'	S18°53'07"E	43.99'
C96	2°52'28"	877.00'	44.00'	S16°00'39"E	43.99'
C97	2°52'27"	877.00'	44.00'	S13°08'12"E	43.99'
C98	2°52'28"	877.00'	44.00'	S10°15'44"E	43.99'
C99	2°52'28"	877.00'	44.00'	S7°23'16"E	43.99'
C100	2°52'28"	877.00'	44.00'	S4°30'48"E	43.99'
C101	2°52'11"	877.00'	43.93'	S1°38'29"E	43.92'
C102	0°12'23"	877.00'	3.16'	S0°06'12"E	3.16'

File #: 25-0764, **Version:** 1

ADOPT A MOTION TO ACCEPT AND APPROVE AN UPDATED REGIONAL HOMELESS ACTION PLAN AND MEMORANDUM OF UNDERSTANDING FOR HOMELESS HOUSING, ASSISTANCE AND PREVENTION ROUND 6 APPLICATION

RECOMMENDATION

It is recommended that the City Council adopt a motion to:

1. Accept and approve the updated Regionally Coordinated Homelessness Action Plan for Round 6 of the Homeless Housing, Assistance and Prevention (HHAP 6) grant program;

2. Authorize the City Manager to execute a Memorandum of Understanding with San Joaquin County and San Joaquin Continuum of Care (COC); and

3. Authorize the City Manager, or designee, to take appropriate and necessary actions to carry out the purpose and intent of this motion.

Summary

The general purpose of Homeless Housing, Assistance and Prevention (HHAP) funding is to build regional coordination and a unified regional response to reduce and end homelessness, informed by a best-practices framework focused on moving homeless individuals and families into permanent housing and supporting the efforts of those individuals and families to maintain their permanent housing. HHAP 6 requires applicants to strategically pair HHAP 6 funds with other local, state, and federal resources toward long-term sustainability of housing and supportive services and to prioritize permanent housing solutions.

HHAP 6, like Round 5, requires regions (i.e., the Continuum of Care, San Joaquin County, and the City of Stockton) to apply together and be signatory to a Regionally Coordinated Homelessness Action Plan. Funding allocations, though, may be disbursed directly to each entity. Applications and the Regionally Coordinated Homelessness Action Plan are due to the California Department of Housing and Community Development (HCD) on or before August 29, 2025.

On July 15, 2025, the City Council approved Resolution 2025-07-15-1208 (Attachment A), authorizing staff to apply for, accept, and appropriate Round 6 of HHAP. This item is to approve the updated Regional Action Plan and execute a Memorandum of Understanding with San Joaquin County and San Joaquin Continuum of Care (COC) as part of the HHAP 6 application.

DISCUSSION

Background

HHAP 6 reflects the state's priorities to prevent and expeditiously reduce unsheltered homelessness through homelessness prevention activities and sustain existing Interim Housing Solutions and Permanent Housing Solutions, including long-term sustainability of permanent affordable housing (Health & Saf. Code § 50243(a)). To accomplish these goals, HHAP 6 requires applicants to create and implement Regionally Coordinated Homelessness Action Plans (Health & Saf. Code § 50240) and be a signatory to a Memorandum of Understanding (MOU) between each eligible applicant that is participating in the Regionally Coordinated Homelessness Action Plan.

On March 19, 2024, the City Council approved by motion the Regionally Coordinated Homelessness Action Plan and MOU as a prerequisite to apply for HHAP Round 5 funding (Attachment B - Motion 2024-03-19-1503).

The HHAP 6 Application and Award Process is as follows:

Timeframe

NOFA Release and Final Allocations Available	February 2025
NOFA and Application Walk-through	March 18, 2025
Final Applications Due	August 29, 2025

HCD reviews and approves application or requests and reviews amendments on a rolling basis, estimated August - December 2025

The City's allocation is $11,531,786.79 and is based on HUD certification of the 2024 Point in Time Count findings for all jurisdictions.

On July 15, 2025, the City Council approved Resolution 2025-07-15-1208**,** authorizing staff to apply for, accept, and appropriate Round 6 of HHAP.

Present Situation

The HHAP 6 Notice of Funding Availability (NOFA) was released in February 2025. The HHAP 6 application includes a variety of required components which are outlined below. Under each itemized requirement is the action taken, through the combined efforts of the City, County, and COC.

1. To be eligible for a HHAP 6 allocation award, Applicants for HHAP 6 funding must:
    a. Conduct stakeholder engagement to support the development of the HHAP 6 Application.
        i. The City and County completed the following engagement efforts
            5/6/2025 Launched Survey
            5/14/2025 First Public Meeting, Tracy - City Hall
            5/20/2025 Second Public Meeting, Stockton - PH
            5/21/2025 Third Public Meeting, Lodi - City Hall

5/22/2025 Fourth First Public Meeting, Stockton - Civic
5/27/2025 Fifth Public Meeting, Manteca Library
5/27/2025 Sixth Public Meeting, Stockton - Arnold Rue CC
5/29/2025 Seventh Public Meeting, Stockton - Van Buskirk CC
6/6/2025 Survey closed

b. Apply as part of a region, and as a region, submit a complete HHAP 6 application through the application portal provided by HCD.
    i. The full review process is listed below.
    ii. City and County will submit a joint application with an updated Regional Action Plan, once approved by City Council, Continuum of Care, and County Board of Supervisors

c. The application will include the following sections:
    i. Regional Identification and Contracting Information
    ii. Documentation of Stakeholder Engagement
    iii. Regionally Coordinated Homelessness Action Plan: This may be an updated version of a previously submitted and approved Regionally Coordinated Homelessness Action Plan.
        1. Regional Partners' Roles and Responsibilities
        2. System Performance Measures Improvement Plan
            a. HHAP 6 Funding Plan
        3. Sustainability of the Region's Housing Portfolio
        4. Youth Set-Aside
            a. Regional Memorandum of Understanding Planning

Review Process

8/1/2025 Post DRAFT for Initial Public Review, Notify Public

8/12/2025 City Council Review and Approval

8/14/2025 Continuum of Care Review and Approval

8/26/2025 Board of Supervisors Review and Approval

8/27/2025 Final approved DRAFT Complete

8/28/2025 Final Date to sign MOU

8/29/2025 Final Date for application Submission

The planning and activities to complete the application began in March after the Round 6 NOFA was released. Between the months of June and July, activities such as data collection from the survey and public meetings were reviewed and incorporated into the landscape analysis that informed the updates to the Regional Action Plan addressing all areas mentioned above in section "c."

The updated Regionally Coordinated Homelessness Action Plan is included as Attachment C and MOU as Attachment D.

FINANCIAL SUMMARY

There is no financial impact to the City's General Fund as a result of this action. HHAP 6 funding will be appropriated and budgeted in the Special Grant Fund in the Housing Division.

Attachment A - Resolution 2025-07-15-1208
Attachment B - Motion 2024-03-19-1503
Attachment C - Updated Regional Homelessness Action Plan
Attachment D - Memorandum of Understanding

Resolution No. 2025-07-15-1208

STOCKTON CITY COUNCIL

TITLE

ADOPT A RESOLUTION TO ALLOCATE GRANT FUNDING FROM THE HOMELESS HOUSING, ASSISTANCE AND PREVENTION (HHAP) PROGRAM TO PERMANENT AND INTERIM HOUSING PROJECTS AND APPLY FOR, ACCEPT, AND APPROPRIATE GRANT FUNDING FROM HHAP ROUND SIX

The State's HHAP funds are designed to support regionally coordinated efforts between the County, Continuum of Care (CoC), and the City to expand and develop local capacity to address immediate homelessness challenges throughout the state. HHAP funds are focused on moving homeless individuals and families into permanent housing and ensuring those individuals and families maintain their permanent housing.

Staff recommend that Council approve a resolution authorizing the allocation of HHAP funding to the 4 projects listed.

Staff further recommends Council authorize staff to apply for, accept, and appropriate HHAP 6. The HHAP grants are formula-based; however, the City is still required to apply for funds. Approval of this recommendation will position the City to apply for funds just made available in March through the NOFA application. In February staff received notifications of the possible award amount for HHAP 6 could be $11,531,786.79 and must be applied in conjunction with San Joaquin County and is due in August 2025.

now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. Approve and allocate the following HHAP Round 3 and 4 recommendations for funding in the total of $3.4 million, which includes the following 5 projects:
   a) $409,010 to Children's Home of Stockton for the Catalyst Project.
   b) $409,010 to Lutheran Social Services of Stockton for Project Hope.
   c) $409,010 to PREVAIL of Stockton for the Propel Project.
   d) $1,415,440 Delta Community Developers Corp. for Harding Way Apartments.
2. Authorizing staff to apply for, accept, and appropriate for Round 6 of the Homeless Housing, Assistance and Prevention Grant Program.

3. Authorize the City Manager, or designee, to enter into and execute any associated documents and take appropriate and necessary actions to carry out the purpose and intent of this resolution .

4. The City Manager is authorized to take such other actions as are appropriate to carry out the intent of this Resolution.

PASSED, APPROVED, and ADOPTED July 15, 2025

CHRISTINA FUGAZI, Mayor
of the City of Stockton

ATTEST:

KATHERINE ROLAND, City Clerk
of the City of Stockton

15.3 24-0163 ADOPT A MOTION TO ACCEPT AND APPROVE A REGIONAL HOMELESS ACTION PLAN AND MEMORANDUM OF UNDERSTANDING FOR HOMELESS, HOUSING ASSISTANCE AND PREVENTION ROUND 5 APPLICATION

Legislation Text

Attachment A - Regional Homeless Action Plan and MOU

PPT - 15.3 - HHAP Round 5

The following persons spoke to this item: Jessica Velez, Jon Mendelson

Approve **Motion 2024-03-19-1503**:

1. Accepting and approving the Regionally Coordinated Homelessness Action Plan for Round 5 of the Homeless Housing, Assistance and Prevention Grant (HHAP 5) grant program

2. Authorizing the City Manager to execute a Memorandum of Understanding with San Joaquin County and San Joaquin Continuum of Care

3. Authorizing the City Manager, or designee, to take appropriate and necessary actions to carry out the purpose and intent of this motion.

Moved by: Kimberly Warmsley, seconded by Daniel Wright.

Vote: Motion carried 6-0

Yes: Michael Blower, Brando Villapudua, Michele Padilla, Kevin J Lincoln II, Kimberly Warmsley, and Daniel Wright.
Absent: Susan Lenz.

REGIONAL HOMELESS ACTION PLAN

City of Stockton
San Joaquin County
San Joaquin Continuum of Care

March 2024

ANNUAL UPDATE
AUGUST 2025

Prepared By:
Rane Community Development

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I. STATEMENT OF PURPOSE

Purpose: Through this Action Plan Update, the County of San Joaquin, the City of Stockton, and the San Joaquin County Continuum of Care (SJCoC) commit to working jointly in a coordinated, regional fashion to:

- Expeditiously reduce unsheltered homelessness;
- Increase client self-sufficiency and decrease the risk of returns to homelessness; and
- Make homelessness rare, brief, and non-recurring.

This updated Statement of Purpose is driven by community and stakeholder feedback, reviewed and refined by the members of the SJCoC, and in alignment with the guidance and direction of our federal, state, and local elected representatives.

Intent: Through this Action Plan, the three partners express their intentions and the planned strategies to address homelessness through the articulation of specific roles and responsibilities, actions, and funding plans.

Invitation: The Cities of Lathrop, Lodi, Manteca, Mountain House, Ripon, and Tracy are hereby invited to adopt this Action Plan and join this partnership. As independent public entities, the San Joaquin County Office of Education, the Housing Authority of the County of San Joaquin, and the San Joaquin Council of Governments are also invited to partner in the work expressed within this 2025 Action Plan Update.

Strategic Shift: This update describes a strategic shift in the local response strategy towards a greater emphasis on addressing and reducing street homelessness and ensuring that individuals and households experiencing homelessness have more consistent pathways to finding their own best long-term stability. And, consistent with guidance, this update represents the beginning of a shift from the construction of new program spaces, to now shifting resources towards the maintenance and sustainability of operations within these interim and permanent housing programs.

Fund Allocations: Through this Action Plan, the County of San Joaquin, the City of Stockton, and the San Joaquin County Continuum of Care agree to the collective allocation of $22,698,332.21 in Homeless Housing Assistance and Prevention (HHAP) Round 6 funds as follows:

Proposed Eligible Uses	Proposed County / SJCoC Allocations	Proposed City of Stockton Allocations
Permanent Housing (18%) • Rapid Rehousing • Services and Coordination	**$2,009,978.18** • $1,004,989.09 • $1,004,989.09	**$2,075,721.62** • $1,037,860.81 • $1,037,860.81
Homeless Prevention (18%) • Diversion Programs • Prevention Programs	**$2,009,978.18** • $1,004,989.09 • $1,004,989.09	**$2,075,721.62** • $1,037,860.81 • $1,037,860.81
Interim Housing (46%) • Operating Costs • Enhanced Services	**$5,136,610.89** • $2,568,305.45 • $2,568,305.45	**$5,304,621.92** • $2,652,310.96 • $2,652,310.96
Youth Set Aside (10%) • Homeless Prevention • Interim Housing	**$1,116,654.54** • $279,163.64 • $837,490.91	**$1,153,178.68** • $288,294.67 • $864,884.01
Administration (7%) / HMIS (1%)	**$ 893,323.63**	**$ 922,542.94**
Total	**$11,166,545.42**	**$11,531,786.79**

Roles and Responsibilities: This update reaffirms and refines the following:

- Partner Roles and Responsibilities to the San Joaquin Continuum of Care (SJCoC) are as described in the updated SJCoC Governance Charter, Adopted 7/10/2025.
- Partner Roles and Responsibilities to Implement this Regional Action Plan Update are described in this update.

Authority for this Action Plan: This was developed under the collaborative management of the County of San Joaquin, the City of Stockton, and the San Joaquin County Continuum of Care.

Consistent with CA Health and Safety Code, Chapter 6.5 of Part 1 of Division 31:

§50240 (a) This is an update to the regionally coordinated homeless action plan.

§50240 (c) This updates and refines the following components of the prior 2024 Homeless Action Plan:

1. Roles and Responsibilities of Participating Jurisdictions
2. System Performance Measures Key Findings
3. System Performance Measures Improvement Plan

§50240 (d) The community planning process included seven public meetings and a community-wide survey. Components were also discussed in meetings of the SJCoC Strategic Planning Committee and brought for public review and feedback at the SJCoC General Membership meeting on July 10, 2025.

§50240 (e) The planning process invited input from:

1. People with lived experience of homelessness
2. Youth with lived experience of homelessness
3. Local departmental leaders (County) and Staff from local municipalities (other smaller jurisdictions)
4. Homeless service and housing providers
5. Medi-Cal managed care plan partners
6. Street medicine providers and other outreach partners
7. Federally recognized tribal governments

§50240 (f) A [DRAFT until 8/28] Memorandum of Understanding (MOU) committing each signatory to participate in and comply with the Action Plan is included in the appendix.

§50240 (h) This updated Action Plan will be submitted for review by the California Department of Housing and Community Development no later than August 29, 2025, with the signed and executed copy of the MOU.

§50240 (i) This updated Action Plan was posted for community review by the County of San Joaquin and the City of Stockton on August 1, 2025, and announcements of the posting were circulated through the respective Public Information Officers for each qualifying jurisdiction.

Action Plan Term: This Action Plan will be implemented under a joint Memorandum of Understanding (MOU), which shall be entered into following plan review and acceptance by the SJCoC Board of Directors, the Stockton City Council, and the San Joaquin County Board of Supervisors, as of August 29, 2025, and continued until its termination on June 30, 2029, or modified or renewed.

II. SUMMARY OF STRATEGIC PLAN PROGRESS

The following section provides an update on:

- Progress in meeting the goals outlined in the 2020 Strategic Plan.
- Additional actions and next steps underway to meet objectives.

San Joaquin Community Response to Homelessness (2020 Strategic Plan)	
Goal 1. Establish a Coordinated and Engaged Regional System of Care	
1.1. Establish a cross jurisdictional effort to create a shared processes to access funding streams, identify community priorities, and coordinate activities.	**Progress / Next Steps** 2025 Governance Charter, Collaborative Applicant Agreement, Action Plan, and MOUs. New SJCoC committee structure strengthens program coordination with public agencies and managed care health partners. Multiple jurisdictions are participating in the SJCoC on an active basis.
1.2. Improve data collection, measurement and analysis.	**Progress / Next Steps** All programs receive funding for HMIS system licensure and training on data entry. Expanded system capacity and utility is desired.
1.3. Educate and engage the community.	**Progress / Next Steps** Robust participation in SJCoC and widespread awareness on issues and best practices for addressing homelessness. There is more public support for affordable housing and enhanced services for homeless individuals.
Goal 2. Increase Access and Reduce Barriers to Homeless Crisis Response System	
2.1. Expand low-barrier shelter capacity, hours, and services.	**Progress / Next Steps** Emergency shelter capacity has increased from 883 beds to a projected total of 1,934 by the end of 2026 (120% increase since 2019). Majority of shelters are now entry/exit, not night-by-night. All shelters are low-barrier and have enriched services available. The SJCoC supports completing existing pipeline programs and working collaboratively to ensure the sustainability of shelter programs.
2.2. Invest in Prevention.	**Progress / Next Steps** Over the five previous years nearly 10,000 households have received some form of emergency rental assistance. Homeless prevention remains a priority. Consistent with best practices, homelessness prevention activities will now be paired with wraparound support services and employment assistance. Diversion programs will be available for those exiting an institution.
2.3. Improve and Expand Outreach and Engagement.	**Progress / Next Steps** Encampments under the Interstate 5/Highway 4 interchange complex and in the Mormon Slough are relatively dispersed, as are major encampments in Manteca and Tracy. However, unsheltered homelessness is at record highs. Outreach efforts are now coordinated by SJ CARES in cooperation with CalTrans and local law enforcement. New policies on addressing encampments are in review. All jurisdictions are encouraged to adopt the Governor's Model Ordinance on Addressing Encampments (March 2025).

Goal 3. Ensure Households Experiencing Homelessness have Access to Affordable and Sustainable Permanent Housing Solutions	
3.1. Increase affordable housing stock for vulnerable adults, youth, and families.	**Progress / Next Steps** 240 units of permanent supportive homeless housing have been constructed in the past five years and an additional 200+ are in the development pipeline. However, major changes to federal fund allocations may require new planning to ensure the long-term sustainability of these programs.
3.2. Invest in landlord engagement, housing navigation, and incentives.	**Progress / Next Steps** A county wide Coordinated Entry System (CES) is in place. SJCoC is adopting a by-name list case conferencing process. All placements in affordable housing programs must be through the CES. Landlord engagement and incentives will be standardized per HUD guidance. Rapid Rehousing and Rental Assistance programs are time limited with certain eligibility requirements and participation expectations that are trauma informed and consistent with harm-reduction.
3.3. Expand case management, employment supports, and services.	**Progress / Next Steps** Services remain fragmented and uncoordinated. Major efforts are needed to develop a uniform approach and service standards, including criteria for program success and participant completion.

Key Actions for System Strengthening (2025 updates):

<u>Improve program outcomes</u>

1. Develop a housing-focused shelter model. Standardize expectations for housing navigation and case management within interim housing programs, including eligible transitional housing. Standardize processes for working with individuals living unsheltered or in places not fit for human habitation.
2. Develop regional Rapid-Rehousing / Rental Assistance funding and practice expectations. Develop practice guidelines for other innovative and creative housing solutions, including master leasing and landlord incentives.
3. Create regional screening and referral protocols to escalate case management and treatment for individuals likely to have serious mental illnesses or other disabling conditions that require specialty interventions.

<u>Improve system transparency and accountability</u>

4. Release regular communications for community stakeholders and partners; update the website to better publish and distribute information. Provide clear guidance to all stakeholders on new approaches to expeditiously reduce unsheltered homelessness.
5. Complete a comprehensive review of the HMIS to enhance client-level coordination and collaboration, program management and monitoring, and system-wide assessments of performance measures.
6. Standardize procurement and contract monitoring processes. Develop a coordinated County/City review process to ensure the timely, appropriate, and consistent use of public resources to achieve desired outcomes for people experiencing homelessness.

III. 2025 PLANNING PROCESS

Stakeholder Engagement

Rane Community Development led research activities for this 2025 Regional Homeless Action Plan Update. The mixed-method approach combined qualitative research consisting of public meetings, discussion groups, and a community survey, as described below;

- Analysis of a local community online survey regarding program priorities, including strategies to expeditiously reduce unsheltered homelessness. (Conducted Spring 2025, with 236 respondents).
- Feedback from the seven public meetings held in May 2025.

City	Date	Time	Address
Tracy	Wed. May 14th	10am - Noon	City Hall Rm 203- 333 Civic Center Plaza
Stockton	Tues. May 20th	3pm - 5pm	Behavioral Health - 1212 N. California St.
Stockton	Thurs. May 22nd	5pm - 7pm	Civic Auditorium - 525 N Center St.
Manteca	Tues. May 27th	3:30pm - 5:30pm	Manteca City Hall - 1001 W. Center St.
Stockton	Tues. May 27th	5pm - 7pm	Arnold Rue CC - 5758 Lorriane Ave.
Lodi	Tues. May 28th	1pm - 3pm	Hutchins Street Square - 125 S Hutchins St
Stockton	Thurs. May 29th	5pm - 7pm	Van Buskirk CC - 734 Houston Ave

- Initial findings were reviewed and clarified by key stakeholders and partners of the SJCoC. The SJCoC Strategic Planning Committee, General Membership, and its Board reviewed and approved all strategies and priorities in this Action Plan Update.

Meeting	Date	Venue
SJCoC Strategic Planning Committee Retreat	Fri. June 20th	By invitation / In-person
SJCoC Strategic Planning Committee Meeting	Mon. June 30th	Open Meeting / Online
SJCoC General Membership Meeting	Thur. July 10th	Open Meeting / Hybrid
SJCoC Strategic Planning Committee Meeting	Mon. July 28th	Open Meeting / Online
Stockton City Council	Tues. July 29th	City Hall / Hybrid

- The Updated Action Plan was posted for public review on August 1, 2025, and subsequently submitted for discussion and/or review at the following public meetings.

Meeting	Date	Venue
Stockton City Council	Tues. Aug 12th	Stockton City Hall
SJCoC Board Meeting	Thur. Aug 14th	Open meeting / Hybrid
San Joaquin County Board of Supervisors	Tues. Aug 26th	County Admin Building

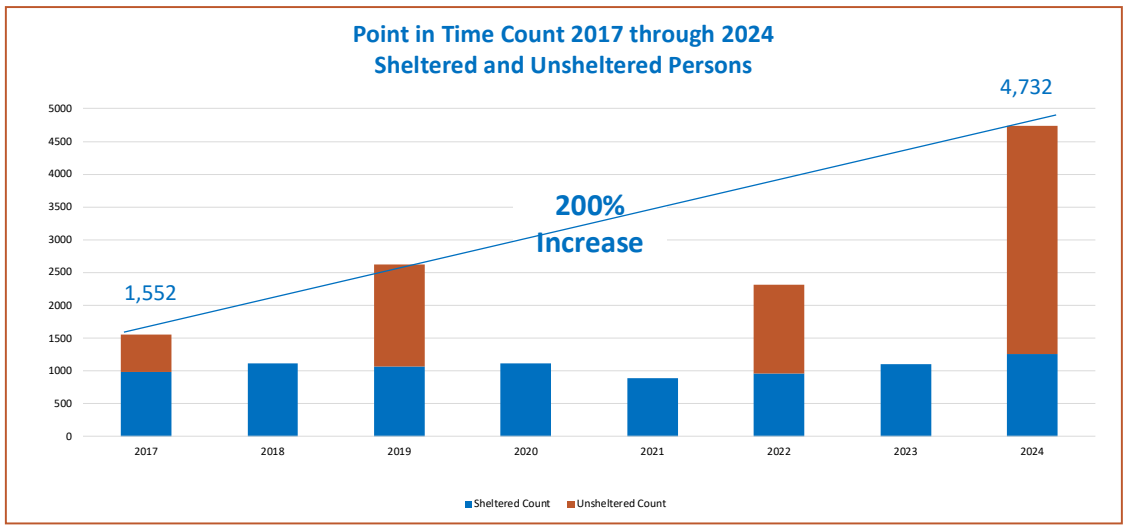
And;

- Quantitative analyses of data from the State of California's Homeless Data Integration System (HDIS), the U.S. Housing and Urban Development's (HUD's) Homeless Management of Information System (HMIS), the SJCoC's Point-in-Time (PIT) count, and local Housing Inventory Counts (HICs).

IV. BASELINE DATA

Population Data

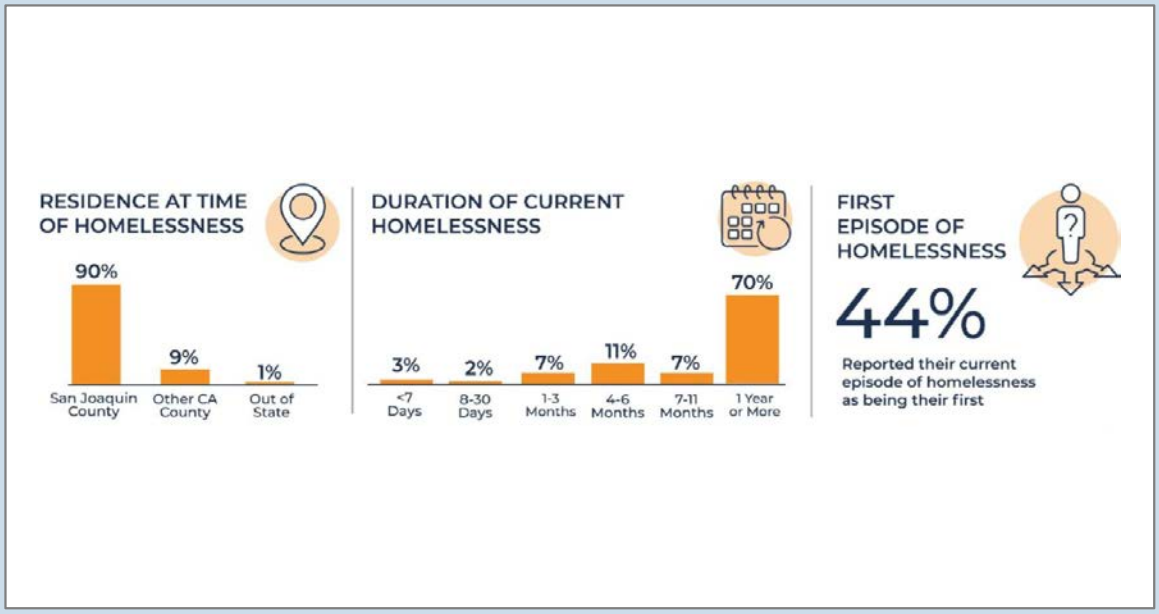
POINT IN TIME COUNT



11

- The total number of persons experiencing homelessness is increasing. Locally, 73% of persons experiencing homelessness are unsheltered.
- Persons experiencing homelessness are increasingly female (38%), over 55 years of age (27%) or under 25 (13%). Homelessness among youth 18 – 24 is rising at a faster pace than other population groups.
- Homelessness affects persons of all race/ethnicities, however Black/African American community members remain disproportionately impacted, accounting for 19% of those identified through the Point in Time Count, despite representing less than 8% of the region's overall population make-up.
- Most people have experienced more than one episode of homelessness (56%) and when they are homeless, continue in that state for one year or more (70%).
- System involvement is common, with 24% having spent a night in detention/custody over the past year and 14% self-reporting as prior foster care recipients.
- Over one-third (38%) of homeless individuals surveyed reported having a disabling condition and 27% reported that they were completely unable to work.

DISABLING CONDITION
A disabling condition is defined by HUD as a developmental disability, HIV/AIDS, or a long-term physical or mental impairment that impacts a person's ability to live independently but could be improved with stable housing.
38%
of survey reposdents report having at least one disabling condition
DRUG OR ALCOHOL ABUSE
40%
Report having abused drugs or alcohol
PSYCHIATRIC OR EMOTIONAL CONDITIONS
36%
Report having a psychiatric or emotional condition
PHYSICAL DISABILITY
28%
Report having a physical disability
CHRONIC HEALTH CONDITION
27%
Report having a chronic health condition
14

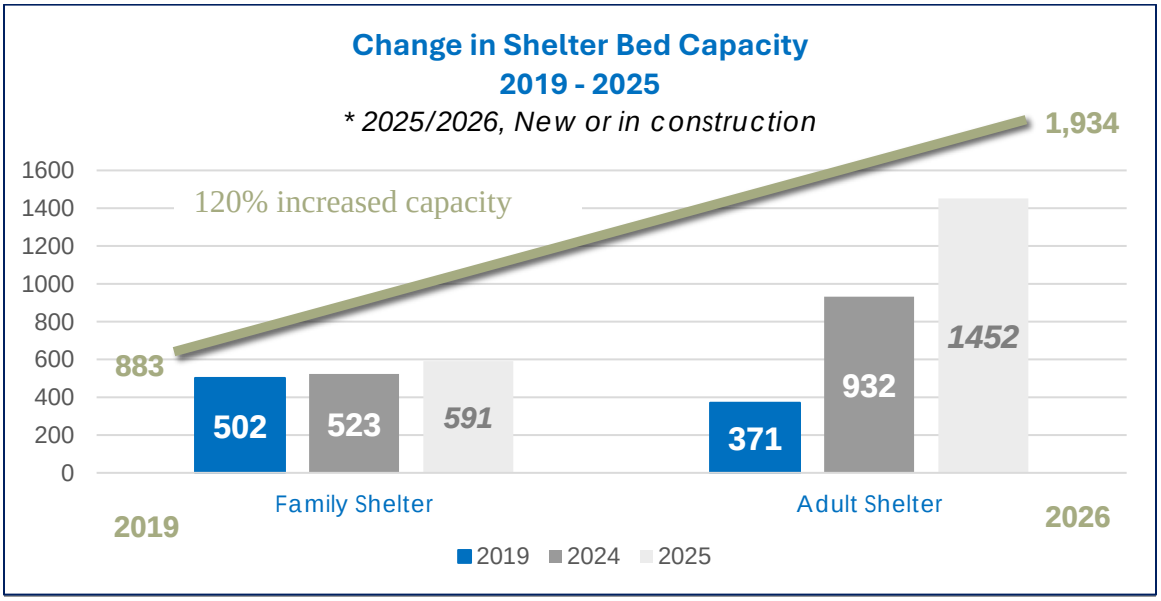

RESIDENCE AT TIME OF HOMELESSNESS
90%
9%
1%
San Joaquin County
Other CA County
Out of State
DURATION OF CURRENT HOMELESSNESS
3%
2%
7%
11%
7%
70%
<7 Days
8-30 Days
1-3 Months
4-6 Months
7-11 Months
1 Year or More
FIRST EPISODE OF HOMELESSNESS
44%
Reported their current episode of homelessness as being their first
12

Program Data

HOUSING INVENTORY COUNT

Utilization Data from 2025 Housing Inventory Count

Housing/Program Type	Capacity (# of Beds)	Occupancy	Occupancy Rate	2024 Beds and Use Rate	
Emergency Shelters	1,346	1,085	80.6%	1,311	68.0%
Transitional Housing	352	206	58.5%	326	52.1%
Permanent Housing Vouchers	1,261	1,261	100%	530	77.0%
Permanent Supportive Housing or PH w/ services	789	722	91.5%	752	86.4%
Rapid Re-Housing	532	532	100%	381	100%
Total (All Types)	4,280	3,806	88.9%	3,300	75.8%



- The number of available interim shelter beds and permanent housing solutions has increased significantly over the past five years.
- Program utilization improved in 2025 and was stronger than any prior year.
- Despite bed/unit capacity increasing, the number of people experiencing homelessness and living unsheltered remains high.
- Construction / development projects are not keeping up with the growing demand for safe places for people who are experiencing homelessness to stay as they work to regain stability.

V. SYSTEM PERFORMANCE MEASURES

People Experiencing Homelessness

According to the most recent report generated by the San Joaquin CoC Homeless Management Information System (HMIS) and released by the state's Homeless Data Information System (HDIS), the number of unduplicated individuals receiving homeless services is 11,287, about the same as the prior year, but an increase of nearly 40% from 2020.

SYSTEM PERFORMANCE MEASURES

Measure	CY 2020	10/1/23 – 9/30/24	% Change from 2020	Progress / Score
1.a. Number of persons experiencing homelessness in HMIS	8,138	11,287	+ 39%	worsening
1.b. Estimated number of people experiencing unsheltered homelessness on the SJCoC PIT count[1]	1,558	3,469	+123%	worsening
2. Number of people accessing services who are experiencing homelessness for the first time	4,273	5,452	+28%	worsening
3. Number of people exiting homelessness into permanent housing	715	1,183	+65%	improving
4. Average length of time (in days) that people were enrolled in non-residential or short-term programs without securing long-term housing	69	94	+36%	worsening
5. Percent of people who return to homelessness within 6 months of exiting homelessness response system to permanent housing	10.8%	8.64%	-1.44%	improving
6. Number of people with successful placements from street outreach (temporary or permanent)	2*	15*	+650%	improving

* Low numbers are likely the result of inconsistent / erroneous data entry or submission upload practices. Technical assistance has been requested to rectify this issue.

[1] The 2024 PIT Count used an updated survey sampling methodology to count unsheltered homelessness. 2024 PIT count figures likely correct an undercounting from prior years. Locally, the SJCoC recognizes that there has been an increase in homelessness, though the rate of change may be closer to 39% (as indicated by the increase in unique service recipients reported in measure 1.a. above,) than the123% increase reflected through the changes in people experiencing unsheltered homelessness.

INDIVIDUALS SERVED BY KEY CHARACTERISTICS (N=11,287)

Gender / Household Composition	Number	Proportion of Total
Man/Boy	6,011	53%
Woman/Girl	5,229	46%
Transgender	31	0%
Single adults without children	5,780	51%
People in families with at least 1 child	5,190	46%
People in households with only children	671	6%

INDIVIDUALS SERVED BY VULNERABILITIES

Additional Vulnerabilities	Count (2024)	Count (2025)	Change
Adults with Substance Use Disorders (SUD)	1,339	1,327	- 1%
Adults with Serious Mental illnesses (SMI)	1,182	1,346	+ 14%
Veterans	463	359	- 22%
Adults fleeing Domestic Violence (DV)	337	257	- 24%
Parenting Youth	249	282	+ 13%
Unaccompanied Youth (18-24)	511	545	+ 7%
Older Adults (50+ years old)	NA	2,233	NA

- HDIS program service utilization data shows slightly different data than Point-in-Time data though generally the trends remain consistent, with:
  - A greater proportion of females experiencing homelessness
  - One-fifth of those served were over the age of 50.
  - A disconcerting number of children are experiencing homelessness, and data shows an increase in the number of homeless unaccompanied youth who are themselves parents.

- The proportion of adults with serious mental illnesses may be increasing, although this may be consistent with better coordination with San Joaquin County Behavioral Health Services and improved diagnostics rather than an actual change in the population composition.

Racial and Ethnic Disparities by Performance Measures

PROGRAM UTILIZATION RACE/ETHNICITY[2]:

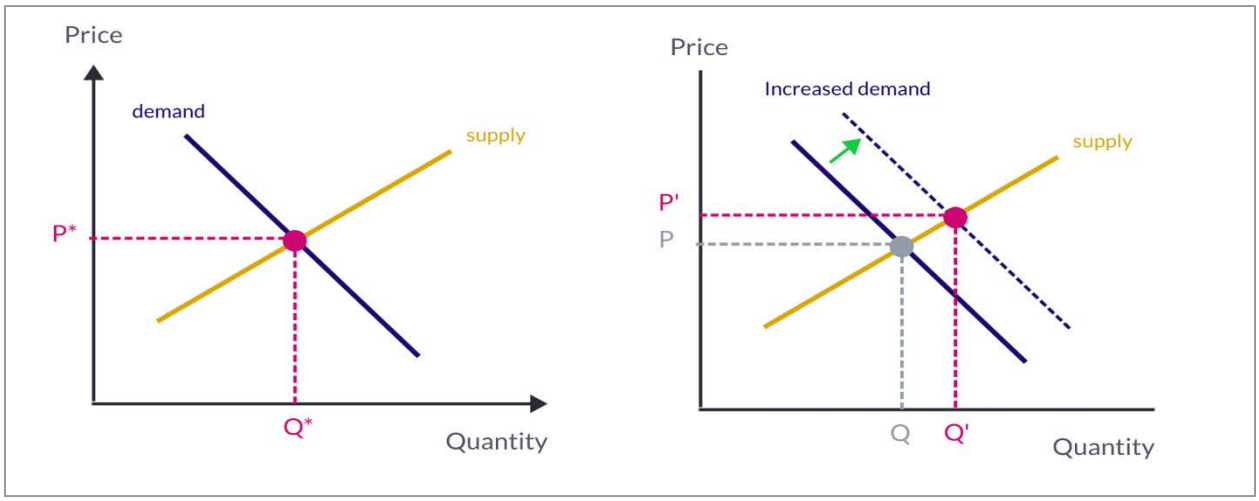
	Measure 1a: Number of people accessing services who are experiencing homelessness	Measure 2: Number of people accessing services who are experiencing homelessness for the first time	Measure 3: Number of people exiting homelessness into permanent housing	Measure 4: Average length of time (in days)	Measure 5: Percent of people who return to homelessness within 6 months of exiting homelessness to permanent housing
American Indian or Alaska Native (alone or in combination)	3%	2%	3%	16%	0%
Asian or Asian American (alone or in combination)	4%	5%	4%	14%	11%
Black or African American (alone or in combination)	29%	30%	30%	14%	4%
Hispanic/Latino (alone or in combination)	29%	32%	27%	13%	18%
Middle Eastern or North African (alone or in combination)***	0%	0%	0%	4%	0%
Native Hawaiian or Other Pacific Islander (alone or in combination)	1%	1%	2%	23%	0%
White (alone or in combination)	34%	30%	34%	16%	10%
	100%	100%	100%	100%	100%

- People who are Black or African American and experiencing homelessness are accessing services at rates that are disproportionately higher than their rate in the general population.
- People who are Hispanic/Latino return to homelessness within 6 months of exiting homelessness to permanent housing at rates somewhat higher than for others.
- Variations in performance measures are not statistically significant across other ethnicity/race categories, or measures, due to low sample sizes.

[2] Data is extrapolated from HDIS data run, provided to CA-511 on 4-4-2025. Data includes Ethnicity and Race data whenever that race/ethnicity was indicated either alone or in combination with another category. Of the 11,287 people served, there were 13,520 race/ethnicity entries. Respondents were more likely to select White or Hispanic/Latino in combination than other ethnicity and racial categories.

VI. ADDITIONAL CONSIDERATIONS

Affordability: Root Cause Analysis



CHALLENGES:

- Since 2010, the region has grown nearly 20%.
- Housing demand has outpaced supply, driving prices up.
- Our region needs housing for **13,293** very low-income households who earn less than 50% of AMI.
- Federal funding for affordable housing is likely to decline.
    - 189 households (554 individuals) are losing their emergency housing voucher and at imminent risk of homelessness.
    - An estimated 2,000 households are at risk of having a permanent housing voucher converted to a shorter term rental assistance program, putting the housing stability of an estimated 6,000 individuals at risk over the next several years.

OPPORTUNITIES:

- There are new shelters and affordable housing projects being developed in nearly every community.
- Four cities have dedicated homeless services coordinators bringing partners together to address the crisis.
- New state guidance provides a framework for more successfully addressing encampments and expeditiously reducing unsheltered homelessness.

ON THE HORIZON:

- New opportunities to develop innovative housing programs, including shared communities and programs that meet clients' recovery and job training needs.
- More clarity on the role of HHAP funds to address housing-focused solutions, that sustain existing operations.
- More clarity on recommended policies, practices, and funding opportunities for street outreach, safe parking sites, and other strategies to expeditiously reduce unsheltered homelessness.

VII. RECOMMENDATIONS

Input From Public Meetings

SUMMARY

1. Re-examine residential services and supports and adopt an incremental approach. There should be more flexibility for movement up and down a housing continuum. Locally the SJCoC will strengthen its coordination with health care, behavioral health, and justice partners to prevent homelessness, or returns to homelessness, for vulnerable populations.
    - Consistent with guidance, investments will be directed towards programs that provide rental assistance, rapid rehousing, and other diversion support programs that prevent people at-risk of homelessness (or recently experiencing homelessness) from entering unsheltered homelessness or interim shelter programs, including those exiting institutions.
2. The region will meet its capital expansion goals for shelters and housing with pipeline projects. Investments must shift from capital projects to sustaining operations of programs.
    - Consistent with guidance, all HHAP 6 funds are budgeted towards eligible Housing Solutions. Funding prioritizes sustaining operations within existing interim housing programs and trauma-informed and evidence-based intensive case management services, housing navigation, connecting people to substance use or mental health treatment, public benefits advocacy, and other supportive services to promote stability and referral into permanent housing.
3. The local approach must shift from “housing” as the goal to that of long-term client success. All projects must strive to optimize self-sufficiency among individuals and families experiencing homelessness.
    - Consistent with guidance, investments in program operations will be directed towards service enriched programs that are trauma-informed and practice harm reduction, to include intensive case management services, assertive community treatment services, critical time intervention services, other tenancy support services, evidence-based employment services, coordinating mental health, substance use, and primary care treatment of other evidence-based supportive services to increase housing retention.
4. Homelessness among children and youth, and among youth 18-24 who are themselves parenting is increasing.
    - Consistent with evidence-based practices, children and youth focused services will include transitional housing with longer-term program supports and services available; as is consistent with the developmental needs of young people and the supports necessary to stabilize entire families.

DETAILED INPUT BY KEY STAKEHOLDER GROUP

Stakeholders	Description of how stakeholders were invited and encouraged to engage.	The specific input incorporated into plan
People with lived experience of homelessness, including but not limited to survivors of domestic violence	Joint effort of the Public Information teams of the City of Stockton and the County of San Joaquin. Additional posting and distribution through the CoC. AND partnership with local homeless shelters to encourage shelter residents to attend public meetings.	Request for more assistance achieving long-term self-sufficiency. More employment readiness and job seeking support and easier access to substance use treatments services.
Youth with lived experience of homelessness	Joint effort of the Public Information teams of the City of Stockton and the County of San Joaquin. Additional posting and distribution through the CoC. AND partnership with the Youth Advisory Board	Recognition of the growing incidence of youth homelessness. Discussions of "what works," when engaging youth overcoming trauma.
Local department leaders and staff from qualifying smaller jurisdictions.	Joint effort of the Public Information teams of the City of Stockton and the County of San Joaquin. Additional posting and distribution through the CoC. AND targeted invitations to department leaders and city staff from smaller jurisdictions.	Intention to better align homeless services with existing workforce development programs.
Homeless services and housing providers, including developers of permanent affordable housing operating within the region.	Joint effort of the Public Information teams of the City of Stockton and the County of San Joaquin. Additional posting and distribution through the CoC. AND targeted outreach / discussions with Local Housing Authority.	Intention to prioritize (1) sustaining operations of shelters programs (2) preparing for potential cuts in federal housing subsidies and preventing returns to homelessness and (3) more case management and workforce development in conjunction with housing solutions.
Each Medi-Cal Managed Care Plan contracted with the State Department of Health Care Services in the region	Joint effort of the Public Information teams of the City of Stockton and the County of San Joaquin. Additional posting and distribution through the CoC. AND targeted outreach / discussions with the MCPs.	Leveraging resources from the MCPs under the CalAIM expansion to partially address shelter operational costs through billable services. More assistance with application processes requested from MCPs.
Federally recognized tribal governments pursuant to Section 4103 of Title 25 of the United States Code that are within the region.	Joint effort of the Public Information teams of the City of Stockton and the County of San Joaquin. Additional posting and distribution through the CoC. AND letters of invitation to Tribal entities and Native serving organizations.	Ongoing attention to the disproportionate rates of homelessness among Native Americans and the systemic takings of land/homes by government and/or the deliberate removal of children from families as causal-factors for intergenerational Native poverty and incarceration must shape trauma informed services.
Street medicine providers, victim service providers, and other service providers ass-isting people experiencing homelessness or at risk of homelessness	Joint effort of the Public Information teams of the City of Stockton and the County of San Joaquin. Additional posting and distribution through the CoC. AND targeted invitations to local service providers to ensure broad participation and attendance at public meetings and the stakeholder planning process.	Stronger coordination is required between partner agencies. Leadership and direction is needed to guide more uniform program eligibility, intake, service expectations, and referral / exit criteria.

VIII. 2025 ACTION PLAN UPDATE

COMMUNITY STRATEGIC PRIORITIES

Prevent Imminent Risk of Homelessness

Sustain Interim Housing Operations

Expand Housing Assistance and Self-Sufficiency Supports

Address Increases in Youth Homelessness

HHAP 6 EXPENDITURES

- Permanent Housing Solutions
  - Rapid rehousing and rental assistance: HSC §50243 (e)(1)(A-C) and §50243 (e)(2)
  - Operating subsidies (priority is to sustain existing programs): HSC §50243 (e)(1)(D)
  - Services and service coordiantion: HSC §50243 (e)(1)(E) and §50243 (e)(1)(G)
- Homelessness Prevention and Youth Homelessness Prevention
  - Prevention and diversion: HSC §50243 (e)(2)(A) and §50243 (e)(2)(B)
- Interim Housing and Youth Transitional Housing
  - Costs associated with operations: HSC §50243 (e)(3)(A-D)
  - Services and service coordiantion: HSC §50243 (e)(3)(E) and §50243 (e)(3)(H)
- Administrative Costs
  - Up to 7% for Administrative costs, and 1% for HMIS related costs.

MEASURES OF SUCCESS (STATE AND LOCAL PRIORITIES)

From a 2024 HDIS baseline of 11,287 total persons experiencing homelessness:

- Decrease the number of people experiencing unsheltered homelessness (on a single day).
  - From a 2024 PIT baseline of **3,469**.
- Reduce the proportion first time homelessness for those exiting institutional settings.
  - Baseline not yet measured. (HDIS measure pending)
- Increase the number of people exiting homelessness into permanent housing.
  - From a 2024 HDIS baseline of **1,183.**
- Decrease the number of people experiencing chronic homelessness.
  - From a 2024 PIT baseline of **1,078;** among whom 72% are unsheltered.
- Decrease the number of unaccompanied children and youth experiencing homelessness.
  - From a 2024 PIT baseline of **304;** among whom 80% are unsheltered.

Roles and Responsibilities

OUTREACH AND SITE COORDINATION

Activities pertaining to the outreach and engagement of unsheltered homeless individuals and site coordination for the resolution of unsanctioned encampments.

Participating Jurisdictions	Role(s) and Responsibilities in Outreach and Site Coordination
SJCoC	• Convene workgroups of homeless service partners, people with lived experience, local law enforcement agencies, public works agencies, CalTrans, and others to develop and adopt a uniform set of practice guidance for homeless outreach and encampment resolution. • Review the Governor's Model Ordinance and other emerging policies, legislation, and best practices. Provide information to members of the public, including people experiencing homelessness on anticipated changes in local practices for outreach, engagement, and encampment resolution. • Endorse the Governor's Model Ordinance and encourage regional adoption. • Coordinate the Point-in-time Count activities to provide regular information on the impact of local efforts to expeditiously reduce the number of people who are experiencing unsheltered homelessness with urgency and dignity.
San Joaquin County	• The Collaborative Applicant will initiate convenings by December 31, 2025. • Will continue to provide leadership in outreach and site coordination through San Joaquin County Behavioral Health Services and the SJCARES team, respectively. • Will provide guidance on model co-response practices for outreach and engagement, as well as when and how to utilize a mobile 24/7 BHS response team. • Will provide leadership in deploying joint resources (site coordination) for encampment resolution activities through SJCARES. • Will task the Human Services Agency (HSA), the Health Care Services Agency (HCSA) and its affiliated departments, including Behavioral Health Services (BHS), and the Probation Department's SJ CAREs team to provide resources, information and other assistance as best able during targeted activities to sites for the purpose of providing a trauma-informed and problem-solving approach to addressing factors contributing to households living unsheltered and in places not fit for human habitation.
City of Stockton	• City public safety and municipal services will continue to work jointly to address encampments of unsheltered homeless households with urgency and dignity. • Will work in partnership with the County and SJCoC to develop a uniform set of practice guidance for homeless outreach and encampment resolution. • Will review the Governor's Model Ordinance and develop recommendations on how the Draft Ordinance can contribute to City efforts. • Stockton Police Department will continue to work in partnership with the SJ CARES team and other public safety partners to monitor the situation in encampments for matters pertaining to community safety, public health, potential damage to civic infrastructure, and other criteria and create monitoring and patrol plans to address situations as they arise. • Stockton Police Department will continue to work in partnership with health, behavioral health, and other community-based service providers to ensure that all providers are aware of the individuals and families who are living unsheltered in our community and in need of coordinated support and assistance.

SITING AND USE OF AVAILABLE LAND

Advanced planning to make housing more affordable within the region and to ensure compliance with state guidance for local and regional land use planning.

Participating Jurisdictions	Role(s) and Responsibilities in Land Use and Development
SJCoC	• The CoC has no direct role or responsibility as it relates to land use and development. However, the SJCoC will continue to work collaboratively with San Joaquin County, the City of Stockton, and other smaller jurisdictions within the region regarding the importance of innovative and affordable housing opportunities to address the needs of the 13,293 households earning less than 50% of AMI in our community who are severely rent burdened and/or at risk of homelessness.
San Joaquin County	• The County will identify available areas and projects for development opportunities; build partnerships with third party developers that streamline or improve development projects and timelines. • The County has updated its housing element to allow for expanded development of mobile and manufactured housing throughout the unincorporated regions of the County in an effort to encourage the development of low and very low income housing. • The County has also removed a discretionary permit requirement for residential uses in its commercial zones and permitted all multifamily residential uses with a ministerial zoning compliance review. • The County will continue its collaboration with the City of Stockton, Smaller Jurisdictions, the local Housing Authority, and others to support development opportunities, including the pursuit of funding opportunities such as Homekey to expand the regional portfolio of housing for very low and acutely low income households.
City of Stockton	• The City will identify available areas and projects for development opportunities; build partnerships with third party developers that streamline or improve development projects and timelines. • The City has made available on its public website both a community land inventory and a listing of surplus properties. The City has an open invitation for Requests for Interest / Statement of Qualifications for Development of Partnership Opportunities for the surplus land parcels. • An interactive mapping tool shows pipeline projects and vacant sites within the City that are prioritized for residential development. • The City has been awarded the “Prohousing Designation” from the CA Department of Housing and Urban Development. Key components of the Prohousing designation include: o 100% density bonus that exceeds State standards, o allowance of duplexes “by-right” in single-family residential zones, o streamlined project reviews, and o the Citywide Affordable Housing Development Fee Exemption Program, which reduces the financial burden of developing affordable housing. • The City has an active program to encourage major projects, including new and rehabilitated mixed use and multi-family housing, through the Advantage Stockton initiative which showcases available properties suitable for development.

DEVELOPMENT OF SHELTER, INTERIM AND PERMANENT HOUSING OPTIONS

Ensuring a broad continuum of housing solutions for homeless individuals and families is available and can be sustained over time to address local needs.

Participating Jurisdictions	Role(s) and Responsibilities in Development of Interim and Permanent Housing Options
SJCoC	• Will continue to work collaboratively with San Joaquin County, the City of Stockton, and Smaller Jurisdictions to support them in the development and financing of interim and permanent housing within the regions. • Will continue to work closely with agencies that provide Permanent Housing options to the homeless: Housing Authority County of San Joaquin, Visionary Home Builders, STAND Affordable Housing, Central Valley Low Income Housing Corporation and others that provide Vouchers for both tenant-based and project-based opportunities. • Consistent with SB 166, our local priority is to complete the development of projects in the pipeline and bring the estimated 588 shelter beds and 221 permanent housing units under construction into operation within the next 12-24 months.
San Joaquin County	• See above for SJCoC, and; • Anticipates the opening of an additional 252 shelter beds within three Smaller Jurisdictions over the next 12-24 months. • A key priority is ensuring the ongoing sustainability of these programs as they are necessary to our strategy to expeditiously reduce unsheltered homelessness in the County. • Will develop the Be Well Behavioral Health Campus, a 23-acre parcel currently approved for 354,400 gross square feet of behavioral health facilities and 426 residential units/beds. The campus will feature facilities that will provide outpatient care, urgent behavioral and mental health services, residential treatment, and transitional housing. The projected budget is $261.8 million, and construction is anticipated in 2026, following an environmental review and final permitting.
City of Stockton	• See above for SJCoC, and; • Anticipates the opening of an additional 336 shelter beds within the City over the next 12 months (which includes an additional 68 beds for families). • A key priority is ensuring the ongoing sustainability of these programs as they are necessary to our strategy to expeditiously reduce unsheltered homelessness in the County. • Will continue to work closely with the affordable housing projects under construction within the City to provide streamlined project reviews and timely inspections using a concierge approach with routine project meetings between city staff and the development teams.

COORDINATION AND CONNECTION TO SERVICE DELIVERY

Regional coordination and collaboration across jurisdictions and service divisions to connect homeless individuals and families to existing community services and supports.

Participating Jurisdictions	Role(s) and Responsibilities in connection to Service Delivery
SJCoC	• The CoC promotes community-wide commitment to the goal of ending homelessness. Serves as the convenor of partners and stakeholders, including those experiencing homelessness. Roles and responsibilities were adopted July 2025, through the Governance Charter of the CoC and the Regional Action Plan, Updated August 2025. • Will fund regional housing related solutions, including sustaining the operations of interim housing. • Will continue to strengthen collaboration with Service Providers and stakeholders, including those with lived experience, transitional aged youth, and veterans. • Will continue to emphasize the utilization of the Homeless Management Information System (HMIS) and the expansion of the Coordinated Entry System (CES) to support housing placement and coordination practices that improve the delivery of services. • Will facilitate discussions on the coordination of and connection to service delivery leveraging the CoC Committee structure to ensure a CoC wide approach and/or effort that improves the delivery of services for people experiencing or at-risk of experiencing homelessness.
San Joaquin County	• The County serves as the Collaborative Applicant for the CoC and provides day-to-day staffing, management, and expertise to address and prevent homelessness. Coordinates the PIT Count and oversees activities for HMIS and CES management. • Will fund housing related solutions, including contributions to efforts to sustain the operations of interim housing in smaller jurisdictions. • The designees of the San Joaquin County Probation Department, Public Health Department, and Behavioral Health Department shall serve on the CoC Board and actively participate in committee activities. The Deputy Director of the Human Services Agency's Employment and Youth Services Program shall oversee the activities of County staff serving as the Collaborative Applicant for SJCoC.
City of Stockton	• The City works in close partnership and collaboration with the County and CoC to develop a regional approach and strategy to address and prevent homelessness. • Will contribute a fair share allocation of costs for the operations, management, oversight, of certain federally mandated activities of the CoC, including PIT Count, HMIS, and CES operations. • Will fund housing related solutions, including contributions to efforts to sustain the operations of interim housing within the City's Sphere of Influence. • A designee of the City of Stockton shall serve on the CoC Board and actively participate in committee activities. The City's Economic Development Department and Community Development Departments will continue their close partnership in the siting and development of interim and permanent housing.

Regional Logic Model

SAN JOAQUIN CONTINUUM OF CARE (CA 511)

Desired Impacts: (1) Expeditiously reduce unsheltered homelessness. (2) Increase client self-sufficiency and decrease risk of returns to homelessness. (3) Make homelessness rare, brief and non-recurring.

Inputs

PARTNERSHIP:

- SJCoC
- County of San Joaquin
- City of Lodi, Manteca, Stockton, Tracy
- Additional smaller jurisdictions
- Housing Authority, County of San Joaquin
- Local Community and Faith Based Organizations
- Local Businesses and Community Members, *including our neighbors without a stable home.*

HOMELESS SERVING PROGRAMS:

- Outreach and engagement teams, with leadership through local municipal partners and coordination through the County's SJ CARES Program.
- Interim Housing Programs in 4 Cities, with a projected capacity of over 2,000 beds by Dec. 2026.
- Centralized Coordinated Entry Program with By-Name List working with Housing Access Program Partners to place clients and provide support and services towards a pathway of self-sufficiency and highest level of independence.
- Homeless Prevention Interventions to rapidly identify and re-house individuals at risk of entering homelessness for the first time following discharge/release from an institution or return to homelessness following a successful exit.

COLLABORATIONS:

- Human Services Agency: Division of Employment and Youth Services.
- Health Care Services Agency: Divisions of Behavioral Health, Public Health, and Correctional Health.
- Public Safety Partners, including Probation Dept. and local law enforcement agencies.
- Managed Health Care Plan Partners.

ADMINISTRATIVE OVERSIGHT AND TECHNICAL SUPPORT FOR COORDINATION AND PROGRAM

Leveraged Activities

STREET OUTREACH

Community Engagement Services

Outreach Case Management

Street Medicine / Behavioral Health

HHAP Funded Activities

INTERIM HOUSING

Low Barrier Shelter Operations

Services and Service Coordination

Transitional Housing for Youth

HOMELESS PREVENTION

Problem Solving and Diversion Programs

Rapid Rehousing and Rental Assistance

- At-risk of returning to homelessness
- Youth 18-24

PERMANENT HOUSING

Rapid Rehousing and Rental Assistance

Services and Service Coordination

Outputs

Outputs are numeric values, and typically include clients served, program utilization, and demographics

- Unsheltered clients opened to case management
- Unsheltered clients closed to a known location
- Average length of time (duration) cases are open
- Returns to unsheltered case management services

- Night-by-Night (episodic) clients served
- Enrolled (Entry/Exit) clients served
- Entry/Exit clients receiving intensive services
- Entry/Exit clients opened to the CES (and with completed documentation)

- Enrollments to problem solving and diversion program.
- Average length of time enrolled in a PSDP
- PSDP clients closed with placement
- PSDP clients closed with increased self sufficiency.
- Enrollments to an RRH/RA Program (eligible for voucher)
- Average length of time enrolled in a RH/RRA Program between eligibility and placement, and to case closure.
- RRH/RA clients closed with placement
- RRH/RA clients closed with increased self sufficiency.

- Enrollments to an RRH/RA Program (eligible for voucher)
- Average length of time enrolled in a RH/RRA Program between eligibility and placement, and to case closure.
- RRH/RA clients closed with placement
- RRH/RA clients closed with increased self sufficiency.

Outcomes

Outcomes represent the changes that are anticipated to occur through the activity or intervention.

- *Progress is measured via an indicator of success.*

Success Measures

1. Decrease the number of people experiencing unsheltered homelessness.
   - PIT Count, unsheltered count: 2024—2028
2. Reduce first time instances of homelessness for those exiting institutional settings, including, but not limited to jails, prisons, and hospitals.
   - HMIS data shows decrease in enrollments from those whose prior living situation was in an institution
3. Increase the Number of People Exiting Homelessness into Permanent Housing (with viable prospects of stability and self sufficiency).
   - HMIS data shows increase in exits to a housing placement (from interim and PSH programs)
   - HMIS data shows increases in income (from any source) from entry into the HMIS system to program closure.
4. Reduce the number of people experiencing homelessness overall and by locally-determined priority sub-populations.
   - HDIS Total accessing homeless services.
   - PIT Count, Chronically homeless.
   - PIT Count, Children and Youth.

Address System Performance Disparities.

- HDIS performance measures show parity across age, gender, race/ethnicity, and household type for all success measures.

System Performance Measures Improvement Plan

STRATEGIES, ACTIVITIES, AND PERFORMANCE MEASURES

Success Measure 1: Decrease the number of people experiencing unsheltered homelessness. Key Actions: 3.a, 3.b, 4.a, A.1, A.2			
Strategy	Activity	Tracking Success	Performance Measure
1. Strengthen local policies and municipal codes to compliment street outreach activities.	Adopt Governor's Model Ordinance for addressing encampments. Adopt uniform outreach practice model, based on Cal-ICH and UCSF- Benioff guidance reports.	• Cities with updated ordinances. • Cities with street outreach policies.	Reduce the number of people living unsheltered, as measured through the bi-annual point-in-time count. Improved parity in experiences across race/ethnicity and as consistent with the demographic proportion of the county population.
2. Improve street outreach through more effective case management and staff/program accountability.	Deploy coordinated teams of outreach workers, case managers, and others to provide time-limited outreach activities / interventions.	• Unsheltered clients open to the street outreach teams in HMIS. • Unsheltered clients successfully closed to a known location in HMIS.	
3. Leverage additional (non-HHAP) resources.	Work in partnership with public safety, health care providers, and behavioral health services.	• Amount of local resources (funding and/or staff members) invested in outreach efforts. • Average length of time cases are open.	
4. Seek additional funding for targeted encampment resolution activities.	Apply to ERF for temporary safe parking / triage services to resolve entrenched encampments.	• Amount of new resources (funding and/or staff members) secured to address encampments is sufficient.	
5. Support, sustain, and enhance existing interim housing programs.	Distribute HHAP funding to existing, qualifying shelter programs for operations and enhanced services.	• Homeless clients transition from night-by-night only to enrolled program clients receiving intensive services through an entry/exit program.	

Success Measure 1, HHAP-6 Eligible Expenditures:

- Operating Costs for Navigation Centers or other emergency shelters that are existing, low-barrier, and as defined in Sections 65660 and 65662 of the Government Code.
- Services provided to people in Interim Housing, so long as the services are trauma-informed and practice harm reduction.

Success Measure 2: Reduce first time instances of homelessness for those exiting institutional settings, including, but not limited to juvenile detention or wardship (youth) or jails, prisons, or hospitals (youth and adults) Key Actions: 2.a, A.1, A.2			
Strategy	Activity	Tracking Success	Performance Measure
6. Leverage additional (non-HHAP) resources.	Work in partnership with public safety, health care providers, and behavioral health services. Coordinate efforts to address youth homelessness in partnership with child welfare services division.	• Amount of local resources (funding and/or staff members) invested in activities for jail / custody reentry services. • Number of street outreach clients identified as having recently existed an institution. • Number of youth / young adult clients identified as having prior child welfare involvement.	HMIS enrollments show a decrease in clients whose prior living situation was in an institution, as defined by federal statute. Improved parity in experiences across race/ethnicity and as consistent with the demographic proportion of the county population.
7. Expand investments in transitional housing and diversion programs.	Distribute HHAP funding to qualifying programs providing trauma-informed case management services.	• Enrollments in problem solving, diversion, and transitional programs. o Average length of time in program o Successful closures (to permanent housing / placement)	

Success Measure 2, HHAP-6 Eligible Expenditures:

- Problem solving and diversion programs intended to assist people exiting an institution in resolving their immediate housing crisis and averting a placement in a shelter or living unsheltered on the streets.
- Youth-focused homeless prevention / interim housing activities, including rental assistance and transitional housing programs with intensive case management services.

Success Measure 3: Increasing the Number of People Exiting Homelessness into Permanent Housing Key Actions: 1.a, 1.b, A.1, A.2			
Strategy	Activity	Tracking Success	Performance Measure
8. Expand the RRH/RA program and enhance with more supportive services and service coordination.	Work in partnership to create RRH/RA policies that provide clear guidance on assistance eligibility and criteria. Work through the CES to determine eligibility and priority based on household vulnerabilities. Convene monthly case conferencing sessions to develop housing placement plans for those experiencing chronic homelessness and at high levels of vulnerability.	• Enrollments into an RRH/RA program (eligible for voucher). • Average length of time enrolled in a RRH/RA program between eligibility and placement. • Average length of time enrolled in a RRH/RA program from initial placement to case closure. • Proportion of households gaining a place to live that previously met the definition of chronic homeless.	Number of exits from a street outreach program to a permanent housing program. Number of exits from an interim or transitional housing program to a permanent housing program. Number of exits from a permanent housing program to a known location, indicative of a successful graduation from homeless system supports.
9. Leverage existing employment and benefit assistance programs.	Work in partnership with CalWorks, Worknet, and other local workforce development programs.	• Participation of workforce partners in case conferencing sessions.	Number of people exiting homelessness with increased amount / sources of income. Percent exiting with income over 30% AMI.

Success Measure 3, HHAP-6 Eligible Expenditures:

- Rental subsidies, including to support placement of individuals in CARE Court or related problem-solving court.
- Landlord incentives (security deposits or holding fees) or move-in expenses.
- Supportive services for people in permanent housing.
- Service coordination and linkages to programs and other services to promote client capacity to maintain their housing stability.
- Operating subsidies, on a time limited basis, to address potential loss of federal housing subsidies. (For existing programs only).

Success Measure 4: Reduce the number of individuals experiencing homelessness (Prevent homelessness) Key Actions 2.b, 4.b, A.1, A.2			
Strategy	Activity	Tracking Success	Performance Measure
10. Sustain, as feasible, existing permanent housing programs for people with disabling conditions and the elderly at risk of housing loss due to federal policy changes. Provide temporary rental assistance for other qualifying households whose HUD program eligibility has been terminated.	Work with coordinated entry system and local housing authority to develop short-term plan to address anticipated loss of federal housing vouchers.	• Count of households impacted by HUD policy changes. • Count of qualifying households offered short-term rental assistance. o Count of new enrollments into the HMIS system whose prior living situation was a rental by client, with ongoing housing subsidy [HMIS Field # 435]	Reduced incidence of and returns to homelessness for individuals as measured through PIT Count and annual HDIS system performance reports. Among those households experiencing first time homelessness, minimize the proportion with prior federal housing subsidies. Improved parity in experiences across race/ethnicity and as consistent with the demographic proportion of the county population.
11. Leverage existing employment and benefit assistance programs. Engage eligible households.	Workforce development programs receiving public funds will be tasked with engaging with clients of interim and permanent housing programs, as appropriate.	• Partnership with local CalWorks program administrator and services. • Guidance developed regarding income and household stabilization.	

Success Measure 4, HHAP-6 Eligible Expenditures:

- Rental assistance, rapid rehousing, and other programs prioritizing households with income at or below 30 percent of the area median income.
- Service coordination, including access to workforce, education, and training programs or other services needed to promote housing stability.

Success Measure 4: Reduce the number of individuals experiencing homelessness (Chronically Homeless) Key Actions: 1.b, 2.a, 3.a., A.1, A.2			
Strategy	Activity	Tracking Success	Performance Measure
12. Leverage existing employment and benefit assistance programs.	Workforce development programs receiving public funds will be tasked with engaging with clients of interim and permanent housing programs, as appropriate.	• Partnership with local CalWorks program administrator and services. • Guidance developed regarding income stabilization.	Reduced incidence of and returns to homelessness for chronically homeless individuals as measured through PIT Count and annual HDIS system performance reports. Improved parity in experiences across race/ethnicity and as consistent with the demographic proportion of the county population.
13. Expand investments in services and supports for interim and permanent housing programs which offer evidence-based employment services, coordination with mental health and substance use recovery treatment, and/or other services to increase housing retention.	Distribute HHAP funding to qualifying programs providing evidence-based services to increase housing retention.	• Successful exits from permanent housing programs. o HMIS data shows positive change in income from program enrollment to case closure. o Average length of time enrolled in a RRH/RA program from initial placement to case closure.	
14. Sustain, as feasible, existing permanent housing programs for people with disabling conditions and the elderly at risk of housing loss due to federal policy changes. Provide temporary rental assistance for other qualifying households whose HUD program eligibility has been terminated.	Work with coordinated entry system and local housing authority to develop short-term plan to address anticipated loss of federal housing vouchers.	• Count of households impacted by HUD policy changes. • Count of qualifying households offered short-term rental assistance. • Count of new enrollments into the HMIS system whose prior living situation was a rental by client, with ongoing housing subsidy [HMIS Field # 435]	Count of households experiencing first time homelessness. Proportion with prior federal housing subsidies.

Success Measure 4, HHAP-6 Eligible Expenditures:

- Rental assistance, rapid rehousing, and other programs prioritizing households with income at or below 30 percent of the area median income.
- Service coordination, including access to workforce, education, and training programs or other services needed to promote housing stability.

Success Measure 4: Reduce the number of individuals experiencing homelessness (Children and Youth) Key Actions: 2.c, 3.c., A.1, A.2			
Strategy	Activity	Tracking Success	Performance Measure
15. Leverage existing children and youth services programs, including child welfare and safety net systems of care.	Create transitional housing plans for all children and youth exiting foster care system or wardship. Work in partnership with SJCoC to identify eligible programs for HHAP funds.	• Partnership with local Child Welfare program administrator and services. • Guidance developed regarding income stabilization.	Reduced incidence of and returns to homelessness among children and youth as measured through PIT Count and annual HDIS system performance reports. Improved parity in experiences across race/ethnicity and as consistent with the demographic proportion of the county population.
16. Expand investments in transitional housing programs for youth which offer intensive wrap-around support services for youth launching into adult-hood without supports from a parent or guardian.	Distribute HHAP funding to qualifying transitional housing programs providing evidence-based services to children and youth.	• Enrollments to THPs. • Average length of time enrolled • THP clients closed with placement • THP clients closed with increased self-sufficiency.	
17. Provide short term rental assistance vouchers to young adult headed households.	Work in partnership with children's services to create RRH/RA policies that provide clear guidance on assistance eligibility and assessment benchmarks for success &/or need for escalating interventions.	• Youth enrollments to Rental Assistance program. • Average length of time enrolled in RA • Youth-RA clients closed successfully • Youth-RA clients closed with increased self-sufficiency.	

Success Measure 4, HHAP-6 Eligible Expenditures:

- Qualifying transitional housing / group living programs providing pro-social and developmental supports for eligible youth.
- Rental assistance, and other programs prioritizing TAY households with income at or below 30 percent of the area median income, and who have prior experience with the child welfare, justice, of mental health care system, pursuing education or employment, and are without natural social supports (alone).
- Service coordination, including access to workforce, education, and training programs or other services needed to promote housing stability.

IX. FUNDING AND IMPLEMENTATION PLAN

HHAP-6 Funding Plan

Through this Action Plan Update, the County of San Joaquin, the City of Stockton, and the San Joaquin County Continuum of Care agree to the collective allocation of Homeless Housing Assistance and Prevention (HHAP) Round 6 funds:

Proposed Eligible Uses	Proposed County / SJCoC Allocations	Proposed City of Stockton Allocations
Permanent Housing (18%) • Rapid Rehousing • Services and Coordination	**$2,009,978.18** • $1,004,989.09 • $1,004,989.09	**$2,075,721.62** • $1,037,860.81 • $1,037,860.81
Homeless Prevention (18%) • Diversion Programs • Prevention Programs	**$2,009,978.18** • $1,004,989.09 • $1,004,989.09	**$2,075,721.62** • $1,037,860.81 • $1,037,860.81
Interim Housing (46%) • Operating Costs • Enhanced Services	**$5,136,610.89** • $2,568,305.45 • $2,568,305.45	**$5,304,621.92** • $2,652,310.96 • $2,652,310.96
Youth Set Aside (10%) • Homeless Prevention • Interim Housing	**$1,116,654.54** • $279,163.64 • $837,490.91	**$1,153,178.68** • $288,294.67 • $864,884.01
Administration (8%) • Management (7%) • HMIS (1%)	**$ 893,323.63** • $781,658.18 • $111,665.45	**$ 922,542.94** • $807,225.08 • $115,317.87
Total	**$11,166,545.42**	**$11,531,786.79**

The HHAP 6 budget does not propose spending on any of the following uses:

- New interim housing
- Non-housing solutions

ADDITIONAL FUNDING SOURCES

The region is anticipating lower allocations through HOME, CDBG, and ESG program funds in 2026.

The region is preparing for major policy changes regarding eligibility and lower reimbursements through Medi-Cal, SSI/SSP, CalFresh, and various HUD housing and voucher programs in 2026.

The region will leverage local public safety, probation realignment, and behavioral health services funding to the extent possible to expand and enhance street outreach activities and other non-housing solutions.

The region will apply for state and federal grants to address encampments and build affordable housing.

SJCoC will seek local philanthropy to continue its stipend program for people with lived experiences.

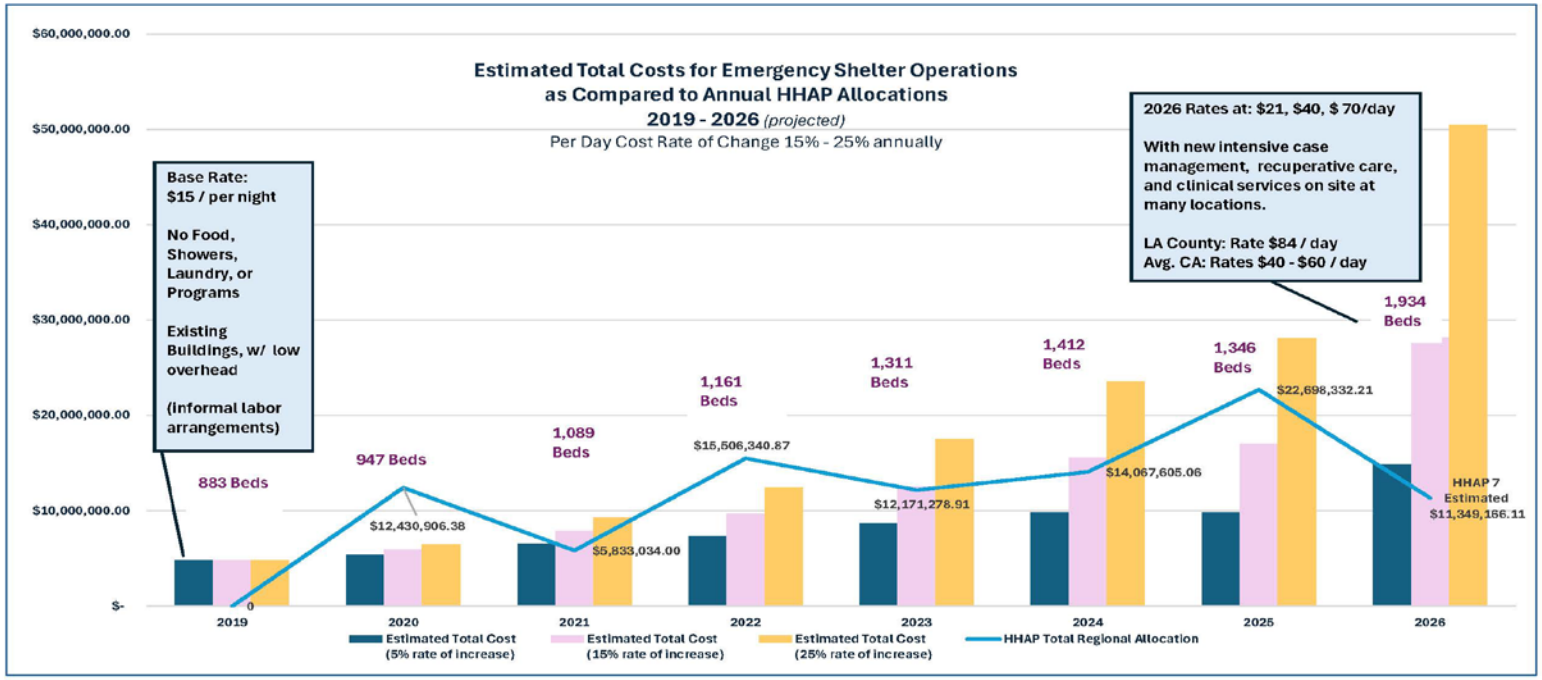
The region is working closely with managed care providers to stabilize reimbursable services through street outreach and interim shelter programs.

San Joaquin County Human Services Agency has directed program units responsible for in-home supportive services, adult protective services, child welfare, childcare and development, and employment support services to work closely with the homeless continuum of care.

HHAP-6 FUNDING PLAN: BY ELIGIBLE USE CATEGORY AND SYSTEM PERFORMANCE MEASURE

Key Actions	HHAP 6 Budget	Eligible Use Category	SPM (OUTCOME GOAL)
1.a. Permanent Housing	$ 2,042,849.90	Rapid Rehousing / Rental Subsidies	**SPM4.** Increasing the Number of People Exiting Homelessness into Permanent Housing
1.b. Permanent Housing	$ 2,042,849.90	Permanent Housing Services and Service Coordination	**SPM4.** Increasing the Number of People Exiting Homelessness into Permanent Housing
2.a. Homeless Prevention	$ 2,042,849.90	Problem Solving and Diversion Programs	**SPM3.** Reducing first time instances of homelessness for those exiting institutional settings, including, but not limited to jails, prisons, and hospitals.
2.b. Homeless Prevention	$ 2,042,849.90	Rapid Rehousing / Rental Subsidies	**SPM6.** Reducing the number of individuals who return to homelessness after exiting homelessness into permanent housing.
3.a. Provide Interim Housing	$ 5,220,616.41	Navigation Centers	**SPM2.** Decreasing the number of people experiencing unsheltered homelessness
3.b. Provide Interim Housing	$ 5,220,616.41	Interim Housing Services and Service Coordination	**SPM5.** Decreasing the average length of time that people experience homelessness while accessing services.
4.a Non-Housing Solution	$ -	Street outreach teams with intensive case management	**SPM7.** Number of people with successful placements from street outreach projects
4.b Non-Housing Solution	$ -	Stipends for people with lived experiences.	**SPM 1-7.** Reducing disparities across system performance measures.
2.c. **Youth Set Aside** Homeless Prevention	$ 567,458.31	YSA -Homeless Prevention through Rapid Rehousing / Rental Subsidies	**SPM4.** Increasing the Number of People Exiting Homelessness into Permanent Housing
3.c. **Youth Set Aside** Interim Housing	$ 1,702,374.92	YSA -Permanent Housing Services and Service Coordination	**SPM2.** Decreasing the number of people experiencing unsheltered homelessness
A.1. Administrative Costs	$ 1,588,883.25	Administrative Costs	**SPM1.** Decreasing the number of people accessing services who are experiencing homelessness
A.2. Administrative Costs	$ 226,983.32	HMIS Costs	**SPM 1-7.** Reducing disparities across system performance measures.
Total Allocations	**$ 22,698,332.21**		

Sustaining the Region's Interim Housing Portfolio



Emergency Shelter in SJC	2019	2020	2021	2022	2023	2024	2025	2026
Total Year Round Beds Reported	883	947	1,089	1,161	1,311	1,412	1,346	1,934
Estimated Total Cost (5% rate of increase)	$ 4,834,425.00	$ 5,444,066.25	$ 6,573,408.19	$ 7,358,414.37	$ 8,724,569.60	$ 9,866,549.88	$ 9,875,633.81	$ 14,899,293.89
Estimated Total Cost (15% rate of increase)	$ 4,834,425.00	$ 5,962,548.75	$ 7,885,108.69	$ 9,667,403.92	$ 12,553,885.89	$ 15,549,199.01	$ 17,045,754.35	$ 28,166,019.51
Estimated Total Cost (25% rate of increase)	$ 4,834,425.00	$ 6,481,031.25	$ 9,316,054.69	$ 12,414,990.23	$ 17,523,742.68	$ 23,592,224.12	$ 28,111,839.29	$ 50,490,617.75

PLAN TO SUSTAIN SHELTER OPERATIONS

1. Total Existing Interim Housing
    - **1,346**, per the 2025 Housing Inventory Count.

2. Total Beds to be Added During the Grant Term
    - 588, for a new total of **1,934** beds by the end of 2026.

3. Total Estimated Capital and Operating Costs during the Grant Term

   Capital Costs: $0, ongoing
    - Funding from HHAP 1, HHAP 2, and HHAP 3 were allocated for construction purposes. Additional funding was leveraged through the American Rescue Plan Act, and various local sources. Construction is in final stages.

   Annual Operating Costs:
    - $14,899,293.89, annually (low range @ $21.11 per bed/day)
    - $28,166,019.51, annually (mid range @ $39.90 per bed/day)

   Basis for estimate:
    - Low range is based on a 5% cost of living adjustment from initial planned rate of $15 per bed/day. May not be indicative of the costs of a service enriched program.
    - National Low Income Housing Coalition Estimate (2021) $43.84 per/day
    - City of Los Angeles' reimbursement rate (2024) $80 per/day
    - CalWORKs Homeless Assistance rate (2025) $85 per/day for up to 16 days.

4. Total Funding Sources Identified

	Annually	**3-year Budget FY: 26/27, 27/28, 28/29**
Estimated Cost	$ 14,899,293.89	$ 44,697,881.67
Revenues		
HHAP 4	$ 1,338,840.68	$ 4,016,522.04
HHAP 5	$ 1,500,544.54	$ 4,501,633.62
HHAP 6	$ 3,480,410.94	$ 10,441,232.82
HHAP 7	$ 1,740,205.47	$ 5,220,616.41
Federal ESG Funding	$ 500,000.00	$ 1,500,000.00
MediCal Revenue	$ 3,000,000.00	$ 9,000,000.00
BHS, VA, and Primary Care	$ 3,000,000.00	$ 9,000,000.00
Donations	$ 400,000.00	$ 1,200,000.00
Total Planned Revenue	$ 14,960,001.63	$ 44,880,004.89

X. APPENDICES

A. Public Meetings Invitation Flyer

B. Public Meeting Press Release

C. Community Survey Instrument

D. Key Action Project Descriptions

E. Cal-ICH Guidance for Encampment Resolution Planning

F. Encampment Resolution Plan Maps

G. Model Ordinance

H. HHAP Round 6: Other Requirements

I. Memorandum of Understanding

San Joaquin Homeless Services Continuum of Care

Community Planning Meetings

To Update the County's Coordinated Homelessness Action Plan

Join us for a community meeting to discuss homelessness needs, services, and prevention in San Joaquin County. You'll hear updates on the use of Homeless Housing Assistance and Prevention (HHAP) funds to prevent and reduce homelessness. You will have an opportunity to provide input on improving programs for individuals and families experiencing homelessness. We will discuss:

- Encampment resolution strategies
- Homelessness prevention and diversion
- Operating expenses for existing shelters and temporary-stay programs
- Affordable and safe housing options for very low-income individuals and families

We are counting on your voice to guide local priorities.
Join us at any of the meetings listed below.

City	Date	Time	Address
Tracy	Wed. May 14th	10am - Noon	City Hall - 333 Civic Center Plaza
Stockton	Tues. May 20th	3pm - 5pm	Behavioral Health - 1212 N. California St.
Stockton	Thurs. May 22nd	5pm - 7pm	Civic Auditorium - 525 N Center St.
Manteca	Tues. May 27th	3:30pm - 5:30pm	Manteca City Hall - 1001 W. Center St.
Stockton	Tues. May 27th	5pm - 7pm	Arnold Rue CC - 5758 Lorriane Ave.
Lodi	Tues. May 28th	1pm - 3pm	Hutchins Street Square - 125 S Hutchins St
Stockton	Thurs. May 29th	5pm - 7pm	Van Buskirk CC - 734 Houston Ave

Meeting accessibility is important. Please contact us at rapoy@sjgov.org to discuss accessibility. Translation assistance is available upon request. Families are welcome.

MEDIA ADVISORY

May 13, 2025

Contacts:

Hilary Crowley, Public Information Officer

San Joaquin County

hcrowley@sjgov.org / (209) 468-2997

Connie Cochran, Community Relations Officer

City of Stockton

(209) 937-8212

San Joaquin County Human Services Agency and Local Partners to Host Community Meetings on County's Coordinated Homelessness Action Plan Updates and Receive Public Feedback

Who:

San Joaquin County Human Services Agency

San Joaquin Homeless Services Continuum of Care

What:

Community Planning Meetings to Update the County's Coordinated Homelessness Action Plan

When and Where:

- Wednesday, May 14, 2025 – 10:00 a.m. – Noon
  333 Civic Center Plaza, Room 203, Tracy, CA

- Tuesday, May 20, 2025 – 3:00 p.m. – 5:00 p.m.
  1212 N. California Street, Stockton, CA

- Thursday, May 22, 2025 – 5:00 p.m. - 7:00 p.m.
  525 N. Center Street, Stockton, CA

- Tuesday, May 27, 2025 – 3:30 p.m. – 5:30 p.m.
  1001 W. Center Street, Manteca, CA

- May 27, 2025 – 5:00 p.m. - 7:00 p.m.
  5758 Lorraine Avenue, Stockton, CA

- Wednesday May 28, 2025 – 1:00 p.m. – 3:00 p.m.
  125 S. Hutchins Street, Lodi, CA

- Thursday, May 29, 2025 – 5:00 p.m. – 7:00 p.m.
  734 Houston Avenue, Stockton, CA

Why:

The community meetings will be held to discuss homelessness needs, services, and prevention in San Joaquin County. Residents will hear updates on the use of Homeless Housing Assistance and Prevention funds to prevent and reduce homelessness. The community will have an opportunity to provide input on improving programs for individuals and families experiencing homelessness. Discussion items will include:

- Encampment resolution strategies
- Homelessness prevention and diversion
- Operating expenses for existing shelters and temporary-stay programs
- Affordable and safe housing options for very low-income individuals and families

Families are welcome. Translation assistance is available upon request.

Contact rapoy@sjgov.org *to discuss accessibility.*

HHAP 6 Needs Survey

The County of San Joaquin and the City of Stockton are working together to apply for state funding through the Homeless Housing Assistance and Prevention (HHAP) Program – Round 6.
Your input will help shape how San Joaquin County and the City of Stockton **prioritize resources** for homelessness solutions. This short survey asks for your perspective on local needs and the most effective strategies.

1. Please select the city/neighborhood where you reside:

Lodi	☐ Lathrop	☐ Tracy
Manteca	☐ French Camp	☐ Ripon / Escalon
☐ Stockton	☐ Mountain House	☐ Other, county unincorporated

➢ **If Stockton was selected, which region:** ☐ North ☐ Central ☐ South

2. Have you ever experienced homelessness? ☐ Yes ☐ No

➢ **If yes, would you describe yourself as someone who is:**

☐ Youth (under 24)	☐ Domestic Violence Survivor	☐ Other:
☐ Veteran	☐ Currently homeless	

3. Do you currently work in this field? ☐ Yes ☐ No

➢ **If yes, please select agency type below:**

☐ Local Government	☐ Non-profit or faith-based organization
☐ Health-Care or Behavioral Health (including Managed Care Plan Providers)	☐ Program for homeless individuals (e.g. outreach, emergency shelter, case management, etc.)
☐ Housing provider (developer or operator) for formerly homeless individuals	☐ Other:

4. Select your <u>top 2</u> funding priorities (where we should allocate the most resources):

- ☐ Construction of new homeless housing
- ☐ Temporary rental assistance vouchers
- ☐ Additional emergency shelters
- ☐ Funding to provide services at existing shelters
- ☐ Intensive street outreach / encampment resolution
- ☐ Innovative housing programs
- ☐ Services for youth experiencing homelessness (under 24)

5. Please select up to 2 investments to strengthen local Outreach Services:

- ☐ Case management or navigation support
- ☐ Linkages to mental health or substance use treatments
- ☐ Street-based healthcare
- ☐ Trauma response teams
- ☐ Connection to employment or job training program

6. Please select up to 2 investments to strengthen local Emergency Shelters:

- ☐ Safe and clean facilities
- ☐ Staff trained in trauma-informed care
- ☐ Case managers on-site
- ☐ Privacy or individual rooms
- ☐ Provide 24/7 access and programming
- ☐ Services for youth, families, or survivors of DV
- ☐ Pets allowed (crates or kennels on site)
- ☐ On-site hot meal program

7. Please select up to 2 investments to strengthen local Housing Solutions:

- ☐ Short-term rental or move-in assistance
- ☐ On-site supportive services (e.g., case management)
- ☐ Permanent housing programs (e.g., supportive housing for people with permanent disabilities)
- ☐ Help finding landlords willing to rent
- ☐ Specialty housing for veterans, youth, people in recovery, or other vulnerable groups
- ☐ Job training, benefit management, or other self-sufficiency programming for residents

8. Are there any other comments or ideas you wish to share with us?

Thank you for your input!

HHAP-6 FUNDING PLAN: PROJECT DESCRIPTION AND OTHER LEVERAGED RESOURCES

Key Actions	Eligible Use Category	Description of Project	HHAP-6 and Other Leveraged Resources
1.a. Permanent Housing	Rapid Rehousing / Rental Subsidies	RRH / RA vouchers for homeless households. Eligibility and priority for a voucher is determined through the Coordinated Entry System. * Short and Medium Term RRH Vouchers for qualified households. * Flexible RA vouchers for qualified individuals to live in shared or group housing * Landlord incentives or other one-time costs associated with moving.	HHAP - 6, HUD HUD allocations through the CoC Program Competition and to HASJC (cuts anticipated)
1.b. Permanent Housing	Permanent Housing Services and Service Coordination	Comprehensive case management, services, and supports that work with clients towards an ultimate goal of housing stability and a pathway towards permanent self-sufficiency, consistent with realistic and feasible case plan objectives and goals envisioned by each client.	HHAP - 6, HUD HUD allocations through the CoC Program Competition and to HASJC (cuts anticipated)
2.a. Homeless Prevention	Problem Solving and Diversion Programs	Prevention and diversion programs that prevent people at risk of or recently experiencing homelessness from entering unsheltered or sheltered homelessness. * Residential and non-residential rehabilitation/reunification programs for 6 -24 months depending on assessed need and case plan by probation officer, officer of the court, or other County approved case manager. * Programs must meet applicable standards and pass inspections to participate. * Programs must have appropriate services to provide a pathway for client self sufficiency.	HHAP - 6, Public Safety Realignment, CARE Act Funds, Medi-Cal Program funds.
2.b. Homeless Prevention	Rapid Rehousing / Rental Subsidies	RRH / RA vouchers for individuals at risk of returning to homelessness following a placement in a permanent supportive housing or other permanent affordable housing program. * Eligible applicants were previously homeless or at risk of homelessness and placed through the Housing Authority, BHS, CES, or other permanent housing program provider	HHAP – 6 (in the event of federal cuts to the local permanent housing voucher programs)
3.a. Provide Interim Housing	Navigation Centers	Funds ongoing operating costs (including staffing, supplies, maintenance, overhead, etc.) for service enriched emergency shelter programs and navigation centers. Must be low-barrier and trauma informed.	HHAP - 6, MHSA/BHSA
3.b. Provide Interim Housing	Interim Housing Services and Service Coordination	Funding for intensive case management services and supports including housing navigation, transportation, and recovery and rehabilitation programs, and education and training for workforce development. Must be low-barrier and trauma informed.	HHAP - 6, Medi-Cal Programs, MHSA/BHSA

Key Actions	Eligible Use Category	Description of Project	HHAP-6 and Other Leveraged Resources
4.a Non-Housing Solution	Street outreach teams with intensive case management (leveraged resources)	Leverage funding for Co-response partnerships between SJC Behavioral Health Teams and local law enforcement. Includes additional allocations to support community based organizations to conduct intensive engagement activities and ensure basic needs are met, especially in the event of a weather-related emergency to prevent imminent risk to health and wellbeing.	Public Safety Realignment, MHSA/BHSA, Local and municipal allocations through public works, police, and other locally funded street outreach crews.
4.b Non-Housing Solution	Stipends for people with lived experiences. (leveraged resources)	Leverage funding to provide stipends, transportation assistance, and advocacy to ensure that the voices of people with lived experience are heard.	Local investments
2.c. **Youth Set Aside** Homeless Prevention	YSA -Homeless Prevention through Rapid Rehousing / Rental Subsidies	RRH / RA vouchers for youth ages 18-24. Eligibility and priority for a voucher is determined through the Coordinated Entry System. These funds represent a special set-aside fund for Youth RRH/RA vouchers and may not be used for a non-qualifying household. * Short and Medium Term RRH Vouchers for qualified households. * Flexible RA vouchers for qualified individuals to live in shared or group housing * Landlord incentives or other one time costs associated with moving.	HHAP - 6, SSI, Child Welfare Services, Medi-Cal Program, HUD YHDP
3.c. **Youth Set Aside** Interim Housing	YSA -Permanent Housing Services and Service Coordination	Comprehensive case management, services, and supports that work with clients towards an ultimate goal of housing stability and a pathway towards permanent self-sufficiency, consistent with realistic and feasible case plan objectives and goals envisioned by each client. * Eligible applicants include Youth Transitional Housing Providers and other Housing Providers serving youth 18-24 and/or unaccompanied minors.	HHAP - 6, Child Welfare Services, MHSA/BHSA
A.1. Administrative Costs	Administrative Costs	Costs associated with the administration and coordination of the CoC, supporting regional partnership and collaboration through the CoC Committees, and contract performance monitoring. Allocations also to support the work of the CES Lead agency in conducting and facilitating case conferencing and placement meetings with applicable housing providers. Other costs may include technical assistance and support for PIT count administration, contract management and reporting, public communications, and program and system evaluation.	HHAP 6, HUD-ESG
A.2. Administrative Costs	HMIS Costs	An allocation to cover expenses associated with the administration of HMIS. Accurate data will help outreach teams in their communication with homeless individuals and provide service partners information on effect and impact of activities, especially regarding impact on clients and whether efforts are achieving desired results in an equitable fashion.	HHAP 6, HUD-ESG, CoC Program Competition

California Interagency Council on Homelessness

CAL ICH

GUIDANCE: ADDRESSING ENCAMPMENTS

The State of California encourages local jurisdictions to continue to employ person-centered, Housing First, and trauma-informed approaches when addressing the needs of persons living in encampments on public property. These evidence-based practices ensure services are strategically coordinated and deployed prior to any enforcement effort and ensure the best possible outcomes for all involved.

Before removing an encampment on public property, Cal ICH recommends that a local government:

✓ Is actively aware of interim housing capacity, including congregate and non-congregate shelter (i.e. motel vouchers), that is **immediately available** to serve persons in the encampment in question.

✓ Has a clear policy for the handling and storage of unattended personal belongings of persons in encampments.

✓ Provides as much advance notice of a removal action as possible. Cal ICH recommends **a minimum of 48 hours notice**, unless imminent threats to life, health, safety, or infrastructure require a shorter notice period, to persons living in the encampment and to any service provider actively serving and/or engaging with the encampment in question. Cal ICH recommends that the notice include:

- The anticipated date and time of the removal action.
- Information on services, including shelter, that are immediately available to persons living in the encampment.
- Information on how unattended belongings will be handled the day of the removal action, including what will be stored and how they can be recovered.

Cal ICH further recommends that local governments are **actively aware of and engaging with current local projects and/or efforts** (i.e. Encampment Resolution Funds) serving the encampment in question and encampments in general.

Cal ICH encourages local governments to make every effort to **identify and offer shelter** to persons living in an encampment in advance of taking action to remove an encampment. If shelter cannot be secured prior to removal despite these efforts, it's recommended that a local government ensure that there are reasonably accessible locations within the jurisdiction where a person may lawfully sleep.

Where an encampment presents specific safety hazards, it may be appropriate for a local government to remediate those hazards prior to or independent of a removal operation, for example addressing tapped electrical wires, removing dangerous items including apparatuses involving open flames, weapons, and controlled substances, or dismantling or removing structures within an encampment that pose a specific hazard.

THE GOVERNOR'S MODEL ORDINACE: THOUGHTFUL IMPLEMENTATION MATTERS

On May 12, 2025, Governor Newsom released a Model Encampment Ordinance for communities to use as a framework to address encampments with urgency and dignity. The Model Encampment Ordinance references this Cal ICH Guidance to Addressing Encampments, which has been updated as of May 20, 2025, to expand on and offer clarification to important points within the Model Encampment Ordinance.

Q. If they can't sleep "here", where can they sleep?
A. The Model Encampment Ordinance underscores a basic principle: **enforcement must be paired with shelter**. But asking someone to move without a real alternative only shifts the crisis. **Local governments must plan ahead—identifying safe, accessible, and legal places to go before any encampment action occurs**. This may include indoor shelter or, when necessary, designated safe camping areas.

Cal ICH supports communities in aligning enforcement with housing solutions—so people aren't just moved, they're supported.

Q. What is a reasonable offer of shelter?
A. All shelter beds are not the same. A reasonable offer **meets a person's individual needs**:
– A private room for a trauma survivor
– ADA access for someone using a wheelchair
– A place where partners and children are welcome

Reasonable offers increase the likelihood of acceptance and lead to better outcomes.
Cal ICH encourages local teams to lead with dignity, ensuring every offer is made with thoughtfulness and care.

Q. What meaningful services should be included on the notice?
A. Posting notice is more than a legal requirement, it's an opportunity to connect. Notices should include:
✓ How to access shelter and services
✗ Avoid long, generic resource lists with no connection to available support

Notices are most effective when they offer timely, real options for immediately available shelter.

Q. What items should be stored?
A. People's belongings are often **all they have**. Treat them that way. Use the "mom test": If your mom owned it, would you want it saved? This includes:
– ID cards, prescriptions, glasses
– Photos, documents, mobility aids

Hazardous or illegal items should be handled separately, but most items deserve secure, respectful storage.

Q. Who should be onsite for enforcement actions?
A. Who's present matters. When outreach teams, housing navigators, and service providers are part of the process, trust builds and outcomes improve. **Enforcement should be a bridge to housing—not a barrier.**

**Are you a city or county in need of support developing or implementing a local ordinance?
Cal ICH is here to help communities implement humane, housing-focused strategies. Contact us at calich@bcsh.ca.gov.**

DRAFT Public Review:
8/1/2025

ATTACHMENT C

ATTACHMENT C

OFFICE OF THE GOVERNOR

Model Ordinance: Addressing Encampments with Urgency and Dignity

After the Supreme Court's decision in Grants Pass v. Johnson clarified that officials can take reasonable actions to clear encampments, the Governor signed Executive Order N-1-24, which directed state agencies to develop policies to prioritize addressing encampments on state property while providing reasonable advance notice and partnering with shelter and services providers. That Executive Order also encouraged local governments to adopt similar policies, and to use all available resources and infrastructure, including the historic resources provided by the State, to take urgent action to humanely remove encampments from public spaces. And the Governor directed the California Interagency Council on Homelessness to create guidance, published here, for local governments to follow in creating and implementing those programs.

This model ordinance is intended to provide a starting point that jurisdictions may build from and adjust in creating their own policies. It draws from the state's proven and workable approach — an approach that, between July 2021 and May 2025, has cleared more than 16,000 encampments and over 311,873 cubic yards of debris from sites along the state right of way. These results demonstrate that the policy is both effective and scalable, offering a sound, adoptable framework for jurisdictions to resolve encampments with urgency and dignity.

This model ordinance is not intended to be comprehensive or to impose a one-size-fits-all approach for every city. Tailoring is expected and appropriate to account for local differences and priorities. For example, a jurisdiction may choose to restrict camping at all times in certain sensitive locations, such as near schools; limit camping to no more than one night in the same location; or require a longer notice period before removal. While specific policies may vary, all local approaches should reflect three basic principles embodied in this model:

- No person should face criminal punishment for sleeping outside when they have nowhere else to go. Policies that prohibit individuals from sleeping outside anywhere in the jurisdiction without offering adequate indoor shelter, effectively banishing homeless individuals from the jurisdiction's borders, are both inhumane and impose externalities on neighboring jurisdictions, which must face the costs and challenges of an increased unsheltered homeless population.
- Encampment policies must prioritize shelter and services and ensure that people experiencing homelessness and their belongings are treated with respect.
- Policies must not unduly limit local authority to clear encampments. Officials must be able to enforce common-sense policies to protect the health and safety of their residents and maintain their public spaces. When officials lack appropriate tools, encampments persist, endangering the health and safety of those living in and alongside them.

There is no compassion in abandoning Californians to the dangers and indignities of encampments. Encampments pose a serious public safety risk, often causing fires and exposing encampment residents to increased risk of sexual violence and criminal activity, to property damage and break-ins, and unsanitary conditions affecting both residents and neighbors. And they dampen and deter both commercial and recreational activity through the accumulation of hazardous material and excessive debris, harming downtowns and depriving Californians of their public spaces. Large encampments and those with semi-permanent structures exacerbate and perpetuate these harms. Every local government must have a plan to address them.

Model Ordinance [For Local Customization]

Section XX1. Encampments

Unless authorized by permit or other applicable law, it is unlawful:

(a) To construct, place, or maintain on public property any semi-permanent structure, including but not limited to hand-built sheds and structures with metal or other heavy roofing and siding materials, for the purpose of sheltering one or more persons.

(b) To camp on public property, including but not limited to using, placing or maintaining a tent, sleeping bag, blanket, or other materials for the purpose of sleeping, lying, or sheltering one or more persons for more than three consecutive days or nights in the same location. For purposes this section, the same location shall mean within 200 feet of the location in which the person camped on the previous day or night.

(c) To camp within 200 feet of any posted notice to vacate or other official signage designating a location for encampment clearance or otherwise prohibiting sitting, sleeping, lying, camping, or placing personal property in that location.

(d) To sit, sleep, lie, or camp on any public street, road, or bike path, or on any sidewalk in a manner that impedes passage within the meaning of the American Disabilities Act.

Section XX2. Enforcement

(a) Except in exigent circumstances involving an imminent threat to life, safety, health, or infrastructure, each of the following shall be satisfied prior to the enforcement of section XX1:

(i) City officials, or any agent acting on their behalf, shall make every reasonable effort to identify and offer shelter at an emergency shelter, navigation center, or other appropriate housing, and to offer supportive services, to persons living in the encampment.

(ii) City officials, or any agent acting on their behalf, shall post a notice to vacate in a prominent location at the encampment site at least 48 hours prior to the enforcement action. That notice shall include, at a minimum:

(1) The anticipated date and time of the enforcement action

(2) Information on services, including shelter, that are immediately available to persons living in the encampment

(3) Information on how unattended belongings will be handled the day of the enforcement action, including what will be stored, how they can be recovered, and the date by which they must be claimed.

(iii) No enforcement operations shall begin earlier than the date and time on the notice to vacate. If the enforcement work does not begin within two days of the date written on the notice, a new notice must be posted a minimum of 48 hours before enforcement operations may begin.

(b) Where exigent circumstances require less than 48 hours' notice prior to enforcement of section XX1:

(i) City officials, or any agent acting on their behalf, shall provide as much advance notice of enforcement as reasonably possible under the circumstances; and

(ii) As soon as reasonably possible following enforcement action, city officials or any agent acting on their behalf shall post notice at or near the encampment site describing where items taken during the enforcement action are stored, how they can be recovered, and the date by which they must be claimed.

(c) Personal belongings collected at the encampment site that are not a health or safety hazard shall be collected, tagged, and stored for not less than 60 days following an enforcement action.

(i) "Personal belongings" includes:

(1) items of apparent value of $50 or more

(2) items of apparent personal value, including, but not limited to: eyeglasses, operational wheelchairs, walkers, crutches, other medical equipment, habitable tents, personal papers (such as photographs, albums, ID's, bank statements, and legal papers), backpacks, containers, and operational bicycles, scooters, and strollers.

(ii) Items that constitute a health and safety risk and will not be collected include, but are not limited to:

(1) Toxic sharps: needles, scissors, knives.

(2) Chemicals: bleach, paint, oils, etc.

(3) Items (including bedding and clothing) soiled by infectious materials, including human waste and bodily fluids.

(4) Moldy, mildewed items.
(5) Items that may be infested by rodents and insects: rats, mice, fleas, lice, bed bugs.
(6) Items that pose a risk of fire or explosion, combustibles and propane tanks; any item containing fuel or corrosives or other unidentified liquids.
(7) Backpacks and closed containers that have been determined by an individual licensed to identify and handle hazardous materials to contain items listed in (1)-(6) above or (iii) below. Such backpacks and closed containers may be discarded where no individual licensed in hazardous materials is present to make a determination.
(8) If personal belongings are co-mingled or littered with needles, human waste, or other health risks, the entire pile of belongings may be disposed of. The presence of clothing in a backpack or container shall not be the sole reason to discard the backpack or container.

(iii) Bulky items such as mattresses and sheds, perishable items such as food, controlled substances, contraband, and trash or debris will not be collected and stored. Contraband and controlled substances should be handled by trained professionals and consistent with applicable law.

(d) Nothing in this section shall be construed to limit or prohibit city officials from enforcing any other city or state laws, including, but not limited to, laws governing use of controlled substances or weapons, fire codes, and public nuisance laws.

Section XX3. Regulations

(a) The [*relevant department or agency*] shall issue regulations or guidelines necessary to aid in the implementation or enforcement of this chapter.

ATTACHMENT C

MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON ECONOMIC DEVELOPMENT DEPARTMENT AND SAN JOAQUIN COUNTY HUMAN SERVICES AGENCY

This **MEMORANDUM OF UNDERSTANDING** ("MOU"), effective the date the last party to this MOU signs, is entered into by and among the City of Stockton, through its Economic Development Department (EDD), and the County of San Joaquin, through its Human Services Agency (HSA), with reference to and consideration of the following:

WHEREAS, like many other regions in California, the County of San Joaquin has seen a rapid and troubling growth in the homeless population over the past several years, a condition that has been difficult to address given the increased rates of persons with untreated addictive disorders involving substance abuse and mental health conditions, the high cost of housing and property in the area, and the shortage of emergency, transitional, and affordable housing available in the County to serve this population;

WHEREAS, consistent with the CoC Program Interim Rule, the CoC was formed in 1996 as the group organized to carry out the Continuum of Care program authorized by regulation [under subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381–11389)] and, as required, the CoC includes representative groups from within the geographic borders of San Joaquin County;

WHEREAS, San Joaquin County serves as the Collaborative Applicant for the CoC pursuant to a Collaborative Applicant Memorandum of Understanding to apply for and administer state and federal grants allocated directly to the CoC including CoC Program grants, and support the year-round CoC planning of homeless housing, services, and prevention;

WHEREAS, the City of Stockton is a municipality with a population over 320,000 people and also receives annual and periodic entitlement funding from the state and federal government for addressing homelessness, with these funds received, administered, and monitored by the City of Stockton Economic Development Department;

WHEREAS, On February 28, 2025, the State of California invited counties, Continuums of Care, and certain cities to apply for funds pursuant to HHAP Round 6, a program authorized by Assembly Bill 166 (2023-2024), to provide local jurisdictions with flexible funding to continue efforts to improve regional and systems coordination to prevent and end homelessness in their communicates, in a manner that reflects the state's priorities to prevent and expeditiously reduce unsheltered homelessness through homelessness prevention activities, sustaining existing interim housing solutions, and permanent housing solutions, including long-term sustainability of affordable permanent supportive housing [§ 50243 (a)].

WHEREAS, to apply for HHAP Round 6 funding, applicants must jointly create, or update, a compliant Regionally Coordinated Homeless Action Plan and a Memorandum of Understanding (MOU) signed by each participating applicant committing to participate in and comply with the Regionally Coordinated Homelessness Action Plan;

WHEREAS, the County, CoC, the City of Stockton jointly engaged in a regional strategic planning process to create a Regionally Coordinated Homeless Action Plan in 2024 and have conducted a thorough public planning process to update the Action Plan in 2025 that included seven public meetings, held at diverse times and locations throughout the county;

The Parties agree as follows:

1. PURPOSE OF THE MEMORANDUM OF UNDERSTANDING

1.1 **Statutory Requirement:** The Regionally Coordinated Homelessness Action Plan shall be reflected in a Memorandum of Understanding (MOU) committing each signatory to participation in, and to comply with, the Regionally Coordinated Homelessness Action Plan as updated August 2025.

2. COMITTMENTS

Each Party to this MOU hereby commits to uphold, participate in, and comply with the actions, roles, and responsibilities assigned to it as described in the HHAP-6 Regionally Coordinated Homelessness Action Plan Update and summarized below.

2.1 Each Party commits to the roles and responsibilities as they pertain to outreach and site coordination, siting and use of available public land, the development of interim and permanent housing options, and coordinating, connecting, and delivering services to individuals experiencing homelessness or at risk of experiencing homelessness, within the region.

2.2 Each Party commits to Key Actions to improve the system performance measures.

2.3 Each Party commits to Key Actions to ensure racial and gender equity in service delivery, housing placements, housing retention, and any other means to affirm equitable access to housing and services for racial and ethnic groups overrepresented among residents experiencing homelessness.

2.4 Each Party commits to actions to reduce homelessness among individuals exiting institutional settings, including but not limited to jails, prisons, hospitals, and any other institutions such as foster care, behavioral health facilities, etc. as applicable in the region.

2.5 Each Party commits to roles in the utilization of local, state, and federal funding programs to end homelessness.

2.6 Each Party commits to the roles and responsibilities to connect individuals to wrap-around services from all eligible federal, state, and local benefit programs.

3. MISCELLANEOUS

3.1 Notice. Any notices provided to any Party in connection with this MOU shall be directed as follows:

City of Stockton, Economic Development Director	Tina McCarty tina.mccarty@stocktonca.gov
County of San Joaquin, Human Services Agency Director	Chris Woods cwoods@sjgov.org

3.2 Parties as Independent Contractors. Each Party is, and at all times shall be deemed to be, independent of the other Parties. Nothing herein is intended or shall be construed as creating the relationship of employer and employee, or principal and agent, between any Party, or any Party's agents or employees. Each Party shall retain all authority for rendition of services, standards of performance, control of personnel, and other matters incident to the performance of the Program pursuant to this MOU. Each Party, and its agents and employees, shall not be considered to be employees of any other Party.

IN WITNESS WHEREOF, the Parties to this MOU have caused the same to be executed by each of their duly authorized officers as follows:

City of Stockton **Will Crew** **Acting City Manager**	**San Joaquin County** **Chris Woods** **Director, Human Services Agency**
Date:	**Date:**
City Attorney **Approved to Form**	**County Counsel** **Approved to Form**
Date:	**Date:**

MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON ECONOMIC DEVELOPMENT DEPARTMENT AND SAN JOAQUIN COUNTY HUMAN SERVICES AGENCY

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WHEREAS, San Joaquin County serves as the Collaborative Applicant for the CoC pursuant to a Collaborative Applicant Memorandum of Understanding to apply for and administer state and federal grants allocated directly to the CoC including CoC Program grants, and support the year-round CoC planning of homeless housing, services, and prevention;

WHEREAS, the City of Stockton is a municipality with a population over 320,000 people and also receives annual and periodic entitlement funding from the state and federal government for addressing homelessness, with these funds received, administered, and monitored by the City of Stockton Economic Development Department;

WHEREAS, On February 28, 2025, the State of California invited counties, Continuums of Care, and certain cities to apply for funds pursuant to HHAP Round 6, a program authorized by Assembly Bill 166 (2023-2024), to provide local jurisdictions with flexible funding to continue efforts to improve regional and systems coordination to prevent and end homelessness in their communicates, in a manner that reflects the state's priorities to prevent and expeditiously reduce unsheltered homelessness through homelessness prevention activities, sustaining existing interim housing solutions, and permanent housing solutions, including long-term sustainability of affordable permanent supportive housing [§ 50243 (a)].

WHEREAS, to apply for HHAP Round 6 funding, applicants must jointly create, or update, a compliant Regionally Coordinated Homeless Action Plan and a Memorandum of Understanding (MOU) signed by each participating applicant committing to participate in and comply with the Regionally Coordinated Homelessness Action Plan;

WHEREAS, the County, CoC, the City of Stockton jointly engaged in a regional strategic planning

process to create a Regionally Coordinated Homeless Action Plan in 2024 and have conducted a thorough public planning process to update the Action Plan in 2025 that included seven public meetings, held at diverse times and locations throughout the county;

The Parties agree as follows:

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2.1 Each Party commits to the roles and responsibilities as they pertain to outreach and site coordination, siting and use of available public land, the development of interim and permanent housing options, and coordinating, connecting, and delivering services to individuals experiencing homelessness or at risk of experiencing homelessness, within the region.

2.2 Each Party commits to Key Actions to improve the system performance measures.

2.3 Each Party commits to Key Actions to ensure racial and gender equity in service delivery, housing placements, housing retention, and any other means to affirm equitable access to housing and services for racial and ethnic groups overrepresented among residents experiencing homelessness.

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2.5 Each Party commits to roles in the utilization of local, state, and federal funding programs to end homelessness.

2.6 Each Party commits to the roles and responsibilities to connect individuals to wrap-around services from all eligible federal, state, and local benefit programs.

3. MISCELLANEOUS

3.1 **Notice.** Any notices provided to any Party in connection with this MOU shall be directed as follows:

City of Stockton, Economic Development Acting Director	Jordan Peterson Jordan.peterson@stocktonca.gov
County of San Joaquin, Human Services Agency Director	Chris Woods cwoods@sjgov.org

3.2 Parties as Independent Contractors. Each Party is, and at all times shall be deemed to be, independent of the other Parties. Nothing herein is intended or shall be construed as creating the relationship of employer and employee, or principal and agent, between any Party, or any Party's agents or employees. Each Party shall retain all authority for rendition of services, standards of performance, control of personnel, and other matters incident to the performance of the Program pursuant to this MOU. Each Party, and its agents and employees, shall not be considered to be employees of any other Party.

IN WITNESS WHEREOF, the Parties to this MOU have caused the same to be executed by each of their duly authorized officers as follows:

City of Stockton **Will Crew** **Acting City Manager**	**San Joaquin County** **Chris Woods** **Director, Human Services Agency**
Date:	**Date:**
City Attorney **Approved to Form**	**County Counsel** **Approved to Form**
Date:	**Date:**

File #: 25-0777, **Version:** 1

APPROVE RESOLUTION TO ESTABLISH NEW CLASSIFIED/REPRESENTED CLASSIFICATION SPECIFICATIONS OF CODE AND HOUSING ENFORCEMENT OFFICIAL, PUBLIC SAFETY TELECOMMUNICATIONS MANAGER, AND PROPERTY AND RECORDS MANAGER FOR THE STOCKTON POLICE DEPARTMENT AND APPROVE THE PROPOSED SALARY RANGES

RECOMMENDATION

It is recommended that the City Council adopt a resolution establishing three new classified/represented classification specifications of Code and Housing Enforcement Official, Public Safety Telecommunications Manager, and Property and Records Manager for the Stockton Police Department (SPD) and assign the salary ranges.

Summary

The City Council is being asked to establish the proposed new single-incumbent classifications titled Code and Housing Enforcement Official, Public Safety Telecommunications Manager, and Property and Records Manager and the proposed salary ranges.

DISCUSSION

Background

In May of 2024, the City Auditor Moss Adams LLP conducted an efficiency study of the SPD's Animal Shelter. Within the audit recommendation was to separate the existing Police Service Manager classifications into four distinct functional operations and create new classifications specific to each specialized service. The Animal Services Manager was approved by City Council on January 21, 2025. Staff worked with the department and finalized the remaining three proposed management classifications and salary ranges which are being submitted tonight for approval.

Classifications: The proposed Code and Housing Enforcement Official classification is a single, non-sworn management position that will reside within the SPD's Neighborhood Services Section. If approved, this classification will be included in the Civil Service system and placed in the Mid-Management Level bargaining unit. In addition, this classification will be exempt under the Fair Labor Standards Act. The SPD plans to reclassify the current Police Services Manager overseeing the Neighborhood Services section to this position.

The proposed Public Safety Telecommunications Manager classification is a single, non-sworn management position that will reside within the SPD's Telecommunications Section of the Support Services Division. If approved, this classification will be included in the Civil Service system and placed in the Mid-Management Level bargaining unit. In addition, this classification will be exempt under the Fair Labor Standards Act. The SPD plans to reclassify the current Police Services Manager overseeing the Telecommunications section to this position.

The proposed Property and Records Manager classification is a single, non-sworn management position that will reside within the SPD's Property and Records Section of the Support Services Division. If approved, this classification will be included in the Civil Service system and placed in the Mid-Management Level bargaining unit. In addition, this classification will be exempt under the Fair Labor Standards Act. The SPD plans to reclassify the current Police Services Manager overseeing the Property and Records section to this position.

Salary Ranges: Staff recommend the following annual salary ranges step 1-6:

FY 2025-26 ANNUAL BASE SALARY BY STEP						
Classification	**Step 1**	**Step 2**	**Step 3**	**Step 4**	**Step 5**	**Step 6**
Code and Housi Enforcement Of	$127,121.64	$133,645.22	$140,501.51	$147,691.37	$155,252.12	$163,229.46
Public Safety Telecommunicati Manager*	$127,121.64	$133,645.22	$140,501.51	$147,691.37	$155,252.12	$163,229.46
Property and Records Manag	$115,786.10	$121,727.95	$127,972.87	$134,521.60	$141,409.08	$148,670.74

*Classification does not currently exist on the salary schedule

FINANCIAL SUMMARY

The additional costs generated by the new classifications will be funded through the existing FY25-26 SPD Budget. The table below reflects the FY 2025-26 annual salary and benefit costs of the proposed new classifications:

FY 2025-26 TOTAL POSITION EXPENSE						
Classification	**Step 1**	**Step 2**	**Step 3**	**Step 4**	**Step 5**	**Step 6**
Code and Housi Enforcement Of	$207,854.67	$217,662.22	$227,969.97	$238,779.21	$250,146.04	$262,139.17
Public Safety Telecommunicati Manager*	$207,854.67	$217,662.22	$227,969.97	$238,779.21	$250,146.04	$262,139.17
Property and Records Manag	$190,812.82	$199,745.80	$209,134.41	$218,979.77	$229,334.41	$240,251.59

*Classification does not currently exist on the salary schedule

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION TO CREATE NEW CLASSIFIED/REPRESENTED CLASS SPECIFICATIONS OF CODE AND HOUSING ENFORCEMENT OFFICIAL, PUBLIC SAFETY TELECOMMUNICATIONS MANAGER, AND PROPERTY AND RECORDS MANAGER FOR THE POLICE DEPARTMENT AND APPROVE THE PROPOSED SALARY RANGES

It is necessary to establish three new classifications of Code and Housing Enforcement Official, Public Safety Telecommunications Manager, and Property and Records Manager to provide oversight of the Police Department's key service areas of operation; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The new classified/represented class specifications are hereby created with the salaries approved as follows:

JOB CLASS	FY2025-26 BASE ANNUAL SALARY BY STEP					
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Code and Housing Enforcement Official	$127,121.64	$133,645.22	$140,501.51	$147,691.37	$155,252.12	$163,229.46
Public Safety Telecommunications Manager	$127,121.64	$133,645.22	$140,501.51	$147,691.37	$155,252.12	$163,229.46
Property and Records Manager	$115,786.10	$121,727.95	$127,972.87	$134,521.60	$141,409.08	$148,670.74

2. The Director of Human Resources is hereby directed to prepare the appropriate class specification in accordance with section 2.36.080 of the Stockton Municipal Code.

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3. The City Manager is hereby authorized and directed to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED August 12, 2025 .

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

File #: 25-0753, **Version:** 1

APPROVE MOTION TO ENTER INTO A NEW CONTRACT WITH APPLIED OFFICE FOR CITYWIDE COMPUTER TRAINING SERVICES

RECOMMENDATION

It is recommended that the City Council approve a motion to:

1. Award a Professional Services Contract to Applied Office for a term of three (3) years with the option of two (2) one-year renewals for citywide computer training services. The total contract amount is $166,320 for the first three years, with two (2) one-year optional renewals, estimated at $55,440 per year;

2. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process; and

3. Authorize the City Manager, or designee, to take necessary and appropriate actions to carry out the purpose and intent of this motion.

Summary

On February 24, 2025, the City issued a Request For Proposals (RFP) for computer training services under a three-year contract (PUR-25-024). On April 10, 2025, six proposals were received, with Applied Office submitting the most comprehensive and qualified proposal (Attachment A). The citywide computer training program provides instructor-led in-person or virtual group applications and features training for City staff on core business applications.

The recommended motion authorizes the purchase and acquisition of a three-year contract for computer training services from Applied Office (Attachment B), for a total cost of $166,320 and two (2) one-year optional renewals at an estimated cost of $55,440 per year (Attachment C).

DISCUSSION

Background

The Information Technology (IT) Department oversees computer training for all City employees. Courses are related to core business applications (e.g., Outlook for email, SharePoint, OneDrive, Microsoft Teams, and other Office productivity tools). All courses are instructor-led and can be offered both in-person and virtually.

Over the last few years, the City of Stockton has deployed a suite of modern technology tools to increase office productivity. To ensure effective use of these tools, the IT Department previously

solicited, evaluated, and selected a qualified training consultant through the Request For Proposals (RFP) process. As a result of the previous RFP process, the current contract with Applied Office was awarded and approved under Motion 2020-08-11-1105 and expires on September 30, 2025. By contracting with a skilled training consultant, we ensure staff are provided with the highest quality materials, opportunities for growth, and faster deployment of technology for better adoption rates and higher productivity.

Applied Office has been a key contributor to the growth of the Citywide Training Program and the expanding course list and curriculum over the last three fiscal years. During FY 2022-23 and FY 2023-24 (Table 1), Applied Office provided in-person and virtual training on 37 different application courses, hosting 120 sessions in total across all subjects, which reached over 1,050 staff throughout the two-year period.

Table 1: Previous Expenditures:

Expenditure Description	**FY 2022-23**	**FY 2023-24**	**Projected FY 2024-25**	**Estimated Total**
Computer Training Services	$40,350	$35,812	$42,950	$119,112

The proposed contract includes expanded application courses, reporting and analysis services to be provided, such as class statistics, quarterly reporting, and workforce assessment, for better alignment of future course offerings. By utilizing a three-year contract with two (2) one-year optional renewals, the IT Department can continue to execute a long-term training program that provides continuity, builds on skills assessments, and ensures qualified and knowledgeable instructors for City staff.

Present Situation

On February 24, 2025, the City issued an RFP for computer training services under a three-year contract (PUR-25-024). The purpose was to identify and select a qualified training consultant to assist the City of Stockton in providing in-person and virtual computer training courses for City employees.

A Notice Inviting Proposals for the procurement of citywide computer training services was published in BidFlash (PUR 25-024) on February 24, 2025. The Notice Inviting Proposals was also emailed to one vendor from former engagements.

Six proposals were received on April 10, 2025. The proposals were evaluated for technical experience and employee engagement criteria prior to reviewing and evaluating the proposed fees and total cost.

The proposal (Attachment A) from Applied Office for a three-year contract for citywide computer training services met the published specifications and received the highest ranking. Applied Office was the most qualified based on the criteria for evaluation and the RFP selection process. It is recommended that Council approve a motion authorizing the procurement and contract for services from Applied Office in the total estimated amount of $166,320 for three years with two (2) one-year optional extensions for an estimated $55,440 per year (Attachment C).

Findings

Stockton Municipal Code Section 3.68.070(A)(3) provides an exception to the competitive bidding process in cases where the City Council has approved findings that support and justify the exception. The proposed findings are as follows:

1. The City does not have sufficient staff to provide citywide training for core applications. By contracting with a qualified and skilled training consultant, we ensure staff are provided with quality materials, opportunities for growth, and faster deployment of technology for better adoption rates and higher productivity.

2. The RFP process is appropriate for this Professional Services Contract because it relies on evaluating professional qualifications and performance to select a vendor. Based on these criteria, the selected vendor was the most qualified.

3. The City negotiated a contract following solicitation of competitive proposals in accordance with SMC section 3.68.070.A.3.

FINANCIAL SUMMARY

The total purchase authority requested is $277,200. This includes a three-year contract with Applied Office for $166,320 (Ref. Table 2), plus two optional one-year extensions at $55,440 each, totaling $110,880. Budget is appropriated for Fiscal Year 2025-26 in the Technology Internal Service Fund 510.

Table 2: Three-Year Contract

Expenditure Description	FY 2025-26	FY 2026-27	FY 2027-28	Estimated Total
Computer Training Services	$55,440	$55,440	$55,440	$166,320

Future costs will be included in the annual budget appropriation process. There is no impact to the General Fund.

Attachment A - Applied Office Proposal
Attachment B - Contract with Applied Office
Attachment C - Applied Office Fee Schedule

CITYWIDE TRAINING	
PUR 25-024	
SUBMITTAL DUE: THURSDAY, APRIL 10, 2025; AT 2:00 PM	
RFP Submittal Electronic Mail	city.clerk@stocktonca.gov
Proponent Business Name	David Diskin dba Applied Office
Proponent Contact Name	David Diskin
Proponent Address	PO Box 1582, Lodi, CA 95241
Proponent Phone Number	209-610-0651
Proponent Email Address	david@AppliedOffice.net
Department of Industrial Relations ID Number (if applicable)	N/A

Applied Office

Onsite Software Training

Proposal

Response to RFP PUR 25-024 Citywide Training

For the City of Stockton
September 2025 through August 2030

Submitted By

David Diskin
Owner, Applied Office

PO Box 1582
Lodi, CA 95241-1582

209-610-0651
appliedoffice.net
david@appliedoffice.net

Executive Summary

David Diskin dba Applied Office is pleased to respond to RFP PUR 25-024 (Citywide Training) and continue its eight-year relationship as a vendor for the City of Stockton.

Summary of Experience (CL #3)

David Diskin is a **Microsoft Certified Professional** and certified **"Master" of Microsoft Office** with over 25 years of computing experience in training, application development, and consulting.

David currently provides on-site computer training to many businesses and government agencies including:

- The City of Stockton
- University of the Pacific
- Adventist Health (Lodi)
- California Waste Recovery Systems
- The City of Tracy
- California Dept of Justice
- Illumina
- Blue Diamond Growers

David is proud to present the following **qualifications and advantages** as your trusted IT training and consulting provider:

- **Local:** David has demonstrated an ability to quickly respond to demand as-needed for in-person classroom delivery and meetings without added charges for travel or being limited to video conferences.
- **Consistency:** As a trusted vendor with the City of Stockton since 2017, David has delivered over 1,800 hours of classes and consulting to City employees.
- **Familiarity:** David is extremely familiar with the City of Stockton's Microsoft 365 implementation and has consulted on its use of SharePoint, Teams, and other related services since their rollout. David has also developed a rapport with City staff in every department, most notably IT and HR.

- **Convenience**: Without any other employees or subcontractors, David provides a single point of contact for all services including training delivery, facilitation, consulting, and billing.
- **Experience:**
    - 25 years of experience using Microsoft Office
    - 20 years of experience training on Microsoft Office and Windows
    - 20 years of experience creating curriculum on a variety of applications
    - 15 years of experience training on Microsoft SharePoint
    - 8 years of experience training on WebEx
    - 7 years of experience training on Microsoft Teams
    - 7 years of experience training on Adobe Acrobat
    - 7 years of experience delivering training online
- **Certifications:**
    - Microsoft Office User Specialist at the "Master" Level
    - Microsoft Certified Professional
    - CompTIA A+
- **Flexibility:** David's services include a large catalog of available courses that can be delivered in person and online. Classes are customized based on the City's specific needs, policies, and implementation. There are no contractual minimums or requirements.

Acknowledgement of Addendums (CL #4)

Addendum #1 (on March 28, 2025) is hereby acknowledged.

Addendum #2 (on April 3, 2025) is hereby acknowledged.

Proposal Timeframe (CL #5)

This proposal, and all its contents, including the fee proposal, are valid until July 31, 2025.

Qualifications and Experience

Firm Organization (5.1.1)

David Diskin dba Applied Office is a sole proprietorship based in Lodi, CA, founded in April 2005.

There are no divisions, parent/holding companies, subcontractors, or other personnel.

For David's resume, please see Appendix A.

Prior experience with government-based contracts includes:

- The City of Stockton (2017)
- California Department of Justice (2009)
- California Office of Emergency Services (2008)
- City of Lathrop (2019)
- City of Tracy (2023)
- San Joaquin County Public Works (2017)

Services to these clients includes training on Microsoft software (including Microsoft 365), consulting and development on Microsoft 365 services (including SharePoint and Power BI), and database development (Access and SQL).

List of References (5.1.2)

Please see Attachment D.

Financial Capacity (5.1.3)

Please see Attachment E.

Further, it is affirmed that David Diskin dba Applied Office is not involved in any ongoing bankruptcy, reorganization, liquidation, or dissolution.

Qualifications (5.1.4)

It is affirmed that David Diskin dba Applied Office meets the following criteria:

- ✓ Minimum of 10 Years of Experience Training and Delivering on Microsoft Office Applications
- ✓ Extensive Knowledge of Microsoft 365, Adobe Acrobat, HTML, Power BI, Power Query, Windows, and SharePoint
- ✓ Certified Microsoft Office Specialist (MOS) "Master" Level

Further, David Diskin can (and has been) deliver classes at the City's training center and via Microsoft Teams.

Further, David Diskin dba Applied Office will comply with all City of Stockton regulations, including:

- ✓ Execution of the Professional Services Agreement (PSA)
- ✓ Provide a Certificate of Insurance
- ✓ Execution of a Mutual Non-Disclosure Agreement (MNDA)
- ✓ Hold Appropriate Business Licenses

All services will be billed at a flat, hourly rate.

Method of Approach (5.2)

Scope of Work (5.2.1)

David Diskin dba Applied Office has read and understands the requirements of the Scope of Work.

This proposal is to provide live, instructor-led training for City employees on Microsoft 365, Adobe, and other apps and technologies as requested, online and in person.

Meeting Scope Requirements (5.2.2)

Training Methods

Interactive sessions allow employees to follow along on their workstations, onsite *or* remotely, while watching the instructor's display and asking questions as they learn.

Lecture sessions allow employees to "watch and learn" via the instructor's display, allowing for them to practice on their own time after the lecture has ended.

Locations

Onsite classes will be held at your training facilities in Stockton.

Remote classes will be broadcast via Teams, Zoom, or Webex.

Class Size

This proposal is offered as a flat rate, regardless of the number of participants in any session. However, to ensure attendees have a positive experience, a maximum number of attendees is recommended:

	Interactive	Lecture
Onsite	18 Max	50 Max
Remote	30 Max	100 Max

Classes may also be limited based on the size of your training facility and network capabilities.

Equipment and Technologies

For all onsite sessions, you will provide a workstation, projector, and screen for the instructor's use. It is recommended that you provide workstations (or laptops) for each of your participants or enough for them to pair up. All workstations will need to have Microsoft 365 installed, or access to a remote service. It is recommended that internet and network access be made available to the instructor and all participants. Sample files will be made available for training via email, USB, or network access prior to the class. You will also provide a parking permit.

For all remote sessions, you will provide a license for a delivery service such as Microsoft Teams.

For all sessions, you will provide an Microsoft 365 license at E3/G3 or higher for instructor's use. (Other classes, such as Power BI Service, may require additional licenses.)

Class Dates, Duration, and Times

Your instructor is available for classes most days starting September 2025. When you are ready, we can compare calendars and select dates for training.

Most classes are full day (six hours). This proposal is priced for a specific number of hours of training, regardless of the number of classes.

Materials

Materials provided include a class description, and may include additional handouts such as an agenda or "cheat sheets" to help attendees recall information they have learned after the class. They will be provided at no charge as PDFs which you may distribute via handouts and/or your intranet to attendees and other employees or printed using your resources.

Attendance Reporting

Starting with this new contract, David will provide reports that summarize class attendance by topic and department, top attendees, top classes, number of learning hours, and other metrics including those gathered from the aforementioned survey. An hourly rate may apply for initial development.

Class Schedule and Topics

Refer to the Course Listing (sent as an attachment) for available classes. Additional topics can be added upon request. If a requested topic requires the instructor to learn new material, an hourly rate may apply.

Class Cancellation

Classes may be cancelled or rescheduled with 2 business days' notice, for any reason, and no charge will be incurred. Classes cancelled or rescheduled with less than 2 business days' notice will be charged for one (1) hour.

Likewise, this quote assumes no minimum and you are not required to schedule all available days/hours/classes to maintain the listed price.

Best Practices (5.2.3)

To ensure the highest quality training experience, Applied Office adheres to pedagogical and information technology best practices that enhance engagement, retention, and application of knowledge. For instance,

- Active Learning: Most training sessions incorporate hands-on exercises, using real-world scenarios, with classroom discussions.
- Customized Content: Courses are tailored to meet the specific needs of the City, often specific to employees' departments and skill, ensuring relevance.
- Feedback-Driven: Immediate feedback from attendees and post-class surveys allows for continuous refinement of course content and delivery.

- Follow-Up Resources: Materials such as recorded sessions reinforce learning, reach more employees, and provide self-guided support on demand.

Quality Assurance (5.2.4)

Per our prior agreements, David launched a survey that all attendees are encouraged (and reminded) to complete after each class. The results and raw data of this survey are available to select City employees at any time.

As of March 10, 2025, KPIs from the survey's 868 results include:

Consulting Services (Optional)

In addition to instructor-led training classes, this proposal offers additional services to be provided as determined by the City.

Curriculum and Learning

David is available to assist in the authoring and editing of **learning assets** including, but not limited to:

- quick reference materials and other documentation
- presentations and videos
- SharePoint sites and pages that focus on training

David is also available to **consult on training lab design**, including room layout, hardware selection, software and technology integration, and lab policies to optimize the learning environment.

One-on-One Assistance and Consulting

To help individuals and departments that need support beyond what the IT Help Desk can provide, David may assist with questions and projects related to Microsoft 365 including, but not limited to:

- spreadsheets, including templates and macros
- building and administering sites, libraries, and pages in SharePoint
- assistance maintaining Access databases

All requests under this heading require prior approval from the Technology Training Coordinator.

Resume (Appendix A)

David Diskin is a certified **Microsoft Office "Master"** and works with small businesses and government agencies daily by helping them become more efficient with Microsoft Office. He has been using **Microsoft Office since 1995**, honing his skills in each application for "real world" use through training, consulting, and development.

David began training others on computer software in 1992 and has developed a reputation for being **patient** with all users yet **technically savvy** enough to impress power users. His delivery is **high-energy**, **clear**, and packed with **relevant examples** and **useful tips**.

Living in Lodi, CA, he spends much of his free time assisting non-profit organizations.

Clients

David's clients include Blue Diamond Growers, Delta Health Systems, Adventist Health, Illumina, EDF Renewables, Grocery Outlet, the University of the Pacific, Cal-Waste Recovery, and many government agencies including the California Department of Justice and the City of Stockton.

Skilled Areas

Operating Systems: All versions of Microsoft Windows from 3.1 to Windows 11.

Applications: Microsoft Word, Excel, Outlook, OneNote, Access, Publisher, Visio, PowerPoint, Project, Loop, Teams, Power BI, OneDrive, Power Automate, Forms, SharePoint, and many more.

Other Skills: Database design and implementation, public speaking, technical documentation, graphic and website design, social networking, video production, and photography.

Certification

David possesses the following certificates:

- CompTia iNet+ Certification
- Microsoft Office User Specialist: Master
- Microsoft Certified Professional
- The Dale Carnegie Course

Community Support

David is a proud supporter of the following:

- Breakthrough Project of Lodi
- World of Wonders Science Museum
- Museum of Science and Curiosity
- Harvest Home Animal Sanctuary

For 10 years, David also ran Leadership Lodi and is a graduate of both Leadership Lodi and Leadership Stockton.

Attachment B – Proponent's Covenant

ATTACHMENT B- PROPONENT'S COVENANT

In submitting this proposal, as herein described, the Proponent agrees that:

1. They have carefully examined the Scope of Work and all other provisions of this document and understand the meaning, intent, and requirements of same.
2. They will enter into contract negotiations and furnish the services specified.
3. They have signed and notarized the attached Non-Collusion Affidavit form, whether individual, corporate or partnership. Must be 'A Jurat' notarization.
4. They have reviewed and signed all clarifications/questions/answers on the City's website at www.stocktonca.gov/itbid.
5. Confidentiality: Successful Proponent hereby acknowledges that information provided by the City is personal and confidential and shall not be used for any purpose other than the original intent outlined in the Request for Proposal. Breach of confidentiality shall be just cause for immediate termination of contract agreement.

David Diskin dba Applied Office

FIRM

PO Box 1582, Lodi CA 95241

ADDRESS

March 11, 2025

SIGNED BY & DATE

Owner

TITLE OR AGENCY

209-610-0651

PHONE/FAX NUMBER

david@AppliedOffice.net

EMAIL

Attachment C - Non-Collusion Affidavit

ATTACHMENT C - NON-COLLUSION AFFIDAVIT

No. 1 **AFFIDAVIT FOR INDIVIDUAL PROPONENT**

STATE OF California, _____)**ss.**
County of San Joaquin _____)
(insert)

David Diskin being first duly sworn, deposes and says: That on behalf of any person not named herein; that said Proponent has not colluded, conspired, connived or agreed, directly or indirectly with, or induced or solicited any other bid or person, firm or corporation to put in a sham bid, or that such other person, firm or corporation shall or should refrain from bidding; and has not in any manner sought by collusion to secure to themselves any advantage over or against the City, or any person interested in said improvement, or over any other Proponent.

_____
(Signature Individual Proponent)

Subscribed and sworn to (or affirmed) before me on this 14 day of March, 2025
by David Diskin, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Seal _____

Signature _____

K. LERUM
COMM. # 2415308
SAN JOAQUIN COUNTY
NOTARY PUBLIC-CALIFORNIA
MY COMMISSION EXPIRES
SEPTEMBER 08, 2026

No. 2 **AFFIDAVIT FOR CORPORATION PROPONENT**

STATE OF _____, _____)**ss.**
County of _____)
(insert)

_____being first duly sworn, deposes and says: That they are the_____ of _____ a corporation, which corporation is the party making the foregoing bid, that such bid is genuine and not sham or collusive, or made in the interest or behalf of any person not named herein; that said Proponent has not colluded, conspired, connived or agreed, directly or indirectly with, or induced or solicited any other bid or person, firm or corporation to put in a sham bid, or that such other person, firm or corporation shall or should refrain from bidding; and has not in any manner sought by collusion to secure to themselves any advantage over or against the City, or any person interested in said improvement, or over any other Proponent.

_____
(Signature Corporation Proponent)

Subscribed and sworn to (or affirmed) before me on this _ day of _____, 20___ by _____ _____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Seal _____

Signature _____

Attachment D - References

ATTACHMENT D – AGENCY REFERENCE FORM
PUR 25-024

Supply Three (3) References of Government Agencies and/or Firms for whom Bidder has provided similar Services during the last three (3) years:

LIST OF REFERENCES

1. Agency or Firm Name:	**City of Stockton**
Location of the Service:	Stockton, CA and Online
Contact Person and Title:	Clarise Tolentino
Telephone:	(209) 937-7324
Email Address:	clarise.tolentino@stocktonca.gov
Description of Service:	IT Training and Consulting
Date(s) When Service Provided:	August 2017 to Current
2. Agency or Firm Name:	**City of Tracy**
Location of the Service:	Online
Contact Person and Title:	Norbert Ruijling
Telephone:	(209) 831.6801
Email Address:	norbert.ruijling@cityoftracy.org
Description of Service:	IT Training and Consulting
Date(s) When Service Provided:	November 2023 to Current
3. Agency or Firm Name:	**City of Lathrop**
Location of the Service:	Lathrop, CA and Online
Contact Person and Title:	Juliana Burns
Telephone:	209-941-7231
Email Address:	jburns@ci.lathrop.ca.us
Description of Service:	IT Training and Consulting
Date(s) When Service Provided:	November 2019 to Current

Signature and acknowledgment by signing below, I certify that I am authorized by the company named above to respond to this request.

Company/Firm Name	David Diskin dba Applied Office				
Address	PO Box 1582, Lodi, CA			Zip:	95241
Contact Name	David Diskin				
Email	david@AppliedOffice.net		Phone	209-610-0651	
Fax	N/A	Signature	DD		

Attachment E - Financial Capacity

ATTACHMENT E – CERTIFICATION OF FINANCIAL CONDITION

Solicitation #: PUR 25-024

Vendor Name: David Diskin dba Applied Office

The undersigned hereby certifies that: [check all applicable boxes]

☑ The Vendor is in sound financial condition and, if applicable, has received an unqualified audit opinion for the latest audit of its financial statements.
Date of latest audit: none (If no audit within past 18 months, explain reason below.)
Far too small to need an audit.

☑ The Vendor has no outstanding liabilities, including tax and judgment liens, to the Internal Revenue Service or any other government entity.

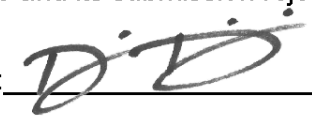
☑ The Vendor is current in all amounts due for payments of federal and state taxes and required employment-related contributions and withholdings.

☑ The Vendor is not the subject of any current litigation or findings of noncompliance under federal or state law.

☑ The Vendor has not been the subject of any past or current litigation, findings in any past litigation, or findings of noncompliance under federal or state law that may impact in any way its ability to fulfill the requirements of this Contract.

☑ He or she is authorized to make the foregoing statements on behalf of the Vendor.
Note: This shall constitute a continuing certification and Vendor shall notify the Contract Lead within 30 days of any material change to any of the representations made herein.

If any one or more of the foregoing boxes is NOT checked, Vendor shall explain the reason(s) in the space below. Failure to include an explanation may result in Vendor being deemed non-responsive and its submission rejected in its entirety.

Signature:  Date: March 11, 2025

Printed Name: David Diskin Title: Owner

Attachment F - Price Sheet

Per RFP requirements, this has been provided as a separate attachment.

Attachment G - Subcontractors

ATTACHMENT G - SUBCONTRACTOR LIST
PUR 25-024

PLEASE LIST BELOW ALL SUBCONTRACTORS CONTRIBUTING TO THIS WORK

Each bidder shall give the name, business address, license number, description of the work, and the dollar amount to be PAID the subcontractor, for each subcontractor that will be used on the project, if the Bidder is awarded the contract. Only subcontractors with work in excess of one-half of one percent (0.5%) or $10,000 (whichever is greater) of the Bidder's total bid need to be listed. All work in excess of one-half of one percent (0.5%) or $10,000 (whichever is greater) of the Bidder's total bid, for which a subcontractor is not listed on this form, shall be performed by the Bidder's own organization. Additional numbered pages listing proposed subcontractors may be attached to this page. Each page shall be headed "Proposed Subcontractors" and shall be signed by the Bidder.

PRINT LEGIBLY OR TYPE

BUSINESS NAME/ADDRESS	CONTACT	PHONE NUMBER	LICENSE NUMBER & LICENSE CLASSIFICATION	TYPE OF WORK	AMOUNT
None					

Attachment H - Exceptions

ATTACHMENT H - EXCEPTIONS
PUR 25-024

None

Conclusion

Thank you for allowing me to present this proposal. Please keep in mind that many aspects of this proposal can be tailored to your specific needs.

Sincerely,

David Diskin, Applied Office
209-610-0651
david@appliedoffice.net

CITY OF STOCKTON
STANDARD AGREEMENT

Agreement Number:

1. This Agreement is entered into between the City of Stockton ("City") and Applied Office ("Contractor") to provide City-Wide training services as set forth in Exhibit A to this Agreement.

2. The term of this Agreement is as follows, unless amended as described in Exhibit A and Exhibit C section 8:
Commences on: October 1, 2025 Terminates on: September 30, 2028

3. The maximum not to exceed amount to be paid to Contractor for the term of this Agreement, including if authorized, reimbursement of expenses, is: $ $166,320.00

4. The complete Agreement consists of all the following Agreement documents which by reference are incorporated and made a part of this Agreement. The parties agree to comply with the terms and conditions of this Agreement.

(a) Exhibit A – Statement of Work
(b) Exhibit B – Insurance
(c) Exhibit C – General Terms & Conditions
(d) Exhibit D – Professional Services Special Terms & Conditions
(e) Exhibit E – Compensation Schedule
(f) Exhibit F – Timeline

IN WITNESS WHEREOF, the authorized parties have executed this Agreement.

CONTRACTOR

David Diskin dba Applied Office
Contractor's Name (if other than an individual, state whether a corporation, partnership, etc.):

Authorized Signature — Date: June 5, 2025

David Diskin, Owner
Printed Name and Title of Person Signing

PO Box 1582, Lodi, CA 95241
Address

CITY OF STOCKTON

Steve Colangelo, Interim City Manager — Date

ATTEST:

Katherine Roland, CMC, CPMC, City Clerk

APPROVED AS TO FORM:
Lori M. Asuncion, City Attorney

BY:

(Rev. 10.27.22)

EXHIBIT A
STATEMENT OF WORK

1. Project Objectives

1.1. The City's Information Technology department oversees citywide computer training for all City employees. Courses are related to business applications that the City needs to carry out business (i.e., Microsoft and Adobe productivity tools, ad-hoc applications, etc.).

1.2. The objectives for this engagement are to

1.2.1. Provide in-depth training for City staff on applications required to further their knowledge base, and

1.2.2. Expand City capabilities and assist the IT Department with projects related to Microsoft 365 through consulting, support, and development.

2. Project Scope and Contractor Responsibilities

The contractor will provide, and bill hourly for, the following services:

2.1. **Curriculum and Planning:** Prior to offering classes, the Contractor will:

2.1.1. Customize class topics and curriculum based on the City's specific needs, and

2.1.2. Work with City staff to draft and finalize the schedule of training sessions each fiscal year (July 1st through June 30th).

2.2. **Delivery**: Contractor shall provide live, instructor-led training for City employees on Microsoft Office 365, Adobe, and other applications, concepts, and technologies as requested by the IT Department. The contractor will:

2.2.1. Deliver classes in a **format** that best suits the content, for example:

a. Interactive sessions allow employees to follow along on their workstations while watching the instructor's display and asking questions as they learn, and

b. Lecture sessions allow employees to "watch and learn" from the instructor, ideal for some topics (such as Online Security) allowing for them to reflect or practice on their own, after the lecture.

2.2.2. Deliver classes in a **location** deemed necessary by the IT Department:

a. On-site classes will be held at City of Stockton training facilities in Stockton, and

b. Remote classes will be broadcast via Microsoft Teams.

2.2.3. Instruct an average of four (4) full days per month (typically six classroom hours each day), and

2.2.4. Class topics shall include Microsoft 365, Adobe, and other applications, concepts, and technologies as requested by the IT Department.

2.3. **Materials**: The Contractor's materials shall include a class description and may include additional handouts such as an agenda or "cheat sheets" to help attendees recall information they have learned after the class. They will be provided at no charge as PDFs that may be distributed via handouts and/or the City's intranet to attendees and other employees or printed using City resources.

2.4. **Assessment**: To be continually effective, the Contractor will:

2.4.1. Informally assess employee engagement and understanding of the materials,

2.4.2. Develop and maintain an online survey for employees to review classes and provide feedback,

2.4.3. Gather statistics on class attendance,

2.4.4. Produce quarterly and annual reports on a variety of factors including attendance by topic and department, top attendees, top classes, number of learning hours, and other metrics, including those gathered from the aforementioned survey,

2.4.5. Assess the workforce annually to determine training needs and preferences, and

2.4.6. Propose new and revised courses as they pertain to the expanding list of City applications and employee needs, and adapting to changing infrastructure and technologies

2.5. **After-Class Development:** To assist employees after classes, Contractor will:

2.5.1. Publish recorded classes on the IT Training Resources SharePoint Site to be available to all employees, and

2.5.2. Respond to attendee questions, via email, for 30 days after a class.

2.6. **One-on-One and Group Assistance**: To help individuals and departments that need support beyond what the IT Help Desk can provide, Contractor may assist with questions and projects related to Microsoft 365 including, but not limited to:

2.6.1. Spreadsheets, including templates and macros,

2.6.2. Building and administering sites, libraries, and pages in SharePoint,

2.6.3. Assistance through automation using Power Automate,

2.6.4. Assistance in reporting through Power BI, and

2.6.5. Assistance maintaining SQL and Access databases.

2.7. **Learning Asset Development**: Contractor is available to assist in the authoring and editing of learning assets including, but not limited to:

2.7.1. Quick reference materials and other documentation,

2.7.2. Presentations and videos,

2.7.3. SharePoint sites and pages that focus on training, and

2.7.4. Consultation on training lab design, including room layout, hardware selection, software and technology integration, and lab policies to optimize the learning environment.

3. City Responsibilities

3.1. **Equipment**: For all onsite sessions, City will provide a workstation and projector/screen or equivalent display for the Contractor's use. All attendee workstations shall have Microsoft 365 installed or access to a remote service. Internet and network access shall be made available to the Contractor and all participants.

3.2. **Licensing**: City will provide licensing for the Contractor's use, including:

3.2.1. Microsoft 365 license at E3/G3 or higher,

3.2.2. Access to services required to facilitate the scope of this agreement including SharePoint, Forms, Power Automate, Stream, and Power BI Service, and

3.2.3. Microsoft Teams Phone Conferencing (for remote classes),

3.2.4. Power BI Service (for Power BI classes),

3.2.5. Copilot (for Copilot and related classes), and

3.2.6. Additional licenses, as required for desired classes.

3.3. **Marketing**: City will market classes to city employees.

3.4. **Registration Tracking**: City will process registrations, invite attendees to classes, and manage attendee cancellations.

3.5. **Room Reservations**: City will manage the reservation of labs used for onsite classes.

3.6. **Parking**: City will provide a parking permit for the duration of this agreement.

4. Limitations and Other Notes

4.1. **Class Size**: Services are offered as a flat hourly rate, regardless of the number of participants in any session. However, to ensure attendees have a positive experience, a maximum number of attendees is recommended:

	Interactive	Lecture
Onsite	18 Max	50 Max
Remote	30 Max	100 Max

4.2. **Class Cancellation**: Classes may be cancelled or rescheduled with 2 business days' notice, for any reason, and no charge will be incurred. Classes cancelled or rescheduled with less than two (2) business days' notice will be charged for one (1) hour.

5. Major Deliverables:

Contractor shall:

5.1. Evaluate and propose class topics and updated curriculum each year,

5.2. Create an annual calendar of training classes with a minimum of four (4) full-day training classes, either in-person or online, per month,

5.3. Maintain a post-class survey to gather attendee feedback, and

5.4. Provide an on-demand report on training delivered, attendance, and feedback.

6. Notices

6.1. Pursuant to Exhibit C – General Terms and Conditions, Paragraph 15 – Notices, the mailing address for all required notices is as follows:

Contractor: Applied Office
Attn: David Diskin
P.O. Box 1582
Lodi, CA 95241

City: City of Stockton
Attn: Information Technology
425 N. El Dorado Street
Stockton, CA 95202

7. Key Personnel

Applied Office,
David Diskin,
(209) 610-0651
david@AppliedOffice.net

8. Option to Renew

A written amendment executed by both parties may extend the term of the Agreement up to two (2) one-year extensions. However, the total term of the Agreement, including the extended term, shall not exceed five (5) years.

Exhibit B:
Insurance Requirements
(Professional Services)

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability** (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability**: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **$1,000,000** per accident for bodily injury and property damage.

3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.
(Not required if consultant provides written verification it has no employees)

4. **Professional Liability/Errors and Omissions** insurance appropriates to the Consultant's profession, with limit no less than **$1,000,000** per occurrence or claim, **$1,000,000** aggregate.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Stockton, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 if a later edition is used). Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

Primary Coverage

For any claims related to this contract, the **Contractor's insurance coverage shall be primary and non-contributory** and at least as broad as ISO CG 20 01 04 13 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies. The City of Stockton does not accept endorsements limiting the Contractor's insurance coverage to the sole negligence of the Named Insured.

Umbrella or Excess Policy

The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess liability policies are exhausted.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City of Stockton.

Waiver of Subrogation

Contractor hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies

regardless of whether or not the City of Stockton has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured retention (SIR) or deductible that exceeds $25,000 unless approved in writing by City of Stockton. Any and all deductibles and SIRs shall be the sole responsibility of Contractor or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. City of Stockton may deduct from any amounts otherwise due Contractor to fund the SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. City of Stockton reserves the right to obtain a copy of any policies and endorsements for verification.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Stockton.

Claims Made Policies

If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained and evidence of insurance must be provided *for at least five (5) years after completion of the contract of work*.

3. If coverage is canceled or non-renewed, and not replaced *with another claims-made policy form with a Retroactive Date prior to* the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of *five (5)* years after completion of work.

Verification of Coverage

Contractor shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by

this clause **and a copy of the Declarations and Endorsements Pages of the CGL and any Excess policies listing all policy endorsements**. All certificates and endorsements and copies of the Declarations & Endorsements pages are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Subcontractors

Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City of Stockton is an additional insured on insurance required from subcontractors.

Duration of Coverage

CGL & Excess liability policies **for any construction related work, including, but not limited to, maintenance, service, or repair work**, shall continue coverage for a minimum of 5 years for Completed Operations liability coverage. Such Insurance must be maintained and evidence of insurance must be provided *for at least five (5) years after completion of the contract of work*.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees, and Volunteers
400 E Main Street, 3rd Floor – HR
Stockton, CA 95202

EXHIBIT C

GENERAL TERMS AND CONDITIONS

1. Goods, Equipment and Services. Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to City the services described in Exhibit A of the Agreement. Contractor shall provide said services at the time, place and in the manner specified in Exhibit A of the Agreement.

2. City Assistance, Facilities, Equipment and Clerical Support. Except as set forth in Exhibit A, Contractor shall, at its sole cost and expense, furnish and maintain all facilities and equipment that may be required for furnishing services pursuant to this Agreement. If applicable, City shall furnish to Contractor only the facilities and equipment listed in Exhibit A to the Agreement.

3. Compensation. City shall pay Contractor for services rendered pursuant to this Agreement as described more particularly in Exhibit A and Exhibit E to the Agreement.

3.1 Invoices submitted by Contractor to City must contain a brief description of work performed, time spent and City reference number. Within thirty (30) days of receipt of Contractor's invoice, City will review invoice, and if acceptable make payment on approved invoice.

3.2 Upon completion of work and acceptance by City, Contractor shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Contractor fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.

4. Sufficiency of Contractor's Work. All Contractor services, work, and deliverables shall be performed in a good and workmanlike manner with due diligence in accordance with the degree of skill normally exercised by similar contractors supplying services and work of a similar nature, and in conformance with applicable laws, codes and professional standards. Contractor's work shall be adequate and sufficient to meet the purposes of this Agreement.

5. Ownership of Work. All reports, work product, all other documents completed or partially completed by Contractor or its approved subcontractors, in performance of this Agreement, and if applicable, drawings, designs, and plan review comments shall become the property of the City. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Contractor and its approved subcontractors agree

to execute any additional documents that may be necessary to evidence such assignment. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Contractor shall replace them at its own expense. Contractor and its approved subcontractors shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent.

6. Timeliness. Time is of the essence in this Agreement. Further, Contractor acknowledges that the failure of Contractor to comply with the time limits described in Exhibit A and Exhibit F may result in economic or other losses to the City.

7. Changes. Both parties to this Agreement understand that it may become desirable or necessary during the term of this Agreement for City to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work. Until the amendment is so executed, City will not be responsible to pay any charges Contractor may incur in performing such additional services, and Contractor shall not be required to perform any such additional services.

8. Amendment. No variation of the terms of this Agreement shall be valid unless an amendment is made in writing and signed by both parties.

9. Contractor's Status.

9. 1 In performing the obligations set forth in this Agreement, Contractor shall have the status of an independent contractor and Contractor shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Contractor are its agents and employees and are not agents or employees of City. Contractor by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Except as expressly provided in Exhibit A, Contractor has no authority or responsibility to exercise any rights or power vested in the City. No agent, officer or employee of the City is to be considered an employee of the Contractor. It is understood by both Contractor and City that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

9.2 Contractor shall determine the method, details and means of performing the work and services to be provided by Contractor under this Agreement. Contractor shall be responsible to City only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to City's

control with respect to the physical action or activities of Contractor in fulfillment of this Agreement. Contractor has control over the manner and means of performing the services under this Agreement. If necessary, Contractor has the responsibility for employing other persons or firms to assist Contractor in fulfilling the terms and obligations under this Agreement.

9.3 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Contractor.

9.4 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor's assigned personnel under the terms and conditions of this Agreement.

10. Subcontractor.

10.1 Subcontractors shall not be recognized as having any direct or contractual relationship with City. Contractor shall be responsible for the work of subcontractors, which shall be subject to the provisions of this Agreement. Subcontractors will be provided with a copy of the Agreement and be bound by its terms. Contractor is responsible to City for the acts and omissions of its subcontractors and persons directly or indirectly employed by them.

10.2 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by Contractor.

10.3 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor’s personnel.

11. Termination.

11.1 Termination for Convenience of City. The City may terminate this Agreement at any time by mailing a notice in writing to Contractor. The Agreement shall then be deemed terminated, and no further work shall be performed by Contractor. If the Agreement is so terminated, the Contractor shall be paid for the work actually completed at the time the notice of termination is received.

11. 2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party.

11.3 Funding- Non-Appropriation. It is mutually understood between the Parties that payment to the Contractor for performance shall be dependent upon the availability of appropriations by the City Council for the purposes of this Agreement. No legal liability on the part of the City for any payment may arise under this Agreement until funds are made available and until the Contractor has received funding availability, which will be confirmed in writing. If funding for any fiscal year is reduced or deleted, or if the City loses funding for any reason, the City, in its sole discretion, shall have the option to either (a) cause this Agreement to be canceled or terminated pursuant to applicable provisions of the Agreement; or (b) offer to amend the Agreement to reflect the reduced funding for this Agreement.

12. Non-Assignability. The Contractor shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written consent of the City, and then only upon such terms and conditions as City may set forth in writing. Contractor shall be solely responsible for reimbursing subcontractors.

13. Indemnity and Hold Harmless. To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in this agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City of Stockton. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this agreement. These obligations shall survive the completion or termination of this agreement.

14. Insurance. During the term of this Agreement, Contractor shall maintain in full force and effect at its own cost and expense the insurance coverage as set forth in the attached Exhibit B to this Agreement and shall otherwise comply with the other provisions of Exhibit B to this Agreement.

15. Notices. All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed in Exhibit A to this Agreement.

16. Conformance to Applicable Laws. Contractor shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Contractor shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

17. **Licenses, Certifications and Permits**. Prior to the City's execution of this Agreement and prior to the Contractor's engaging in any operation or activity set forth in this Agreement, Contractor shall obtain a City of Stockton business license, which must be kept in effect during the term of this Agreement. Contractor covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement. Such licenses, certificates and permits shall be maintained in full force and effect during the term of this Agreement.

18. **Records and Audits**. Contractor shall maintain all records regarding this Agreement and the services performed for a period of three (3) years from the date that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit. To the extent Contractor renders services on a time and materials basis, Contractor shall maintain complete and accurate accounting records, in a form prescribed by City or, if not prescribed by City, in accordance with generally accepted accounting principles, such records to include, but not be limited to, payroll records, attendance cards, time sheets, and job summaries.

19. **Confidentiality**. Contractor shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.

20. **Conflicts of Interest**. Contractor covenants that other than this Agreement, Contractor has no financial interest with any official, employee or other representative of the City. Contractor and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Contractor's services under this Agreement. If such an interest arises, Contractor shall immediately notify the City.

21. **Waiver**. In the event either City or Contractor at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation. No payment, partial payment, acceptance, or partial acceptance by City shall operate as a waiver on the part of City of any of its rights under this Agreement.

22. **Governing Law**. California law shall govern any legal action pursuant to this Agreement with venue for all claims in the Superior Court of the County of San Joaquin, Stockton Branch or, where applicable, in the Federal District Court of California, Eastern District, Sacramento Division.

23. **No Personal Liability**. No official or employee of City shall be personally liable to Contractor in the event of any default or breach by the City or for any amount due Contractor.

24. Severability. If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or city statue, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

25. Non-Discrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state, or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition (including genetic characteristics), marital status, age, political affiliation, gender identity, gender expression, sex or sexual orientation, family and medical care leave, pregnancy leave, or disability leave. Contractor and its officers, employees, agents, representative or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the City's nondiscrimination policy; the Fair Employment and Housing Act (Government Code sections 12990 (et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulation or Code of Federal Regulations. Title VI of the Civil Rights Act of 1964 requires that "no person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." (42 USC Section 2000d). http://www.dol.gov/oasam/regs/statutes/titlevi.htm. The City requires compliance with the requirements of Title VI in all of its programs and activities regardless of funding source.

26. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts of God, acts of civil or military authority, terrorism, fire, flood, strikes, war, epidemics, pandemics, shortage of power or other acts or causes reasonably beyond the control of that party. The party experiencing the force majeure event agrees to give the other party notice promptly following the occurrence of a force majeure event, and to use diligent efforts to re-commence performance as promptly as commercially practicable.

27. Taxes and Charges. Contractor shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of the Contractor's business.

28. Cumulative Rights. Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative of all other rights and remedies to which may be legally entitled.

29. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

30. Heading Not Controlling. Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

31. Entire Agreement, Integration, and Modification.

31.1 This Agreement represents the entire integrated agreement between Contractor and the City; supersedes all prior negotiations, representations, or agreements, either written or oral between the parties and may be amended only by a written Amendment signed by the Contractor and City Manager.

31.2 All Exhibits to this Agreement and this Agreement are intended to be construed as a single document.

32. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

33. Authority. The individual(s) executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

EXHIBIT D

GOODS AND SERVICES TERMS AND CONDITIONS

1. Definitions. The following words and phrases have the following meanings for purposes of this Agreement:

1.1 "Services" means, collectively, the services, duties and responsibilities described in Exhibit A of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

1.2 “Deliverable” means quantifiable goods or services that will be provided upon completion of a project. A deliverable is any tangible material, work or thing delivered by one party to the other, including associated technical documentation. A deliverable can be tangible or intangible parts of the development process, and often are specified functions or characteristics of the project.

2. General. The following terms and conditions are applicable for the purchase of goods and services only. The special conditions shall be read in conjunction with the Standard Agreement, General Terms and Conditions (“GTC”) Exhibit C, and all other Exhibits identified in the Standard Agreement.

2.1 Where any portion of the GTC is in conflict to or at variance with any provisions of the Special Conditions of the Agreement, then unless a different intention stated, the provision(s) of the Special Conditions of the Agreement shall be deemed to override the provision(s) of GTC only to the extent that such conflict or variations in the Special Conditions of the Agreement are not possible of being reconciled with the provisions of the GTC.

2.2 In the case of modification of a part or provision of the GTC, the unaltered part or provision, or both shall remain in effect. The Special Conditions shall relate to a particular project and be peculiar to that project but shall not weaken the character or intent of the GTC.

3. Time for Performance.

3.1 Contractor shall perform the services according to the schedule contained in Exhibit F.

3.2 Timeliness of Performance i) Contractor shall provide the Services, and Deliverables within the term and within the time limits required under this Agreement, pursuant to the provisions of Exhibit A and Exhibit F. ii) Neither Contractor nor Contractor’s agents, employees nor subcontractors are entitled to any damages from the City, nor is any party entitled to be reimbursed by the City, for damages, charges or other

losses or expenses incurred by Contractor by reason of delays or hindrances in the performance of the Services, whether or not caused by the City.

4. Standard of Performance

In addition to Exhibit C, Section 4 and 17, Contractor agrees as follows:

4.1 Contractor's Services shall be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of Contractor's profession currently practicing under similar conditions. Contractor shall comply with the profession's standard of performance, applicable laws, regulations, and industry standards. By delivery of completed work, Contractor certifies that the work conforms to the requirements of this Agreement and all applicable federal, state, and local laws. If Contractor is retained to perform services requiring a license, certification, registration or other similar requirement under California law, Contractor shall maintain that license, certification, registration, or other similar requirement throughout the term of this Agreement.

4.2 Contractor acknowledges that it is entrusted with or has access to valuable and confidential information and records of the City and with respect to that information, Contractor agrees to be held to the standard of care of a fiduciary. Contractor shall assure that all services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. Contractor must provide copies of any such licenses. Contractor remains responsible for the professional and technical accuracy of all Services or Deliverables furnished, whether by Contractor or its subcontractors or others on its behalf. All Deliverables must be prepared in a form and content satisfactory to the Using Agency and delivered in a timely manner consistent with the requirements of this Agreement.

4.3 If Contractor fails to comply with the foregoing standards, Contractor must perform again, at its own expense, all Services required to be re-performed as a direct or indirect result of that failure. Any review, approval, acceptance, or payment for any of the Services by the City does not relieve Contractor of its responsibility for the professional skill and care and technical accuracy of its Services and Deliverables. This provision in no way limits the City's rights against Contractor either under this Agreement, at law or in equity.

5. Compensation

5.1 In addition to Section 3 Compensation in Exhibit C – GTC, the Contractor shall be compensated for the services provided under this Agreement as follows:

5.1.1 Contractor shall be compensated for services rendered and accepted under this Agreement and shall be paid monthly, in arrears on a not to exceed

basis, based upon the rates set forth in Exhibit E attached hereto and made a part of this Agreement. Contractor may vary the compensation for each task in Exhibit E provided that the total project compensation listed in Exhibit E and the Standard Agreement is not exceeded.

6. Reports and Information

Contractor shall at such times and in such forms as the City may require furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred in connection therewith, and any other matters are covered by this Agreement as specified in Exhibit A and Exhibit E.

7. Findings Confidential

All the reports, information, data, et cetera, prepared or assembled by the Contractor under this Agreement are confidential and the Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the City. Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is required by applicable law or by proper legal or governmental authority, is already rightfully in the Contractor's possession without obligation of confidentiality, is independently developed by Contractor outside the scope of this Agreement or is rightfully obtained from third parties. Contractor shall give City prompt notice of any such legal or governmental demand and reasonably cooperate with City in any effort to seek a protective order or otherwise to contest such required disclosure.

8. Right of Inspection

All Deliverables furnished by Contractor must be as specified in Exhibit A and will be subject to inspection and approval of City after delivery. City reserves the right to reject and return, at the risk and expense of Contractor, the portion of any Deliverable which may be defective or fail to comply with specifications in Exhibit A without invalidating the remainder of the Deliverables. If rejected, Deliverable will be held for disposition at the expense and risk of Contractor. Payment for Deliverable prior to inspection shall not constitute acceptance of the Deliverable.

9. Warranty

Contractor warrants that (i) any Deliverable created or performed by Contractor for City under this Agreement will conform to specifications, drawings or samples furnished by City to Contractor for a minimum period of one year, and (ii) any standard Deliverable sold by Contractor to other customers besides City will meet or exceed any of the standards for such types of product in industry, any express or implied warranty stated or

advertised by Contractor or the actual manufacturer of such Deliverable, or any warranties implied by law. Contractor's warranty shall survive delivery of Deliverable and shall not be deemed waived by City's failure to discover defects, acceptance of the Deliverable, or payment, therefore.

10. Ownership

Contractor shall have title to and bear the risk of any loss or damage to the Deliverable until the Deliverable is delivered and accepted by City in conformity with this Agreement. Upon delivery and acceptance, Deliverable delivered by Contractor shall become the exclusive property of City. The ownership rights described herein shall include, but not be limited to, the right to copy, publish, display, transfer, or otherwise use the Deliverable. All artwork, patterns, dies, models, samples, materials, drawings, specifications, technical material, advertising material and any other personal property furnished by City to Contractor, or specifically paid for by City for use in performance of the Agreement, shall be and remain the property of City and said property shall be used only for Deliverables benefiting City. Contractor shall return to City or shall dispose of this property only according to City's instruction.

11. Applicable Laws

Under guidelines specified in 29 CFR 1910.1200 (f) and (g) City requests that Contractor label applicable Deliverables accordingly and provide associated Safety Data Sheets ("SDS") to City.

Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

12. Prevailing Wage

It shall be the responsibility of the Contractor to comply, when applicable, with the prevailing wage rates in accordance with the State of California Department of Industrial Relations. It shall further be the responsibility of the Contractor to monitor the prevailing wage rates as established by the California Department of Industrial Relations for any increase in rates during the term of this Agreement and adjust wage rates accordingly.

CONTRACTOR REGISTRATION REQUIREMENTS- Pursuant to Labor Code Section 1771.1(a): A Contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5. It is not a violation of this section for an unregistered Contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the Contractor is

registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.

No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
No contractor or subcontractor may be awarded a contract for public work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code Section 1725.5. Department of Industrial Relations- Contractor Registration information and web link: https://www.dir.ca.gov/public-works/publicworks.html. In compliance with Senate Bill 854 and the California Labor Code, all Bidders shall include with their Bid proof of registration from the Department of Industrial Relations (DIR) that includes the contractor's Legal Name, Registration Number, License Type/Number, Registration Date and Expiration Date, for every contractor and subcontractor, regardless of tier.

This project may be subject to compliance monitoring and enforcement by the Department of Industrial Relations. Contractors must submit their certified payroll records directly to the Division of Labor Standards Enforcement Compliance Monitoring Unit, as well as the City of Stockton.

13. Shipping Terms

City shipment terms are F.O.B. Destination, Freight Prepaid and Added unless otherwise specified in the Agreement. Contractor shall observe shipping instructions and, unless otherwise stated in the instructions, shall ship Deliverables in the safest and most economical manner necessary to meet the delivery date specified in the Agreement. Contractor shall provide an itemized packing list showing the Agreement number with the shipment. Contractor shall include the Agreement number on all packages, boxes, invoices, and shipping documents. Contractor shall label all individual boxes with stock number and quantity and items with different stock numbers shall be boxed separately. City reserves the right to refuse, at Contractor's expense, any shipments not containing the Agreement number or stock numbers as required under this section.

14. Deliveries

TIME IS OF THE ESSENCE IN THE PERFORMANCE OF ANY ORDER. If Deliverable is not provided or performed within the times specified in the Agreement, City may cancel the Agreement and hold Contractor liable for damages incurred due to the untimely delivery including, but not limited to, the additional costs resultant from City procuring substitute Deliverables elsewhere.

15. Price and Quantities

Prices and quantities set forth in this Agreement may not be altered by Contractor without the prior written authorization of City, with the exception that quantities of custom paper or printed Deliverables, chemicals, or fuel may deviate from those in the Agreement by the lesser of standard industry practices.

EXHIBIT E

COMPENSATION SCHEDULE

The Contractor shall be compensated for the services identified in Exhibit A, Exhibit C, and Exhibit D to this Agreement as follows:

1. Project Price

1.1 The maximum the Contractor shall be paid on this Agreement is $166,320 (hereafter the "not to exceed" amount). The "not to exceed" amount includes all payments to be made pursuant to this Agreement, including City approved reimbursable expenses, if any. Nothing in this Agreement requires the City to pay for work that does not meet the Standard of Performance identified in Exhibit D section 4 or other requirements of this Agreement.

1.2 Standard Reimbursable Items: Only the reimbursable items identified in Exhibit A, C, and D (Compensation), shall be compensated to the Contractor. Reimbursable expenses will be reimbursed without markup. Fees plus reimbursable expenses shall not exceed the amount set forth in section 1.1 of this Exhibit and a copy of the original invoice for the items listed in i, ii or iii below shall be attached to the invoice submitted to the City for reimbursement. Payments shall be based upon work documents submitted by the Contractor to the City and accepted by the City as being satisfactory to City's needs. The City shall not pay a markup on any of the items listed in i, ii or iii. Additionally, items such a telephone, fax, postage or freight are already included in the billable hourly rate. Contractor shall be reimbursed the direct expenses, which are the actual cost of the following items that are reasonable, necessary and actually incurred, by the Contractor in connection with the services:

i. Expenses, fees or charges for printing, reproduction or binding of documents at actual costs with no markup added to the actual cost.

ii. Any filing fees, permit fees, or other fees paid or advanced by the Contractor at actual costs with no markup added to the actual cost.

iii. Travel expenses shall be reimbursed in accordance with the City's travel policy, which is incorporated herein by reference. Reimbursement shall be made at actual costs with no markup added to the actual cost.

1.3 The Contractor shall be entitled to receive payments for its work performed pursuant to the Agreement. The City will pay Contractor based on invoices for acceptable work performed and approved until the "not to exceed" amount is reached. Thereafter, Contractor must complete services based on the Agreement without additional compensation unless there is a material change to the Statement of Work and Scope by a written Amendment.

1.4 If work is completed before the "not to exceed" amount is reached, the Contractor's compensation will be based on the Contractor's invoices previously submitted for acceptable work performed and approved.

1.5 Subcontractor Costs: Subcontractors are not permitted in this Agreement.

2. Hourly Rates. The flat fee hourly rate to be billed to the City regardless of Role Contractor performs or additional services Contractor performs in this Agreement is $165.00 per hour. Contractor shall be compensated based on the hourly rates set forth below, on a time and material basis for those services that are within the general scope of services of this Agreement, but beyond the description of services required under Exhibit A, and all services are reasonably necessary to complete the standards of performance required by this Agreement. Any changes and related fees shall be mutually agreed upon between the parties by a written amendment to this Agreement.

3. **Class Fee Schedule**. The below is a flat rate fee schedule and is not contingent on the number of participants in any session. The fee schedule includes a specific number of hours of training regardless of the number of classes.

Hourly Billable Rate Schedule

Month	Role on Project	Hourly Billable Rate	# Class per Month	# Hours (Average 6 hours per class)	Total Billable monthly
Jul-25	Instructor	$165.00	4.5	28	$4,620.00
Aug-25	Instructor	$165.00	4.5	28	$4,620.00
Sep-25	Instructor	$165.00	4.5	28	$4,620.00
Oct-25	Instructor	$165.00	4.5	28	$4,620.00
Nov-25	Instructor	$165.00	4.5	28	$4,620.00
Dec-25	Instructor	$165.00	4.5	28	$4,620.00
Jan-26	Instructor	$165.00	4.5	28	$4,620.00
Feb-26	Instructor	$165.00	4.5	28	$4,620.00
Mar-26	Instructor	$165.00	4.5	28	$4,620.00
Apr-26	Instructor	$165.00	4.5	28	$4,620.00
May-26	Instructor	$165.00	4.5	28	$4,620.00
Jun-26	Instructor	$165.00	4.5	28	$4,620.00
FY2025-2026 TOTAL			**54**	**336**	**$55,440.00**
Month	**Role on Project**	**Hourly Billable Rate**	**# Class per Month**	**# Hours (Average 6 hours per class)**	**Total Billable monthly**
Jul-26	Instructor	$165.00	4.5	28	$4,620.00
Aug-26	Instructor	$165.00	4.5	28	$4,620.00

Sep-26	Instructor	$165.00	4.5	28	$4,620.00
Oct-26	Instructor	$165.00	4.5	28	$4,620.00
Nov-26	Instructor	$165.00	4.5	28	$4,620.00
Dec-26	Instructor	$165.00	4.5	28	$4,620.00
Jan-27	Instructor	$165.00	4.5	28	$4,620.00
Feb-27	Instructor	$165.00	4.5	28	$4,620.00
Mar-27	Instructor	$165.00	4.5	28	$4,620.00
Apr-27	Instructor	$165.00	4.5	28	$4,620.00
May-27	Instructor	$165.00	4.5	28	$4,620.00
Jun-27	Instructor	$165.00	4.5	28	$4,620.00
FY2026-2027 TOTAL			**54**	**336**	**$55,440.00**
Month	**Role on Project**	**Hourly Billable Rate**	**# Class per Month**	**# Hours (Average 6 hours per class)**	**Total Billable monthly**
Jul-27	Instructor	$165.00	4.5	28	$4,620.00
Aug-27	Instructor	$165.00	4.5	28	$4,620.00
Sep-27	Instructor	$165.00	4.5	28	$4,620.00
Oct-27	Instructor	$165.00	4.5	28	$4,620.00
Nov-27	Instructor	$165.00	4.5	28	$4,620.00
Dec-27	Instructor	$165.00	4.5	28	$4,620.00
Jan-28	Instructor	$165.00	4.5	28	$4,620.00
Feb-28	Instructor	$165.00	4.5	28	$4,620.00
Mar-28	Instructor	$165.00	4.5	28	$4,620.00
Apr-28	Instructor	$165.00	4.5	28	$4,620.00
May-28	Instructor	$165.00	4.5	28	$4,620.00
Jun-28	Instructor	$165.00	4.5	28	$4,620.00
FY2027-2028 TOTAL			**54**	**336**	**$55,440.00**
3 Year Grand Total			**162**	**1008**	**$166,320.00**

5. **Invoice to Address.** Each invoice submitted shall identify the specific task(s) listed in Exhibit A and this Exhibit, and the completed work product/deliverable for the agreed-upon price listed in this Exhibit. Invoices shall be submitted to the email address: ITInvoices@stocktonca.gov.

EXHIBIT F

TIMELINE

1. Contractor shall complete the requested services identified in Exhibit A as follows:

1.1 TIMELINE FOR COMPLETION OF WORK

1.1.1 Fiscal Year 2025-26

Months	# of Classes	# of Hours
Jul-25	4.5	28
Aug-25	4.5	28
Sep-25	4.5	28
Oct-25	4.5	28
Nov-25	4.5	28
Dec-25	4.5	28
Jan-26	4.5	28
Feb-26	4.5	28
Mar-26	4.5	28
Apr-26	4.5	28
May-26	4.5	28
Jun-26	4.5	28
FY 2025-26 TOTAL	**54**	**336**

1.1.2 Fiscal Year 2026-27

Months	# of Classes	# of Hours
Jul-26	4.5	28
Aug-26	4.5	28
Sep-26	4.5	28
Oct-26	4.5	28
Nov-26	4.5	28
Dec-26	4.5	28
Jan-27	4.5	28
Feb-27	4.5	28
Mar-27	4.5	28
Apr-27	4.5	28
May-27	4.5	28
Jun-27	4.5	28
FY 2026-27 TOTAL	**54**	**336**

1.1.3 Fiscal Year 2027-28

Months	# of Classes	# of Hours
Jul-27	4.5	28
Aug-27	4.5	28
Sep-27	4.5	28
Oct-27	4.5	28
Nov-27	4.5	28
Dec-27	4.5	28
Jan-28	4.5	28
Feb-28	4.5	28
Mar-28	4.5	28
Apr-28	4.5	28
May-28	4.5	28
Jun-28	4.5	28
FY 2027-28 TOTAL	**54**	**336**
3-Year Grand Total	**162**	**1008**

ATTACHMENT F – COST/PRICE PROPOSAL
PUR 25-024

Proposal Submitted By: Company Name: David Diskin dba Applied Office Contact Name: David Diskin Contact Email: david@Appliedoffice.net Contact Phone: 209-610-0651 Signature: Owner (Title:) March 11, 2025 (Date:)	
Project Overview: IT Training Description of Services: Online and Onsite Training Services for Microsoft, Adobe, and More	
Project Start Date: Sept 1, 2025 Project End Date: Aug 30, 2028	
Consulting Fees:	Hourly Rate: $ 165 (No. of Hours: 1,008) Estimated Total: $ 166,320
Materials and Resources: Description:	Cost Breakdown: Estimated Cost: $ None
Travel Expenses:	Mileage: $ None (Miles:) Accommodations: $ None Per Diem: $ None
Other Expenses: Description:	Estimated Cost: $ None
Total Estimated Cost:	**$** 166,320

File #: 25-0748, **Version:** 1

ADOPT A RESOLUTION TO APPROVE AN ADMINISTRATIVE CORRECTION TO THE 2024 WASTEWATER RATE STUDY RESOLUTION EXHIBIT 2 AND AMEND THE FISCAL YEAR 2025-26 FEE SCHEDULE

RECOMMENDATION

It is recommended that the City Council adopt a resolution to:

1. Approve the administrative correction to Exhibit 2 to Resolution No. 2024-11-12-1605 (Attachment A).

2. Amend page I-8 of the Fiscal Year 2025-26 Fee Schedule for Multi-family rate class (Attachment B).

It is also recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Summary

The Municipal Utilities Department (MUD) is comprised of three enterprise funds including Water, Wastewater, and Stormwater Utilities. The Wastewater Utility includes a sanitary sewer collection system of approximately 900 miles of gravity sewer main, 554 miles of lower lateral pipe, 27 pump stations, and 30 miles of pressurized force main that route sewage to the Regional Wastewater Control Facility (RWCF) for treatment. The system collects sewage from properties within the City, special districts outside the City, and certain areas within San Joaquin County. The RWCF is an advanced tertiary treatment facility with a 55 million-gallon per day (MGD) capacity and is located adjacent to the San Joaquin River.

Following the completion of the 2024 Wastewater Rate Study and public hearing held on November 12, 2024, the City Council adopted, by Resolution No. 2024-11-12-1605 (Resolution), the 2024 Wastewater Rate Study, the maximum wastewater services charges, and the effective dates. After the adoption of the new rates and their effective dates, an administrative error was discovered in the sewer rates associated with Multi-family Residential units listed in Exhibit 2 of the Resolution. This error resulted in monthly rate undercharges of $0.19 and $0.18 for Multi-family Residential units within the City and outside of the City, respectively.

If approved by the City Council, this action will adopt a resolution approving an administrative correction to the Wastewater Monthly Rates associated with Multi-family Residential Units and page I -8 of the Fiscal Year 2025-26 Fee Schedule.

DISCUSSION

Background

It is a best practice to review customer rates for sewer utility service every five years to confirm whether rates will adequately cover sanitary sewer service costs over the following five years, and that the utility maintains adequate financial resources to provide this essential public health service to the community.

In accordance with California Constitution article XIII D, Section 6 (commonly referred to as Proposition 218), MUD staff completed the 2024 Wastewater Rate Study review work and mailed Notices of Public Hearing on September 20, 2024, to 81,847 affected record owners or affected sewer utility customers directly responsible for the payment of sewer service charges.

On November 12, 2024, the City Council held a public hearing to consider testimony and written protests on the adoption of proposed rate adjustments to the City of Stockton wastewater or sewer rates. At the close of the public hearing, the City did not receive written protests from a majority of the affected property owners or affected sewer utility customers directly liable for the payment of the sewer service charges. By Resolution No. 2024-11-12-1605, the City Council adopted the 2024 Wastewater Rate Study that met the requirements of Proposition 218 and the maximum sewer service charges and effective dates.

Present Situation

Prior to implementing the approved rate adjustments each fiscal year, MUD staff review the revenue requirements and the rates necessary to meet those revenue requirements during the Annual Budget process. After notices of rate adjustment were mailed to customers on May 27, 2025, it was discovered that the rates listed in Exhibit 2 to Resolution No. 2024-11-12-1605 (Attachment A) for Multi-family Residential units contained two errors which created undercharges in these rates.

The rates for Multi-family Residential units within the City and outside of the City in Exhibit 2 to Resolution No. 2024-11-12-1605 effective July 1, 2025, were listed at $54.78 and $49.14 per month. However, the correct rates as shown in the 2024 Wastewater Rate Study were $54.97 and $49.32 per month. This discrepancy resulted in a $0.19 cent and $0.18 cent revenue decrease per Multi-family Residential unit within the City and outside of the City respectively, which totaled a $3,220.74 loss in revenue (see table).

Customer Classification	**Customers**	**Adopted Rate Effective July 1, 2025**	**Correct Rate**	**2-Month Billing Impact**
Multi-Family (City)	7,623	$54.78	$54.97	$(2,896.74)
Multi-Family (Non-City)	900	$49.14	$49.32	$(324.00)
				$(3,220.74)

Staff recommend the City Council approve the corrected Wastewater Monthly Rates associated with all Multi-family Residential Units and page I-8 of the Fiscal Year 2025-26 Fee Schedule.

FINANCIAL SUMMARY

Revenues received from multi-family customers are deposited into the Wastewater account 6511-000 -442002-610-000-00-65-000-000.

There is no impact to the General Fund, or any other unrestricted funds, from this action.

Attachment A - Exhibit 2 to Resolution No. 2024-11-12-1605
Attachment B - Page I-8 of the Fiscal Year 2025-26 Fee Schedule

EXHIBIT 2

WASTEWATER MAXIMUM MONTHLY RATES AND EFFECTIVE DATES

Residential

	Present Rates	January 1, 2025	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Residential Charge (Per Dwelling Unit)						
Single-Family & Condo (City)	$55.68	$57.36	$59.65	$62.04	$64.52	$67.10
Single-Family & Condo (Non-City)	$50.77	$52.30	$54.39	$56.57	$58.83	$61.18
Multi-Family (City)	$52.45	$52.67	$54.78	$56.97	$59.25	$61.62
Multi-Family (Non-City)	$47.05	$47.25	$49.14	$51.11	$53.15	$55.28
Apartments (City)	$47.57	$47.57	$49.47	$51.45	$53.51	$55.65
Apartments (Non-City)	$41.75	$41.75	$43.42	$45.16	$46.97	$48.85

Commercial/Institutional

	Present Rates	January 1, 2025	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Consumption Charges ($/CCF[1])						
Com/Inst – Low-strength	$2.22	$2.40	$2.50	$2.60	$2.70	$2.81
Com/Inst – Med-strength	$2.70	$2.75	$2.86	$2.97	$3.09	$3.21
Com/Inst – High-strength	$4.54	$4.42	$4.60	$4.78	$4.97	$5.17
Schools ($/ADA[2])	$1.30	$1.29	$1.34	$1.39	$1.45	$1.51
Fixed Monthly Charge (City)	$26.83	$26.91	$27.99	$29.11	$30.27	$31.48
Fixed Monthly Charge (Non-City)	$23.56	$23.63	$24.58	$25.56	$26.58	$27.64

[1]CCF = one hundred cubic feet [2]ADA = average daily attendance

Industrial

	Present Rates	January 1, 2025	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Industrial Charges						
Fixed Monthly Charge	$26.83	$26.91	$27.99	$29.11	$30.27	$31.48
Admin / Stand-by Charge						
Industrial – Flow ($/MG[1])	$864.80	$945.76	$983.59	$1,022.93	$1,063.85	$1,106.40
Industrial – BOD ($/Klbs[2])	$140.13	$153.25	$159.38	$165.76	$172.39	$179.29
Industrial – SS ($/Klbs)	$102.88	$112.51	$117.01	$121.69	$126.56	$131.62
Consumption Charges						
Industrial – Flow ($/MG)	$748.52	$818.59	$851.33	$885.38	$920.80	$957.63
Industrial – BOD ($/Klbs)	$52.14	$57.02	$59.30	$61.67	$64.14	$66.71
Industrial – SS ($/Klbs)	$83.45	$91.26	$94.91	$98.71	$102.66	$106.77

[1]MG = million gallons [2]Klbs = one thousand pounds

FY 2025-26 Proposed Rate Changes on Existing Fees

Municipal Utilities Department

Wastewater

Description	*Reason*	*Current Amount*	*Proposed Amount*
Residential - Contract Users; County District Billing			
Single-Family & Condo	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$52.30	$54.39
Multi-Family	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$47.25	$49.14
Apartments	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$41.75	$43.42
Residential - City; Contract User, City Billed & Maintained			
Single-Family	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$57.36	$59.65
Multi-Family	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$52.67	$54.78
Apartments	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$47.57	$49.47
Commercial/Institutional - City; Contract User, City Billed & Maintained			
Low Strength - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$26.91	$27.99
Low Strength - Flow/Hundred Cubic Feet (HCF)	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$2.40 / hcf	$2.50 / hcf
Medium Strength - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$26.91	$27.99
Medium Strength - Flow/Hundred Cubic Feet (HCF)	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$2.75 / hcf	$2.86 / hcf
High Strength - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$26.91	$27.99
High Strength - Flow/Hundred Cubic Feet (HCF)	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$4.42/ hcf	$4.60/ hcf
Schools - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$26.91	$27.99
Schools - Other	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$1.29 / ADA	$1.34 / ADA
Commercial/Institutional - Contract Users, City Billed, County Maintained			
Low Strength - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$23.63	$24.58
Low Strength - Flow/Hundred Cubic Feet (HCF)	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$2.40 / hcf	$2.50 / hcf
Medium Strength - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$23.63	$24.58
Medium Strength - Flow/Hundred Cubic Feet (HCF)	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$2.75 /hcf	$2.86 /hcf
High Strength - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$23.63	$24.58
High Strength - Flow/Hundred Cubic Feet (HCF)	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$4.54 / hcf	$4.60 / hcf
Schools - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$23.63	$24.58
Schools - Other	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$1.29/ ADA	$1.34 / ADA

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION ADOPTING AN ADMINISTRATIVE CORRECTION TO THE 2024 WASTEWATER RATE STUDY EXHIBIT 2 TO RESOLUTION NO. 2024-11-12-1605 AND AMENDING PAGE I-8 OF THE FISCAL YEAR 2025-26 FEE SCHEDULE

Following the 2024 Wastewater Rate Study and the public hearing held on November 12, 2024, the City Council by Resolution No. 2024-11-12-1605, adopted the 2024 Wastewater Rate Study and the maximum wastewater service charges and effective dates; and

After notices of rate adjustment were mailed to customers on May 27, 2025, it was discovered that the rates listed in Exhibit 2 to Resolution No. 2024-11-12-1605 for Multi-family Residential units contained two errors which created undercharges in these rates; and

The rates for Multi-family Residential units within the City and outside of the City in Exhibit 2 to Resolution No. 2024-11-12-1605 effective July 1, 2025, were listed at $54.78 and $49.14 per month; and

The correct rates as shown in the 2024 Wastewater Rate Study were $54.97 and $49.32 per month and resulted in a $0.19 and $0.18 revenue decrease per Multi-family Residential unit within the City and outside of the City respectively, totaling a $3,220.74 loss in revenue; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Council approves the administrative correction to Exhibit 2 of Resolution No. 2024-11-12-1605 (Exhibit 1).

2. The City Council amends page I-8 of the Fiscal Year 2025-26 Fee Schedule for multi-family rate class effective immediately (Exhibit 2).

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3. The City Manager is hereby authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED August 12, 2025.

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

WASTEWATER MAXIMUM MONTHLY RATES AND EFFECTIVE DATES

Residential

	Present Rates	January 1, 2025	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Residential Charge (Per Dwelling Unit)						
Single-Family & Condo (City)	$55.68	$57.36	$59.65	$62.04	$64.52	$67.10
Single-Family & Condo (Non-City)	$50.77	$52.30	$54.39	$56.57	$58.83	$61.18
Multi-Family (City)	$52.45	$52.67	$54.97	$56.97	$59.25	$61.62
Multi-Family (Non-City)	$47.05	$47.25	$49.32	$51.11	$53.15	$55.28
Apartments (City)	$47.57	$47.57	$49.47	$51.45	$53.51	$55.65
Apartments (Non-City)	$41.75	$41.75	$43.42	$45.16	$46.97	$48.85

Commercial/Institutional

	Present Rates	January 1, 2025	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Consumption Charges ($/CCF[1])						
Com/Inst – Low-strength	$2.22	$2.40	$2.50	$2.60	$2.70	$2.81
Com/Inst – Med-strength	$2.70	$2.75	$2.86	$2.97	$3.09	$3.21
Com/Inst – High-strength	$4.54	$4.42	$4.60	$4.78	$4.97	$5.17
Schools ($/ADA[2])	$1.30	$1.29	$1.34	$1.39	$1.45	$1.51
Fixed Monthly Charge (City)	$26.83	$26.91	$27.99	$29.11	$30.27	$31.48
Fixed Monthly Charge (Non-City)	$23.56	$23.63	$24.58	$25.56	$26.58	$27.64

[1]CCF = one hundred cubic feet [2]ADA = average daily attendance

Industrial

	Present Rates	January 1, 2025	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Industrial Charges						
Fixed Monthly Charge	$26.83	$26.91	$27.99	$29.11	$30.27	$31.48
Admin / Stand-by Charge						
Industrial – Flow ($/MG[1])	$864.80	$945.76	$983.59	$1,022.93	$1,063.85	$1,106.40
Industrial – BOD ($/Klbs[2])	$140.13	$153.25	$159.38	$165.76	$172.39	$179.29
Industrial – SS ($/Klbs)	$102.88	$112.51	$117.01	$121.69	$126.56	$131.62
Consumption Charges						
Industrial – Flow ($/MG)	$748.52	$818.59	$851.33	$885.38	$920.80	$957.63
Industrial – BOD ($/Klbs)	$52.14	$57.02	$59.30	$61.67	$64.14	$66.71
Industrial – SS ($/Klbs)	$83.45	$91.26	$94.91	$98.71	$102.66	$106.77

[1]MG = million gallons [2]Klbs = one thousand pounds

FY 2025-26 Proposed Rate Changes on Existing Fees

Municipal Utilities Department

Wastewater

Description	*Reason*	*Current Amount*	*Proposed Amount*
Residential - Contract Users; County District Billing			
Single-Family & Condo	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$52.30	$54.39
Multi-Family	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$47.25	$49.32
Apartments	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$41.75	$43.42
Residential - City; Contract User, City Billed & Maintained			
Single-Family	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$57.36	$59.65
Multi-Family	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$52.67	$54.97
Apartments	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$47.57	$49.47
Commercial/Institutional - City; Contract User, City Billed & Maintained			
Low Strength - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$26.91	$27.99
Low Strength - Flow/Hundred Cubic Feet (HCF)	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$2.40 / hcf	$2.50 / hcf
Medium Strength - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$26.91	$27.99
Medium Strength - Flow/Hundred Cubic Feet (HCF)	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$2.75 / hcf	$2.86 / hcf
High Strength - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$26.91	$27.99
High Strength - Flow/Hundred Cubic Feet (HCF)	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$4.42/ hcf	$4.60/ hcf
Schools - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$26.91	$27.99
Schools - Other	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$1.29 / ADA	$1.34 / ADA
Commercial/Institutional - Contract Users, City Billed, County Maintained			
Low Strength - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$23.63	$24.58
Low Strength - Flow/Hundred Cubic Feet (HCF)	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$2.40 / hcf	$2.50 / hcf
Medium Strength - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$23.63	$24.58
Medium Strength - Flow/Hundred Cubic Feet (HCF)	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$2.75 /hcf	$2.86 /hcf
High Strength - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$23.63	$24.58
High Strength - Flow/Hundred Cubic Feet (HCF)	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$4.54 / hcf	$4.60 / hcf
Schools - Fixed Monthly	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$23.63	$24.58
Schools - Other	Year #2 of 5 Wastewater Rate Study-Reso #2024-11-12-1605	$1.29/ ADA	$1.34 / ADA

File #: 25-0815, **Version:** 1

ADOPT A RESOLUTION APPROVING AN ADDENDUM TO THE 2005 DWSP EIR, AWARD A PROFESSIONAL SERVICES CONTRACT TO INFERRERA CONSTRUCTION MANAGEMENT GROUP, INC., AND ADOPT A RESOLUTION AUTHORIZING A CONTACT CHANGE ORDER FOR THE GROUNDWATER RECHARGE PROJECT

RECOMMENDATION

It is recommended that the City Council adopt a resolution to:

1. Approve the Addendum to the certified 2005 Environmental Impact Report for the Delta Water Supply Project (State Clearinghouse No. 2003112060), pursuant to the California Environmental Quality Act Guidelines Section 15164, to support the proposed Groundwater Recharge Basins Project at the Delta Water Treatment Plant.

2. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process.

3. Award a Professional Service Agreement to Inferrera Construction Management Group, Inc. of Shingle Springs, CA in the not-to-exceed amount of $728,760 for construction management services.

4. Adopt a resolution authorizing Contract Change Order No. 1 in the amount of $5,714,565 with Gateway Pacific Contractors, Inc. (Gateway Pacific) to increase the capacity and efficiency of the groundwater recharge project, for a total contract amount not-to-exceed $17,197,813.

It is also recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Summary

The Municipal Utilities Department (MUD) is comprised of three enterprise funds including Water, Wastewater and Stormwater Utilities. The Water Utility provides drinking water service to the northern and southern regions of the Stockton Metropolitan Area, with the California Water Service Company and San Joaquin County serving the central region. The Delta Water Treatment Plant began operation in May 2012, providing up to 30 million gallons per day of treated surface water from the San Joaquin Delta and Mokelumne River.

The DWTP was designed, in part, to protect the groundwater basin through conjunctive management of water resources and to improve the City's water supply reliability portfolio. The construction of groundwater recharge basins adjacent to the treatment plant will increase the City's conjunctive management capacity. When complete, the project will allow the City to directly recharge the

groundwater basin using water from sources including Water Right Permit 21176, contract supplies from Woodbridge Irrigation District (WID), and possibly stormwater runoff from the City of Lodi. Water recharged into the groundwater basin can be stored and pumped during dry years or extended droughts. The basins will also help to balance groundwater levels in the critically over-drafted Eastern San Joaquin Groundwater Subbasin to help meet the Region's Sustainable Groundwater Management Act requirements.

If approved by the City Council, this action will adopt a resolution approving an Addendum to the 2005 Delta Water Supply Project Environmental Impact Report (Exhibit 1 to the Addendum Resolution), adopt a resolution awarding a $728,760 Professional Services Agreement to Inferrera Construction Management Group, Inc. for construction management services (Exhibit 1 to the construction management services Resolution), and adopt a resolution authorizing Contract Change Order No. 1 (CCO No.1) with Gateway Pacific (Exhibit 1 to the CCO Resolution) in the amount of $5,714,565 for a total contract not-to-exceed amount of $17,197,813.

DISCUSSION

Background

In November 2005, the City Council certified the Delta Water Supply Project (DWSP) Environmental Impact Report (EIR) State Clearinghouse number 2003112060. The 2005 DWSP EIR included a future groundwater recharge program and evaluated environmental impacts associated with implementation of groundwater recharge basins at the DWTP site.

In 2012, the MUD dedicated the Delta Water Supply Project (DWSP), a key component of the City's conjunctive use program and to help balance groundwater levels in the Eastern San Joaquin Groundwater Subbasin. The DWSP provides surface water supplies to nearly 200,000 customers in north Stockton. The project included a river diversion and pumping station to convey water to the Delta Water Treatment Plant (DWTP) located along Lower Sacramento Road, north of Eight Mile Road between the City of Stockton and the City of Lodi.

The proposed project site encompasses approximately 130 acres and has a construction footprint of about 70 acres. The groundwater recharge infrastructure is designed to divert surplus surface water from both the Delta and the Mokelumne River to replenish the local groundwater basin.

In 2023, Geosyntec Consultants completed a feasibility study evaluating the suitability of implementing recharge basins at DWTP. The study concluded that soil conditions at the site are favorable for groundwater infiltration. Based on these findings, MUD staff solicited professional services for design, permitting, California Environmental Quality Act (CEQA) compliance, and construction of the recharge basins.

On September 10, 2024, by Resolution 2024-09-10-1207, the City Council awarded a design-build contract to Gateway Pacific to design and construct the recharge basins. The scope of work includes construction of three recharge basins, dry wells, access roads, integration into the existing SCADA system, underground piping, automatic modulating valves, flow meters, and development of operational and maintenance recharge programs.

This project helps implement public outreach goals and proposed projects within the Eastern San

Joaquin Subbasin Groundwater Sustainability Plan (GSP), which was developed in accordance with the Sustainable Groundwater Management Act (SGMA). The project addresses critical overdraft conditions and promotes long-term groundwater sustainability for the region.

The Water Advisory Group and Council Water Committee reviewed staff recommendations to adopt the Addendum to the 2005 DWSP EIR, award a contract to Inferrera Construction Management Group, Inc. for construction management services, and approve CCO No. 1 to the Gateway Pacific contract at meetings held on July 3, 2025, and July 10, 2025, respectively.

Present Situation

To comply with CEQA, an Addendum to the certified 2005 DWSP EIR was prepared by Helix Environmental Planning, a subcontractor to Gateway Pacific. The Addendum incorporates updated technical analyses in areas such as air quality, biological resources, and cultural resources, confirming that the proposed enhancements do not result in environmental impacts beyond those previously disclosed in the 2005 DWSP EIR.

On May 1, 2025, MUD staff issued a Request for Proposals (RFP) for construction management services. On May 29, 2025, the following six firms submitted proposals:

Company	**Location**	**Cost**
Esposo Property Maintenance And Construction	Stockton, CA	$595,212
Alpha CM, Inc	Folsom, CA	$617,891
Inferrera Construction Management Group, Inc	Shingle Springs, CA	$728,760
Dillon & Murphy Engineering	Lodi, CA	$866,506
Kjeldsen, Sinnock & Neudeck, Inc	Stockton, CA	$905,827
Hazen and Sawyer	Sacramento, CA	$1,883,730

A selection committee evaluated the proposals based on criteria including the firms' understanding of the scope of work, proposed project approach, experience with similar services, team qualifications, and overall cost. Inferrera Construction Management Group, Inc. met or exceeded expectations in all categories and was determined to be the most qualified firm.

In addition, construction of the recharge basins requires a full-time inspector and a part-time construction manager to ensure all work is completed in accordance with the approved engineering design drawings. MUD does not have the internal staffing or technical expertise to perform these functions; therefore, it is necessary to hire Inferrera Construction Management Group, Inc. to provide construction management services.

On initial review of the draft project design plans, it was found that modifications to the original design -build contract with Gateway Pacific were necessary to increase the estimated recharge capacity from approximately 11,000 acre-feet per year to nearly 20,000 acre-feet per year. Upgrades to the habitat plan and visitor center design will also support educational outreach initiatives for local schools and the community about water conservation and sustainability, groundwater recharge, and the protection of natural ecosystems.

Environmental Clearance

CEQA Guidelines Section 15164 allows for an addendum to a certified EIR if changes to the project do not result in new significant environmental effects or substantially more severe impacts. The proposed Groundwater Recharge Basins Project:

- Does not involve new or expanded project elements outside the scope analyzed in the 2005 DWSP EIR.
- Does not trigger any new significant impacts not previously disclosed.
- Remains consistent with the original project objectives and environmental mitigation framework.

Therefore, an Addendum to the certified 2005 DWSP EIR satisfies environmental requirements for this project.

Findings

Pursuant to Stockton Municipal Code section 3.68.070, the City Council may approve findings which support and justify an exception to the competitive bidding process. The following findings support and justify an exception:

1. A strict cost-competitive basis for the selection of professional services may lower the quality and thoroughness of the services provided because it does not consider experience, reputation, quality of work and track record handling similar projects.

2. Considering the size, complexity, and schedule requirements of the project, the City does not have sufficient staff resources nor the expertise to act as the inspector or the construction manager for a groundwater recharge construction project.

3. Use of the RFP process is appropriate for this Professional Services Contract because it relies on the evaluation of professional qualifications and performance as the basis for selection of a vendor. Use of these criteria ensures that the selected firm will provide the highest quality professional service, which is in the public interest.

4. The City negotiated a contract following the solicitation of competitive proposals in accordance with SMC section 3.68.070.A.3.

The proposed resolution will award a Professional Services Agreement to Inferrera Construction Management Group, Inc, in the not-to-exceed amount of $728,760 for construction management services.

FINANCIAL SUMMARY

There are sufficient funds available in the Water Capital Improvement Projects Fund under Project Number UH21005 to cover the costs associated with executing a $728,760 contract with Inferrera Construction Management Group, Inc. for construction management services, and approving a contract change order to Gateway Pacific in the amount of $5,714,565 for a total contract not-to-

exceed amount of $17,197,813. No additional funding is required or being requested in connection with the approval of the Addendum to the 2005 DWSP EIR (State Clearinghouse No. 2003112060).

The City has secured three separate grant awards to support this project:

- SGMA Round 1 Grant - $300,000 (fully received in FY 2023-24)
- IRWM Grant - $2,000,000 (two reimbursement requests submitted to date totaling $250,000)
- WaterSMART Grant - $400,000 ($165,000 received to date in FY 2024-25)

This action has no impact on the General Fund or any other unrestricted funds.

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION APPROVING AN ADDENDUM TO THE CERTIFIED DELTA WATER SUPPLY PROJECT ENVIRONMENTAL IMPACT REPORT (SCH No. 2003112060)

The City Council previously certified the Environmental Impact Report (EIR) for the Delta Water Supply Project (DWSP) (State Clearinghouse No. 2003112060) on November 8, 2005, which analyzed the environmental impacts of the DWSP including a potential groundwater recharge component; and

The Municipal Utilities Department (MUD) now proposes to construct three groundwater recharge basins and associated infrastructure improvements at the Delta Water Treatment Plant (DWTP), located at 11373 N. Lower Sacramento Road, on City-owned property and operated by MUD; and

The proposed project is consistent with the objectives of the original DWSP and will help advance groundwater sustainability efforts in alignment with the Eastern San Joaquin Groundwater Sustainability Plan (GSP); and

An Addendum to the certified DWSP EIR was prepared by Helix Environmental Planning, a subcontractor to Gateway Pacific Contractors, to evaluate the site-specific impacts of the proposed groundwater recharge basins; and

The Addendum includes updated technical analyses of air quality, biological resources, and cultural resources and concludes that the proposed project would not result in new or substantially more severe environmental impacts than those previously identified in the certified DWSP EIR; and

In accordance with the California Environmental Quality Act (CEQA) Guidelines section 15164, the preparation of an Addendum is appropriate when changes to a project do not result in new significant impacts or substantial increases in the severity of previously identified impacts; and

Staff recommend approval of an addendum to the certified 2005 DWSP EIR (sch no. 2003112060); now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. On the basis of the Initial Study prepared as part of the Addendum to the certified Delta Water Supply Project EIR (SCH No. 2003112060), the proposed Project would not have new or substantially more severe significant effects on the environment

that have not already been addressed by the certified Stockton DWSP Program EIR (SCH No. 2003112060), no substantial changes have occurred with respect to the circumstances under which the project will be undertaken, and no new information of substantial importance to the project has been identified.

2. However, minor technical changes or additions are necessary, and in accordance with CEQA Guidelines Section 15164, the Addendum to the certified Delta Water Supply Project EIR (SCH No. 2003112060) was prepared and is hereby approved, a copy of which is attached as Exhibit 1 and incorporated by this reference.

3. The City Manager or designee is authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED August 12, 2025 .

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

Delta Water Treatment Plant Groundwater Recharge Basins Project

Final
Initial Study/Addendum

Prepared for:

City of Stockton
425 N. El Dorado Street
Stockton, CA 95202

Prepared by:

HELIX Environmental Planning, Inc.
1180 Iron Point Road, Suite 130
Folsom, CA 95630

April 2025 | 08030.00004.001

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ACRONYMS AND ABBREVIATIONS

ADA	Americans with Disabilities Act
AF/year	acre-feet per year
AG-40	General Agriculture, 40-acre minimum
A/G	General Agriculture
ALUC	Airport Land Use Commission
ALUCP	Airport Land Use Compatibility Plan
Amsl	above mean sea level
APE	Area of Potential Effects
APN	Assessor's Parcel Number
AWWA	American Water Works Association
bgs	below ground surface
BMP	Best management practices
BRA	Biological Resources Assessment
CalEEMod	California Emissions Estimator Model
Cal/EPA	California Environmental Protection Agency
CAL FIRE	California Department of Forestry and Fire Protection
CAP	Climate Action Plan
CARB	California Air Resources Board
CBC	California Building Code
CCR	California Code of Regulations
CDFW	California Department of Fish and Wildlife
CEQA	California Environmental Quality Act
CESA	California Endangered Species Act
CGS	California Geological Survey
CHP	California Highway Patrol
CHRIS	California Historical Resources Information System
City	City of Stockton
CNDDB	California Natural Diversity Database
CNEL	Community Noise Equivalent Level
CNPS	California Native Plant Society
CO	carbon monoxide
COSMA	City of Stockton Metropolitan Area
County	San Joaquin County
CRHR	California Register of Historical Resources
CVRQCB	Central Valley Regional Water Quality Control Board
CWA	Clean Water Act
CY	cubic yard
dB	decibels
DOC	California Department of Conservation
DPM	diesel particulate matter
DTSC	Department of Toxic Substances Control
DWR	California Department of Water Resources

ACRONYMS AND ABBREVIATIONS (cont.)

DWSP	Delta Water Supply Project
DWTP	Delta Water Treatment Plant
EIR	Environmental Impact Report
EOP	Emergency Operations Plan
EQ Zapp	Earthquake Hazards Zone Application
ESA	Endangered Species Act
ESJGWA	Eastern San Joaquin Groundwater Authority
°F	degrees Fahrenheit
FEMA	Federal Emergency Management Agency
FMMP	Farmland Mapping and Monitoring Program
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
HDPE	high density polyethylene
HMMP	Hazardous Materials Management Plan
Hz	Hertz
IS	Initial Study
JPA	Joint Powers Authority
LHMP	Local Hazard Mitigation Plan
LOS	Level of Service
LRA	Local Responsibility Area
mgd	million gallons per day
MND	mitigated negative declaration
MRZ	Mineral Resource Zone
N_2O	nitrous oxide
NAAQS	national ambient air quality standards
NAHC	Native American Heritage Commission
NO_X	nitrogen oxides
NPDES	National Pollutant Discharge Elimination System
NPL	National Priorities List
NRCS	Natural Resources Conservation Service
NRHP	National Register of Historic Places
NSLU	noise-sensitive land uses
O&M	Operation and Maintenance
OEHHA	Office of Environmental Health Hazard Assessment
OHP	Office of Historic Preservation

ACRONYMS AND ABBREVIATIONS (cont.)

OMR	State Office of Mining Reclamation
OSFM	Office of the State Fire Marshal
OSHA	Occupational Safety and Health Administration
PM_{10}	coarse particulate matter
$PM_{2.5}$	fine particulate matter
PPV	peak particle velocity
PRC	Public Resources Code
QSD	Qualified SWPPP Developer
ROG	Reactive Organic Gases
RWCF	Stockton Regional Wastewater Control Facility
RWQCB	Regional Water Quality Control Board
SCADA	Supervisory Controls and Data Acquisition
SCH	State Clearinghouse
SGMA	Sustainable Groundwater Management Act
SJCOG	San Joaquin Council of Governments
SJMSCP	San Joaquin County Multi-Species Habitat Conservation and Open Space Plan
SJV	San Joaquin Valley
SJVAB	San Joaquin Valley Air Basin
SJVAPCD	San Joaquin Valley Air Pollution Control District
SLF	Sacred Lands File
SO_2	sulfur dioxide
SR	State Route
SWPPP	Stormwater Pollution Prevention Plan
SWQCCP	Stormwater Quality Control Criteria Plan
SWRCB	State Water Resource Control Board
TAC	Toxic Air Contaminant
TAC	Technical Advisory Committee
UBC	Uniform Building Code
UPRR	Union Pacific Railroad
USEPA	United States Environmental Protection Agency
USCS	Unified Soil Classification System
VHFHSZ	Very High Fire Hazard Severity Zone
VOC	volatile organic compound
WID	Woodbridge Irrigation District
WSP	welded steel pipeline
WTP	water treatment plant

INITIAL STUDY INFORMATION SHEET

1.	Project title:	Delta Water Treatment Plant Groundwater Recharge Basins Project
2.	Lead agency name and address:	City of Stockton 425 N. El Dorado Street Stockton, CA 95202
3.	Contact person and phone number:	Danny Trejo, Program Manager II (209) 937-8782
4.	Project location:	11373 N. Lower Sacramento Road, San Joaquin County, CA
5.	General plan designation:	General Agriculture (A/G)
6.	Zoning:	General Agriculture, 40 acres minimum (AG-40)

7. Description of project:

The proposed Delta Water Treatment Plant Groundwater Recharge Basins Project (Project) would include construction of three groundwater recharge basins and associated site improvements and infrastructure adjacent to the existing City of Stockon's Delta Water Treatment Plant (DWTP). The Project would be located at 11373 N. Lower Sacramento Road on City-owned property in San Joaquin County, on Assessor's Parcel Number (APN) 059-030-02. The Project site is conservatively estimated to encompass a total of 134.2 acres; however, the Project footprint would comprise approximately 78 acres adjacent to the existing DWTP. The proposed groundwater basins, viewing platform, parking lot, and associated infrastructure would encompass approximately 64 acres of the Project site, and the proposed temporary stockpile areas would encompass approximately 14 acres of the Project site.

8. Surrounding land uses and setting:

The Project site is adjacent to the City's existing DWTP and is surrounded by agricultural fields to the north, agricultural fields and N. Lower Sacramento Road to the east, agricultural fields and single-family residential homes to the south, and the DWTP and agricultural fields to the west.

9. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement:

- Central Valley Regional Water Quality Control Board (CVRWQCB)
- San Joaquin County Environmental Health Department (SJCEHD)
- San Joaquin Council of Governments (SJCOG)
- State Water Resources Control Board (SWRCB)

1.0 INTRODUCTION

1.1 INITIAL STUDY/ADDENDUM

HELIX Environmental Planning, Inc. (HELIX) has prepared this Initial Study (IS)/Addendum on behalf of the City of Stockton (City) per the requirements of the California Environmental Quality Act (CEQA) of 1970 (Public Resources Code [PRC] Section 21000, et seq.), and the CEQA Guidelines (California Code of Regulations, Title 14, Section 15000, et seq.). The City certified a Program Environmental Impact Report (Program EIR) for the Stockton Delta Water Supply Project (DWSP) in October 2005 (State Clearinghouse [SCH] No. 2003112060). This IS/Addendum addresses whether the proposed Delta Water Treatment Plant Groundwater Recharge Basins Project (proposed Project) may cause significant effects on the environment beyond what was analyzed in the certified Stockton DWSP Program EIR. Consistent with PRC Section 21166 and CEQA Guidelines Sections 15152 and 15162, this IS/Addendum focuses on any effects on the environment that are specific to the proposed Project which were not analyzed as potentially significant effects in the certified DWSP Program EIR, or for which substantial new information shows that identified effects would be more significant than described in the certified DWSP Program EIR.

CEQA Guidelines Regarding an Addendum

Pursuant to PRC Section 21166 and CEQA Guidelines Section 15162, when an EIR has been certified for a project, no subsequent or supplemental EIR shall be prepared for that project unless the lead agency determines, based on substantial evidence in light of the whole record, one or more of the following:

- Substantial changes are proposed in the project which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified effects;
- Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete, shows any of the following:
    - The project will have one or more significant effects not discussed in the previous EIR;
    - Significant effects previously examined will be substantially more severe than shown in the previous EIR;
    - Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measures or alternatives; or
    - Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Where none of the conditions specified in Section 15162 are present, the lead agency must determine whether to prepare an Addendum or whether no further CEQA documentation is required (CEQA Guidelines Section 15162[b]). An Addendum is appropriate where some minor technical changes or additions to the project or the previously certified EIR are necessary, but there are no new or substantially more severe significant impacts than those identified in the previously certified EIR (CEQA Guidelines Section 15164).

1.2 DOCUMENT ORGANIZATION

This IS/Addendum evaluates the potential environmental impacts of the proposed Project. The document is divided into the following sections:

1.0 Introduction – This chapter provides an introduction, CEQA guidelines regarding an addendum, and describes the purpose and organization of the document.

2.0 Project Background – This chapter provides an overview of the certified Stockton DWSP Program EIR, summarizes the Project purpose and need, and lists the Project-specific technical studies prepared and incorporated into this IS/Addendum.

3.0 Project Location and Setting – This chapter provides information on the existing physical conditions of the Project site, as well as a brief description of the existing use.

4.0 Project Description – This chapter discusses the proposed Project in detail.

5.0 Determination – This chapter provides a determination if the Project will or will not have a new significant impact on the environment compared to the certified Stockton DWSP Program EIR. This chapter determines if the appropriate CEQA document is an addendum, tiered mitigated negative declaration (MND), tiered EIR, or if nothing further is required as the environmental impacts of the Project were previously analyzed in a prior CEQA document, and if potential significant impacts have been avoided or mitigated.

6.0 Environmental Initial Study Checklist – This chapter provides a description of the environmental setting and impact analysis for each of the environmental subject areas analyzed in the certified Stockton DWSP Program EIR. Project impact analysis is provided in response to subject-specific questions for each environmental subject area analyzed in the certified Stockton DWSP Program EIR, and an impact determination is made for each question. Impact determinations may be “no new or substantially more severe impact,” “less than significant impact,” “less than significant impact with mitigation incorporated,” or “new significant or substantially more severe impact” in response to the questions included in the environmental checklist for each environmental subject area.

7.0 References – This chapter identifies documents, websites, people, and other sources consulted during the preparation of this IS/Addendum.

8.0 Preparers – This chapter identifies who worked on the preparation of this IS/Addendum.

2.0 PROJECT BACKGROUND

2.1 STOCKTON DELTA WATER SUPPLY PROJECT PROGRAM EIR

The DWSP Program EIR was prepared for the City of Stockton to analyze the DWSP as a new supplemental water supply for the City of Stockton Metropolitan Area (COSMA). The proposed components of the DWSP included a new water intake facility, raw water transmission pipelines from the intake facility to the water treatment plant (WTP), a WTP, an electrical power supply, treated water pipelines between the WTP and City's distribution system, and a groundwater recharge program. The DWSP Program EIR was certified by the City of Stockton City Council (SCH No. 2003112060) on November 8, 2005 (City 2005). At the time this IS/Addendum was prepared, the water intake facility, raw water transmission pipelines, WTP, electrical power supply, and treated water pipelines were constructed and are currently in operation.

The certified DWSP Program EIR contemplated a future groundwater recharge program as part of the DWSP, which would be developed following the preparation of a feasibility study to assess the suitability of the potential project site. In December 2023, a Feasibility Study Report was prepared by Geosyntec Consultants to evaluate the potential for groundwater recharge at the City's existing Delta Water Treatment Plant (DWTP) site. The Feasibility Study Report concluded that the soils beneath the proposed Project site would be suitable for groundwater recharge (2023 Geosyntec Consultants). Therefore, the City proposes to construct three groundwater recharge basins and associated site improvements and infrastructure at the DWTP site. The certified DWSP Program EIR evaluated the potential environmental effects for each of the individual DWSP components, including the water intake facility, raw water transmission pipelines from the intake facility to the WTP, WTP, and treated water pipelines between the WTP and City's distribution system. Therefore, since the proposed Project would be located within the WTP site evaluated in the certified DWSP Program EIR, this IS/Addendum compares the proposed Project impacts to the impacts evaluated for the development of the WTP.

This IS/Addendum compares the proposed Project's impacts to the impacts evaluated in the certified DWSP Program EIR for each of the identified environment topic areas, excluding Section 4.1, *Fisheries.* Section 4.1, *Fisheries*, of the certified DWSP Program EIR discusses potential impacts on fishery resources in the Sacramento-San Joaquin Delta from implementation of the DWSP, which included the in-river intake facility and in-bank intake facility. This section of the certified DWSP Program EIR was only applicable to those two components of the DWSP, and therefore, it did not evaluate the impacts on fishery resources from implementation of the WTP as it was not applicable. For these reasons, Section 4.1 of the certified DWSP Program EIR is not applicable to the proposed Project and is not further analyzed in this IS/Addendum.

2.2 PROJECT PURPOSE

In 2014, the California legislature, including Assembly Bill (AB) 1739, Senate Bill (SB) 1168, and SB 1319, enacted the Sustainable Groundwater Management Act (SGMA) in response to the continued overdraft of California's groundwater resources, requiring local agencies to form groundwater sustainability agencies (GSAs) for the high and medium basins, and to develop and implement groundwater sustainability plans (GSPs) to avoid undesirable results and mitigated overdraft from groundwater basins within 20 years.

The Eastern San Joaquin Groundwater Subbasin (Subbasin No. 5-022.01) is one of 21 basins and subbasins identified by the California Department of Water Resources (DWR) as being in a state of critical overdraft. As defined by SGMA, "A basin is subject to critical overdraft when continuation of present water management practices would probably result in significant adverse overdraft-related environmental, social, or economic impacts" (DWR 2024a). SGMA requires preparation of a GSP to address measures necessary to attain sustainable conditions in the Subbasin. Within the framework of SGMA, sustainability is generally defined as long-term reliability of the groundwater supply and the absence of undesirable results. According to the SGMA 2019 Basin Prioritization, the Eastern San Joaquin Subbasin was identified as a critically overdrafted and high priority basin (DWR 2024b). As such, the Eastern San Joaquin Groundwater Authority (ESJGWA) was formed in 2017 in response to SGMA. A Joint Exercise of Powers Agreement establishes the ESJGWA and is composed of 16 GSAs, which includes the City of Stockton.

Efforts began in 2019 to prepare the draft Eastern San Joaquin Subbasin GSP, which was most recently revised in 2022 (ESJGWA 2022). The GSP outlines the need to reduce overdraft conditions through either the replacement of groundwater use (offset) or supplement groundwater supplies (recharge) to meet current and future water demands. The proposed Project has been identified in the Eastern San Joaquin Subbasin GSP to supplement groundwater supplies in the subbasin. In 2022, the City received a 2022 SGMA Implementation Round 1 Grant to assist in funding a geotechnical and hydrogeologic study at the proposed Project site, which included the 2023 Feasibility Study Report.

The purpose of the proposed Project is to improve water supply reliability and raise groundwater levels in the Eastern San Joaquin Subbasin. Additionally, the proposed groundwater recharge basins would be designed and constructed to provide ancillary benefits including habitat for birds, providing water, shelter, and/or breeding places during their migration along the Pacific Flyway.

2.3 PROJECT-SPECIFIC TECHNICAL STUDIES

The following Project-specific technical reports, assessments, and/or surveys were prepared or conducted to support the impact analysis included in this IS/Addendum and are incorporated by reference:

- Biological Resources Assessment, February 2025, prepared by HELIX.
- Air Quality Analysis, February 2025, prepared by HELIX.
- Cultural Resources Assessment, February 2025, prepared by HELIX.

3.0 PROJECT LOCATION AND SETTING

3.1 PROJECT LOCATION

The proposed Project would be constructed at the City of Stockon Municipal Utilities Department (MUD) DWTP, which is located between the City of Stockton and City of Lodi, at 11373 N. Lower Sacramento Road in unincorporated San Joaquin County (County) on APN 059-030-02. The Project site is situated in Sections 33 and 34 of Township 3 North, Range 6 East, Mount Diablo Meridian, and is depicted on the U.S. Geological Survey (USGS) *Lodi South, California* 7.5-minute topographic quadrangle. The Project site is conservatively estimated to encompass 134.2 acres; however, the permanent and temporary Project

impact footprint would comprise a total of approximately 78 acres adjacent to the existing DWTP. See Figure 1, Site and Vicinity Map, and Figure 2, Aerial Map, in Appendix A.

3.2 ENVIRONMENTAL SETTING

The proposed Project is located at the City's DWTP, which currently treats surface water diverted from the Sacramento-San Joaquin Delta (Delta) and Mokelumne River. The DWTP site is developed with paved roads, associated infrastructure, and three concrete-lined sludge basins to support the DWTP operations. The Project site is surrounded by agricultural fields to the north, agricultural fields and N. Lower Sacramento Road to the east, agricultural fields and single-family residential homes to the south, and the DWTP and agricultural fields to the west.

4.0 PROJECT DESCRIPTION

The proposed Project would include construction of three groundwater recharge basins and associated infrastructure at the City-owned DWTP. The proposed infrastructure would be constructed to divert raw surface water from existing sources to the new groundwater recharge basins during surplus. The Project would also construct a new access roadway, parking lot, and viewing platform. These proposed permanent Project components would encompass approximately 64 acres of the Project site. See below for the proposed Project components in more detail.

4.1 GROUNDWATER RECHARGE BASIN COMPONENTS

Groundwater Recharge Basins

The proposed Project would include construction of three groundwater recharge basins of the following approximate sizes: 16.6 acres, 15.4 acres, and 13.5 acres. Each groundwater recharge basin would be excavated to about three feet below ground surface (bgs), and the top of the perimeter roads would be approximately five feet above grade. The interior levees of the recharge basins would be filled at a 3:1 slope ratio to encourage growth of vegetation along the perimeters.

Forebays

A forebay would be constructed along the western side of each groundwater recharge basin. The corners of the forebays would be lined with riprap, and the slopes would be constructed at a 2:1 ratio.

Aboveground and Underground Piping

An existing 54-inch raw water connection is located in the western portion of the DWTP. The proposed 30-inch motorized butterfly valve would be installed above ground and adjacent to the existing 54-inch raw water connection. This proposed 30-inch motorized butterfly valve would connect to the existing DWTP Supervisory Controls and Data Acquisition (SCADA) system and would serve as an isolation valve for the proposed groundwater recharge basins. From the proposed 30-inch butterfly valve, a proposed underground 36-inch welded steel pipeline (WSP) would move east for approximately 1,000 feet until it reaches three proposed 24-inch electrically actuated butterfly valves, that would be used to control flows to each proposed groundwater recharge basin. The three proposed 24-inch butterfly valves would then be connected to the existing DWTP SCADA system. From the proposed three 24-inch butterfly valves, three proposed 30-inch high density polyethylene (HDPE) pipelines would convey flows directly

into each proposed forebay. A proposed concrete manhole in each proposed forebay would be used to dissipate energy upward. After the water flow settles in the proposed forebays, the water would flow over one of three proposed 150-foot-long concrete curbs, located between the proposed forebays and the proposed groundwater recharge basins. Each proposed curb would be slightly lower in elevation to encourage water to flow to the entire length of the proposed forebay.

Dry Wells

Two dry wells would be constructed in each of the proposed groundwater recharge basins. The dry wells would be constructed by excavating down to approximately 20 feet below grade to increase groundwater recharge volumes in addition to the recharge volume that would occur through the groundwater recharge basin bottoms. The dry well holes would be excavated with steep slopes and would be filled with washed angular crushed rock. At grade, the dry wells would be covered with fabric, and two feet of gravel would be placed above the fabric. The gravel may need to be cleaned every few years.

Infiltration Wells

Each groundwater recharge basin would include installation of a large diameter vertical infiltration well, which would be placed in areas with high permeabilities to depths of 20 to 50 feet bgs to increase groundwater recharge volumes. The infiltration wells would be placed in large diameter borings filled with gravel to maximize the amount of water that can be directed to these depths. Trenches filled with gravel would be sloped towards the infiltration wells to allow water flow towards these areas. The infiltration rate for each groundwater recharge basin would range from approximately 15,000 acre-feet per year (AF/year) to 30,000 AF/year, assuming the basins are used 335 days per year.

Monitoring Wells

Five nested groundwater monitoring wells, similar to the existing Monitoring Well MW-1, would be installed within the Project site to monitor groundwater conditions. The monitoring wells would extend 200 feet bgs and would be installed in accordance with the SJCEHD requirements. Each well would be monitored with a single pressure transducer on a regular basis.

4.2 WATER SUPPLY

According to the draft Preliminary Scope Validation Memo prepared for the proposed Project in December 2024, the City currently has about 21,000 AF/year of raw water from existing surface water supplies from the Delta and Woodbridge Irrigation District (WID) or Mokelumne River Integrated Conjunctive Use Program (MICUP) available for recharge (NEXGEN 2024). The WID has the authority to divert water from the Mokelumne River (Lodi Lake) via the main diversion canal in Woodbridge, which runs underneath Lower Sacramento Road and feeds the majority of the canals to the south. This raw surface water would be used to supply the proposed groundwater recharge basins during times of surface water surplus.

Assuming 335 days for recharge in the groundwater basins, the 21,000 AF/year of available existing water supply would require an average infiltration rate of about 1.44 feet/day. The recharge volume would be accomplished through the groundwater recharge basins bottom and dry wells within the basins.

4.3 VIEWING PLATFORM AND RESTROOM

A shaded viewing platform would be constructed in the northwestern portion of the Project site, east of the existing WTP facility, to allow visitors to view migratory birds that are anticipated to use the proposed basins during their migration along the Pacific Flyway, which is a major north-south flyway for migratory birds that spans from Alaska to South America. The viewing platform is anticipated to be approximately 2,000 square feet (sf) in size and 15 feet tall. The viewing platform would be constructed immediately north of the proposed recharge basins and would be constructed on an elevated surface similar in height to the top of the basin's perimeter berms (five feet amsl). The height of the viewing platform from existing grade would be approximately 20 feet.

A detached prefabricated restroom would be installed adjacent to the proposed viewing platform for visitor use. The proposed restroom would be approximately 126 sf in size. If feasible, the restroom would tie into existing sewer lines that run along Lower Sacramento Road. However, if connecting to existing nearby utilities is not feasible, then a new septic tank would be installed for the proposed restroom and would be serviced approximately six times per year.

4.4 ACCESS, CIRCULATION, AND PARKING

The DWTP includes an existing staff parking area near the northern portion of the DWTP and has two existing vehicular access driveways, a northern and southern access driveway, off N. Lower Sacramento Road. The DWTP includes existing internal roadways that connect the two existing access driveways.

The proposed Project would construct an access roadway located west of the groundwater recharge basins which would also connect the two existing access driveways. A new parking area in the northeast corner of the Project site would be constructed to provide parking for visitors and would include one Americans with Disabilities Act (ADA) accessible van stall and one standard ADA accessible stall. It is anticipated that the parking lot would include approximately 14 standard parking stalls. The proposed access roadway and parking lot would be designed with sufficient vehicle width to accommodate turnaround for a standard-sized school bus.

4.5 SIGNAGE AND LANDSCAPE

Educational signage would be located near the proposed viewing platform. Landscape improvements would include the area immediately adjacent to the proposed parking area and hydroseed would be added along the slopes of the levees of the proposed basins. New landscaping would include California native species and/or low water-use plantings.

4.6 FENCING AND SECURITY

Wrought iron fencing would be located along N. Lower Sacramento Road and the northern boundary of the Project site. Chain link fencing would be located along the southern boundary of the Project site and on the western boundary of the northern groundwater recharge basin.

4.7 CONSTRUCTION SCHEDULE AND STOCKPILE AREAS

Construction of the proposed Project may begin as early as May of 2025 and is anticipated to be completed in June 2026. It is anticipated that construction of the three groundwater recharge basins would occur concurrently. Per the Project engineer, debris and vegetation from site preparation and soil from basin excavation would be temporarily stockpiled on the DWTP site. The proposed temporary stockpile areas would be located west of the groundwater recharge basins and adjacent to the City's DWTP and would encompass approximately 14 acres of the Project site. Following excavation and temporary stockpiling, the excavated soils would be used on-site to construct the perimeter berms for the proposed basins, and remaining soil (if any) would be balanced on-site. It is anticipated that no off-site export of debris, vegetation, or soil would be required.

Approximately 219 cubic yards (CY) of aggregate would be imported during underground utilities and 500 CY of concrete and aggregate would be imported during basin and berm construction, per the Project engineer. Additionally, per the Project engineer, 296 CY of asphalt concrete/aggregate base course (AC/AB) would be imported during paving and 140 CY of crushed rock would be imported during construction of the percolation wells.

4.8 OPERATION AND MAINTENANCE

Operational activities associated with the proposed Project would include occasional maintenance trips for the on-site restroom and maintenance of landscaping. Per the Project engineer, a truck would service the septic tanks six times a year (if connection to existing utilities is not feasible), and landscape maintenance, including weed and irrigation maintenance, would occur two to four times a year and additionally as needed. Staff that currently manage/operate the City-owned DWTP would perform the operation and maintenance (O&M) tasks required for the proposed Project, and no new employees would be required to support the proposed Project.

Each groundwater recharge basin is anticipated to be used annually for 335 days. This operation would allow for a "drying out" period of 30 days over the year for each groundwater recharge basin. "Drying out" periods would be staggered for the three groundwater recharge basins so that recharge could be conducted throughout the year. Allowing "drying out" periods has been shown to increase the efficiency of a groundwater recharge basin. These periods could also be used to conduct any other maintenance requirements including clearing out the infiltration pipelines, removal of vegetation that occurs, etc.

Operation of the proposed Project would also include infrequent educational visits from local public or private schools, organizations, other interested groups, etc. as allowed by the DWTP facility management. It is anticipated that educational visits would be limited to one school bus per visit (up to 72 students, per standard school bus sizes) and would occur between typical daytime school hours and operational hours of the DWTP.

4.9 REQUIRED PERMITS AND APPROVALS

A listing and brief description of the approvals and/or regulatory permits required to implement the proposed Project are provided below. This environmental document is intended to address the environmental impacts associated with the following discretionary actions and approvals.

City of Stockton

- **Consideration of the Environmental Document:** City of Stockton will act as the Lead Agency as defined by CEQA and will have authority to determine if the environmental document is adequate under CEQA and the State CEQA Guidelines.

- **Project Approval:** City of Stockon City Council will consider approval of the Project.

Agencies

- **San Joaquin County Environmental Health Department:** Well and Boring Permit for the proposed monitoring wells.

- **San Joaquin Council of Governments:** San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP).

- **Central Valley Regional Water Quality Control Board:** National Pollutant Discharge Eliminated System (NPDES) Construction General Permit, which requires the preparation and implementation of a Stormwater Pollution Prevention Plan (SWPPP).

5.0 DETERMINATION

The City of Stockton previously certified the DWSP Program EIR, and on the basis of this initial evaluation and pursuant to CEQA Guidelines:

☒	I find that the proposed Project WOULD NOT have new or substantially more severe significant effects on the environment that have not already been addressed by the certified Stockton DWSP Program EIR (SCH No. 2003112060), no substantial changes have occurred with respect to the circumstances under which the Project will be undertaken, and no new information of substantial importance to the Project has been identified. However, minor technical changes or additions are necessary, and in accordance with CEQA Guidelines Section 15164, an ADDENDUM has been prepared.
☐	I find that although the Project WOULD have one or more new or substantially more severe significant effects on the environment, there will not be a significant effect in this case because new Project-specific mitigation measures have been identified that would reduce the effects to a less than significant level. In accordance with CEQA Guidelines Section 15162, a TIERED MITIGATED NEGATIVE DECLARATION has been prepared.
☐	I find that the Project MAY have a new or substantially more severe significant effect on the environment that was not adequately addressed in the certified DWSP Program EIR, and there may not be feasible mitigation which would reduce the new or substantially more severe significant effect to a less than significant level. In accordance with CEQA Guidelines Section 15162, a TIERED ENVIRONMENTAL IMPACT REPORT is required.

Signature	Date
Printed Name	For

6.0 ENVIRONMENTAL INITIAL STUDY CHECKLIST

The Lead Agency has defined the column headings in the environmental checklist as follows:

A. "New or Substantially More Severe Significant Impact" is appropriate if there is substantial evidence that an effect may be significant or substantially more severe. If there are one or more "New or Substantially More Severe Significant Impact" entries when the determination is made, an EIR is required.

B. "Less Than Significant with Mitigation Incorporated" applies where the inclusion of mitigation measures has reduced an effect from "New or Substantially More Severe Significant Impact" to a "Less Than Significant Impact." All mitigation measures are described, including a brief explanation of how the measures reduce the effect to a less than significant level. Mitigation measures from the certified DWSP Program EIR are cross-referenced as applicable to the proposed Project.

C. "Less Than Significant Impact" applies where the Project does not create an impact that exceeds a stated significance threshold.

D. "No New or Substantially More Severe Impact" applies where a Project does not create a new impact in that category compared to the determinations made for an existing and certified EIR.

The explanation of each issue outlined in the following pages identifies the significance criteria or threshold used to evaluate each question; and the mitigation measure identified, if any, to reduce the impact to less than significance. Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration [CEQA Guidelines Section 15063(c)(3)(D)]. Where appropriate, the discussion identifies the following:

a) Earlier Analyses Used. Identifies where earlier analyses are available for review.

b) Impacts Adequately Addressed. Identifies which effects from the checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and states whether such effects were addressed by mitigation measures based on the earlier analysis.

c) Mitigation Measures. For effects that are "Less Than Significant with Mitigation Incorporated," describes the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the Project.

I. LAND USE, RECREATION, AND AESTHETIC RESOURCES

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
Impact Analysis Questions (Table 3.2-1 of the certified DWSP Program EIR):				
LU-1: Construction of the proposed DWSP could physically divide an established community.	☐	☐	☐	☒
LU-2: Construction of the proposed DWSP facilities could reduce access to, or interfere with the use of, existing recreational facilities.	☐	☐	☐	☒
LU-3: Construction of DWSP facilities could conflict with existing agricultural uses.	☐	☐	☐	☒
LU-4: The proposed DWSP could conflict with any applicable land use plan, policy or regulation of an agency with jurisdiction over the project adopted for the purpose of avoiding or mitigating an environmental effect.	☐	☐	☐	☒
LU-5: Construction of the DWSP WTP and raw water pipeline appurtenant facilities would convert economically viable prime farmland and farmland of statewide importance to nonagricultural use.	☐	☐	☐	☒
LU-6: The proposed DWSP could conflict with existing zoning for agricultural use, or a Williamson Act contract	☐	☐	☐	☒
LU-7: The proposed DWSP could involve other changes in the existing environment that, due to its location or nature, could individually or cumulatively result in loss of economically viable farmland.	☐	☐	☐	☒
LU-8: The proposed DWSP could indirectly: (a) increase the use of existing neighborhood or regional parks or other recreational facilities such that substantial physical deterioration of the facility could occur or be accelerated; or (b) include recreational facilities or require the construction or expansion of recreational facilities which could have an adverse physical effect on the environment.	☐	☐	☐	☒
LU-9: Operation of the DWSP intake could reduce access to, or interfere with the use of, existing recreational facilities.	☐	☐	☐	☒

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
LU-10: The DWSP intake and WTP would have a substantial adverse effect on scenic vistas, substantially damage scenic resources, or substantially degrade the existing visual character or quality of the site and its surroundings.	☐	☐	☐	☒
LU-11: The DWSP intake and WTP would create a new source of substantial light or glare that would adversely affect nighttime views in the area.	☐	☐	☐	☒

Affected Environment

Land Use

The proposed Project site is City-owned property located in unincorporated San Joaquin County, immediately north and west of the City of Stockton and south of the City of Lodi. The Project site is located outside of the City of Stockton limits, and, therefore, does not have a zoning designation within the City. However, although the Project site is outside of the City's sphere of influence, the City's General Plan 2040 Land Use Map designates the Project site as Institutional (City 2024).

The 2035 San Joaquin County General Plan, most recently updated in 2016, is a comprehensive, long-term document that serves to guide all future land use, development, preservation, and resource conservation decisions in the unincorporated areas of the County. The Project site is designated General Agriculture (A/G) in the County General Plan and is zoned General Agriculture (AG-40). The A/G land use designation provides for large-scale agricultural production and associated processing, sales, and support uses. This land use designation generally applies to areas outside areas planned for urban development where soils are capable of producing a wide variety of crops and/or support grazing. Typical building types include low-intensity structures associated with farming and agricultural processing and sales (County 2016). The General Agriculture zone was established to preserve agricultural land for the continuation of commercial agricultural enterprises and implements the A/G land use designation of the County General Plan (County 2024a).

No agricultural activities or timber management currently occur on the Project site, nor is the Project site under a Williamson Act contract. According to the California Important Farmland Finder Interactive Map prepared pursuant to the Farmland Mapping and Monitoring Program (FMMP) of the California Department of Conservation (DOC), the undeveloped eastern portion of the Project site is classified as Farmland of Local Importance and the western portion of the Project site is classified as Urban and Built-Up Land. The DOC defines Farmland of Local Importance as land of importance to the local agricultural economy as determined by the County's Board of Supervisors and a local advisory committee. Urban and Built-Up land is defined as land occupied by structures or infrastructure with a building density of at least one unit to one and one-half acres, or approximately six structures to a 10-acre parcel (DOC 2024).

Recreation

San Joaquin County Parks and Recreation is responsible for the planning and management of regional parks in the unincorporated County. Additionally, the City of Stockton maintains 66 City parks and open space areas, ranging from two-acre neighborhood sites to 64-acre community parks. The closest recreation facilities to the Project site include: Dorotha Mae Pitts Park, located approximately one mile to the southwest; Elkhorn Golf Club, located approximately 1.5 miles to the southwest; Baxter Park, located approximately two miles to the southwest; Mick Grove Park, located approximately 2.25 miles to the east; Laughlin Park, located approximately 2.8 miles to the southwest; Harry Corren Park, located approximately 2.8 miles to the southwest; and Shumway Oak Grove Regional Park, located approximately three miles to the west.

Aesthetic Resources

There are no designated scenic vistas, State scenic highways, or County scenic routes within the Project area. The closest designated State scenic highway is State Route (SR) 160, located approximately 20 miles west of the Project site. The closest designated County scenic route is Isleton Road, located approximately 17 miles northwest of the Project site (Caltrans 2024). Additionally, the Project site is not located within or immediately adjacent to a Wild and Scenic River System (NWSRS 2024). The major scenic vistas in San Joaquin County are provided by the east-west travel corridors that provide views of the Sierra Nevada foothills and the Diablo Range. These visual resources within the County are also visible from Interstate (I-) 5 and I-580, the two major highways within the County. More "close-in" County scenic vistas include viewing lands under agricultural production, vineyards, and orchards. Views of major river corridors are most clearly visible from parklands that adjoin the rivers, as the motorist often catches only a quick glimpse of the river corridors while crossing bridges (County 2014).

Summary of Impacts from the Certified Stockton Delta Water Supply Project Program EIR

Section 3.2, *Land Use, Recreation, and Aesthetic Resources,* of the certified DWSP Program EIR provided an analysis of potential impacts to land use, agriculture, recreation, and aesthetics. The certified DWSP Program EIR concluded that construction of the DWSP components could physically divide an established community; however, the impact from construction of the WTP was determined to be less than significant. It was concluded that construction of proposed DWSP facilities could reduce access to, or interfere with the use of, existing recreational facilities; however, no impact to these facilities was determined to occur from construction of the WTP. The certified DWSP Program EIR concluded that construction of the DWSP facilities could conflict with existing agricultural uses by converting agricultural lands to non-agricultural uses; however, it was determined that the impact from construction of the WTP would be less than significant. The DWSP components could conflict with applicable land use plans, policies, or regulations of an agency with jurisdiction over the Project adopted for the purpose of avoiding or mitigating an environmental effect by converting agricultural lands to non-agricultural uses; however, the impact from the WTP was determined to be less than significant.

The certified DWSP Program EIR concluded that construction of the WTP and raw water pipeline appurtenant facilities would convert economically viable prime farmland and farmland of Statewide importance to nonagricultural use; therefore, the impact from construction of the WTP was determined to be significant and unavoidable. The proposed DWSP could conflict with zoning for agricultural use, or a Williamson Act contract; however, the impact from the WTP was determined to be less than significant. Additionally, the proposed DWSP could involve other changes in the existing environment

that, due to its location or nature, could individually or cumulatively result in loss of economically viable farmland, however the impact from the WTP was determined to be less than significant.

The certified DWSP Program EIR concluded that the DWSP could indirectly increase the use of existing neighborhood or regional parks or other recreational facilities such that substantial physical deterioration of the facility could occur or be accelerated, or include recreational facilities or require the construction or expansion of recreational facilities which could have an adverse physical effect on the environment; however, it was determined that no impact would occur from the WTP. Operation of the DWSP intake could reduce access to, or interfere with the use of, existing recreational facilities; however, it was determined that no impact would occur from the WTP.

Lastly, the certified DWSP Program EIR concluded that implementation of the DWSP components would have a substantial adverse effect on scenic vistas, substantially damage scenic resources, or substantially degrade the existing visual character or quality of the site and its surroundings; however, it was determined that the impact from the WTP would be less than significant. The certified DWSP Program EIR concluded that the DWSP intake and WTP would create a new source of substantial light or glare that would adversely affect nighttime views in the area, and the impact was determined to be significant and unavoidable for the WTP. Although the DWSP Program EIR identified Mitigation Measure LU-11 to minimize the impact from outdoor light sources, the certified DWSP Program EIR concluded that the impact from the WTP would remain significant and unavoidable, and a Statement of Overriding Considerations was adopted upon certification of the DWSP Program EIR.

Impact Analysis

The impact analysis questions related to land use, agriculture, recreation, and aesthetic resources are included in Table 3.2-1, Summary of Impacts – Land Use, Recreation, and Aesthetic Resources, in Section 3.2, *Land Use, Recreation, and Aesthetic Resources,* of the certified DWSP Program EIR.

Impact LU-1: Construction of the proposed DWSP could physically divide an established community.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP components could physically divide an established community; however, the impact from construction of the WTP was determined to be less than significant.

The proposed Project would include the construction of three groundwater recharge basins and associated infrastructure located directly east of the City's existing DWTP. The proposed Project is located immediately north of the City of Stockton in unincorporated San Joaquin County. The Project site is surrounded by agricultural fields and N. Lower Sacramento Road to the east, agricultural fields and single-family residential homes to the south, the DWTP and agricultural fields to the west, and agricultural fields to the north. Construction activities and staging of construction equipment for the proposed Project would be contained within the Project site. Construction of the proposed Project would not further separate these land uses or physically divide an established community, and no impact would occur. Therefore, there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact LU-2: Construction of proposed DWSP facilities could reduce access to, or interfere with the use of, existing recreational facilities.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of proposed DWSP facilities could reduce access to, or interfere with the use of, existing recreational facilities; however, no impact to these facilities was determined to occur from construction of the WTP.

The proposed Project would be constructed immediately east of the City's existing DWTP, and within the WTP site evaluated in the certified DWSP Program EIR, in a primarily rural area of the County. There are no existing recreational facilities in the immediate Project vicinity. Therefore, construction of the proposed Project would not interfere with the use of existing recreational facilities, no impact would occur, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact LU-3: Construction of DWSP facilities could conflict with existing agricultural uses.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP facilities would conflict with existing agricultural uses; however, with implementation of mitigation, the impact from construction of the WTP was determined to be less than significant.

The proposed Project would be located adjacent to the City's existing DWTP and is located on primarily undeveloped land that is not currently used for agricultural uses. Therefore, the proposed Project would not conflict with existing agricultural uses, and no impact would occur. Therefore, there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact LU-4: The DWSP could conflict with any applicable land use plan, policy or regulation of an agency with jurisdiction over the Project adopted for the purpose of avoiding or mitigating an environmental effect.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that the DWSP components could conflict with applicable land use plans, policies, or regulations of an agency with jurisdiction over the Project adopted for the purpose of avoiding or mitigating an environmental effect by converting agricultural lands to non-agricultural uses; however, the impact from the WTP was determined to be less than significant.

The proposed Project would construct three groundwater recharge basins directly east of the City's existing DWTP. The Project site is in a primarily rural area of the County and is surrounded by agricultural fields and N. Lower Sacramento Road to the east, agricultural fields and single-family residential homes to the south, the DWTP and agricultural fields to the west, and agricultural fields to the north. As discussed above in Impact LU-3, although the Project is surrounded by land in agricultural production, the proposed Project would not conflict with existing agricultural uses. The location of the proposed Project is due to the unique site area requirements, as surface water would be delivered to the forebays and then the groundwater recharge basins by tapping into the existing raw water supply pipeline at the DWTP facility. The proposed Project would be consistent with Policy LU-7.2, Agricultural Support Uses, of the *Community Development Element* of the County General Plan, which states:

> *The County shall require new agricultural support development and non-farm activities to be compatible with surrounding agricultural operations. New developments shall be required to demonstrate that they are located in an agricultural area because of unique site area*

> *requirements, operational characteristics, resource orientation, or because it is providing a service to the surrounding agricultural area. The operational characteristics of the use may not have a detrimental impact on the operation or use of surrounding agricultural properties. Developments must be sited to avoid any disruption to the surrounding agricultural operations. (County 2016).*

Additionally, the proposed Project would service the surrounding agricultural area, as the Project would increase groundwater recharge. The proposed Project would not conflict with applicable land use plans, policies, or regulations of an agency with jurisdiction over the Project adopted for the purpose of avoiding or mitigating an environmental effect, and the impact would be less than significant. Therefore, there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact LU-5: Construction of the DWSP WTP and the raw water pipeline appurtenant facilities would convert economically viable prime farmland and farmland of statewide importance to non-agricultural use.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP WTP and raw water pipeline appurtenance facilities would convert economically viable Prime Farmland and Farmland of Statewide Importance to non-agricultural use, and the impact from construction of the WTP was determined to be significant and unavoidable even with incorporation of Mitigation Measures LU-5a and LU-5b.

Mitigation Measures LU-5a and LU-5b, would not be applicable to the proposed Project, as the Project site does not currently support agricultural production. Additionally, according to the DOC's FMMP California Important Farmland Finder Interactive Map, the undeveloped eastern portion of the Project site is classified as Farmland of Local Importance and the western portion of the Project site is classified as Urban and Built-Up Land. Therefore, construction of the proposed Project would not convert viable Prime Farmland or Farmland of Statewide Importance to non-agricultural use, the impact would be less than significant, and no mitigation would be necessary. Therefore, *no new or substantially more severe impact* would occur compared to what was evaluated in the certified DWSP Program EIR.

Impact LU-6: The proposed DWSP could conflict with existing zoning for agricultural use, or a Williamson Act contract.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that the DWSP components could conflict with existing zoning for agricultural use, or a Williamson Act contract; however, the impact from implementation of the WTP was determined to be less than significant.

The proposed Project site is located in unincorporated San Joaquin County and is currently zoned AG-40, which implements the A/G land use designation of the County General Plan, and the parcels are not currently under a Williamson Act contract. Chapter 9-203 of the County Development Title prescribes land use regulations for agricultural zones. However, pursuant to Government Code Section 53091(e), the location or construction of facilities for the production, generation, storage, treatment, or transmission of water by a special district are not subject to the zoning ordinance of the County in which the Project would be located. Although the proposed Project is not required to comply with the San Joaquin County Zoning Ordinance, it is the Project's intent to enhance groundwater recharge, thereby sustaining agriculture. The implementation of the proposed groundwater recharge basins would promote groundwater security, inherently protecting agricultural resources in the County. The proposed

Project would not conflict with the existing zoning for agricultural use, and the impact would be less than significant. There would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact LU-7: The proposed DWSP could involve other changes in the existing environment that, due to its location or nature, could individually or cumulatively result in loss of economically viable farmland.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that the DWSP components could involve other changes in the existing environment that, due to its location or nature, could individually or cumulatively result in loss of economically viable farmland; however, the impact from the WTP was determined to be less than significant.

As discussed above in Impact LU-5, the proposed Project would be constructed immediately east of the City's existing DWTP. The undeveloped eastern portion of the Project site is classified as Farmland of Local Importance and the western portion of the Project site is classified as Urban and Built-Up Land; the Project site is not classified as economically viable Prime Farmland or Farmland of Statewide Importance. Therefore, the proposed Project would not result in the loss of economically viable farmland. The impact would be less than significant, and *no new or substantially more severe impact* would occur compared to what was evaluated in the certified DWSP Program EIR.

Impact LU-8: The proposed DWSP could indirectly: (a) increase the use of existing neighborhood or regional parks or other recreational facilities such that substantial physical deterioration of the facility could occur or be accelerated; or (b) include recreational facilities or require the construction or expansion of recreational facilities which could have an adverse physical effect on the environment.

No New Impact. The certified DWSP Program EIR concluded that the WTP would not increase the use of existing neighborhood or regional parks or other recreational facilities such that substantial physical deterioration of the facility could occur or be accelerated, nor include recreational facilities or require the construction or expansion of recreational facilities which could have an adverse physical effect on the environment; therefore, it was determined that no impact would occur.

The proposed Project would include construction of three groundwater recharge basins located directly east of the City's DWTP. The proposed Project would not result in substantial population growth within or near the Project vicinity and thus would not increase the demand for additional recreational facilities, nor otherwise promote or indirectly induce new development that would require the construction or expansion of recreational facilities. Further, the Project does not include the construction of recreational facilities which could have an adverse physical effect on the environment. Therefore, the proposed Project would not increase the use of existing neighborhood or regional parks or other recreational facilities such that substantial physical deterioration of the facility could occur or be accelerated, nor include recreational facilities or require the construction or expansion of recreational facilities which could have an adverse physical effect on the environment, and no impact would occur. Therefore, there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact LU-9: Operation of the DWSP intake could reduce access to, or interfere with the use of, existing recreational facilities.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that the operation of the DWSP intake could reduce access to or interfere with the use of existing recreational facilities; however, it was determined that no impact would occur from operation of the WTP.

As previously discussed in Impact LU-2, there are no existing recreational facilities in the immediate Project vicinity. Operation of the proposed Project would not interfere with the use of existing recreational facilities. Therefore, no impact would occur, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact LU-10: The DWSP intake and WTP would have a substantial adverse effect on scenic vistas, substantially damage scenic resources, or substantially degrade the existing visual character or quality of the site and its surroundings.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that the WTP would have a substantial adverse effect on scenic vistas, substantially damage scenic resources, or substantially degrade the existing visual character or quality of the site and its surroundings. The impact from implementation of the WTP was determined to be less than significant.

The Project site consists of primarily undeveloped land adjacent to the City's existing DWTP. The topography of the Project site is relatively flat with an elevation that ranges between approximately 18 to 30 feet amsl, similar to that of the surrounding areas. The Project site is surrounded by agricultural fields and N. Lower Sacramento Road to the east, agricultural fields and scattered single-family residential homes to the south, the DWTP and agricultural fields to the west, and agricultural fields to the north. The northern, eastern, and western edges of the Project site are currently fenced. The Project site is located in a generally rural area of the County, and publicly accessible areas with views of the site would include N. Lower Sacramento Road. As such, viewer sensitivity to the visual character or quality of the Project site would generally consist of motorists along N. Lower Sacramento Road.

The closest designated State Scenic Highway is SR 160, located approximately 20 miles west of the Project site. The closest designated County scenic route is Isleton Road, located approximately 17 miles northwest of the Project site (Caltrans 2024). Therefore, due to the distance from SR 160 and Isleton Road, the proposed Project would not damage scenic resources within a State scenic highway or County scenic route. A scenic vista is defined as a viewpoint that provides an expansive view of a highly valued landscape for the benefit of the general public. The major scenic vistas in the County include views of the Sierra Nevada foothills, Diablo Range, and viewing lands under agricultural production, vineyards, and orchards.

The proposed Project would be constructed on undeveloped land adjacent to the City's DWTP. The proposed temporary stockpile areas would encompass approximately 14 acres of the Project site. The stockpiling areas and staging of construction equipment would temporarily alter the visual character of the site and surrounding areas; however, the stockpile and staging areas would be located in previously disturbed areas setback over 1,700 feet from N. Lower Sacramento Road and used short-term during Project construction. As such, construction of the proposed Project would not adversely affect scenic vistas.

The proposed groundwater basins, shaded viewing platform, parking lot, and associated infrastructure would encompass approximately 64-acres of the Project site adjacent to the City's existing DWTP. Each groundwater recharge basin would be excavated to about three feet below existing grade and the surrounding perimeter roads/berms would be built up approximately five feet above existing grade. The

height of the elevated viewing platform would be approximately 20 feet from existing grade. Wrought iron fencing would replace the existing fencing along N. Lower Sacramento Road and the northern boundary of the Project site. Chain link or similar fencing would be installed along the southern boundary of the Project site and on the western boundary of the northern groundwater recharge basin. However, as N. Lower Sacramento Road is currently lined with tall vertical features (e.g., mature trees, utility poles, streetlights, and roadway signs) and horizontal features (e.g., building and pavement edges, fences, and utility lines), the proposed fencing would be consistent with the vertical and horizontal features within the Project area. Therefore, Mitigation Measure LU-10 identified in the certified DWSP Program EIR, which require avoiding the use of bright reflective materials and colors to reduce the visual impact of the proposed viewing platform and associated aboveground infrastructure, would remain applicable to the proposed Project and would be implemented. For these reasons, the proposed Project would not substantially degrade the existing visual character or quality of the site. Therefore, the impact would be less than significant with implementation of Mitigation Measure LU-10, and *no new or substantially more severe impact* would occur compared to what was evaluated in the certified DWSP Program EIR.

Impact LU-11: The DWSP intake and WTP would create a new source of substantial light or glare that would adversely affect nighttime views in the area.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that the WTP would create a new source of substantial light or glare that would adversely affect nighttime views in the area, and the impact was determined to be significant and unavoidable with implementation of Mitigation Measure LU-11.

The proposed Project would be located adjacent to the existing DWTP, which currently has nighttime lighting for safety and security purposes. Any lighting associated with the proposed Project would be similar to the existing DWTP's lighting and would adhere to Mitigation Measure LU-11, which would require the shielding and angling of outdoor light sources to prevent light trespass on adjacent properties. Therefore, the impact would not be substantially more severe than what was analyzed in the certified DWSP Program EIR with implementation of Mitigation Measure LU-11, and *no new or substantially more severe impact* would occur.

Mitigation Measures

The certified DWSP Program EIR identified Mitigation Measures LU-5a, LU-5b, LU-10, and LU-11 to mitigate impacts related to land use, agriculture, recreation, and aesthetics from implementation of the WTP. However, Mitigation Measures LU-5a and LU-5b would not be applicable to the proposed Project, as the Project site does not currently support agricultural production and is not designated prime farmland or farmland of Statewide importance.

As described above, Mitigation Measures LU-10 and LU-11 from the certified DWSP Program EIR would remain applicable to the proposed Project and would be implemented. These mitigation measures are provided below.

Mitigation Measure LU-10: The design of the intake facility and WTP, including the choice of color and materials, shall seek to reduce the visual impact of the facilities. Bright reflective materials and colors shall be avoided.

Mitigation Measure LU-11: Outdoor light sources shall be properly shielded and installed to prevent light trespass on adjacent properties. Any flood or spot lamps installed for purposes other than waterway navigation must be aimed no higher than 45 degrees above straight down (halfway between straight down and straight to the side) when the source is visible from any off-site residential property or public roadway.

II. GEOLOGY, SOILS, AND SEISMICITY

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
Impact Analysis Questions (Table 3.3-3 of the certified DWSP Program EIR):				
GEO-1: Construction of the proposed DWSP could lead to accelerated soil erosion and possible sedimentation of local surface waters.	☐	☐	☐	☒
GEO-2: In the event of seismic activity strong ground motion, secondary hazards in the form of settlement, and/or associated ground failure (e.g., liquefaction) could possibly impact DWSP facilities.	☐	☐	☐	☒
GEO-3: Structural improvements associated with the proposed DWSP could be subject to soil-related hazards including expansive and/or corrosive soil materials or settlement.	☐	☐	☐	☒
GEO-4: DWSP facilities, including pipelines, intake facility, sub-surface foundations, and other underground utilities, would be subjected to hazards associated with regional subsidence.	☐	☐	☐	☒

Affected Environment

Geologic Setting

San Joaquin County is located in the central portion of the Great Valley geomorphic province of California. This geomorphic province is characterized as a northwestward-trending trough that formed between the Coast Range Mountains to the west and the Sierra Nevada Mountains to the east. The Great Valley is about 50 miles wide and extends for 400 miles through the center of California. The northern and southern portions of the Great Valley are referred to as the Sacramento Valley and San Joaquin Valley, respectively; with the Sacramento River draining areas to the north and the San Joaquin River draining areas to the south. The topography of the Project site is generally flat, with an elevation that ranges between approximately 18 to 30 feet amsl.

The Project area is generally underlain by Quaternary-aged sedimentary rocks and portions of the Modesto Formation. The Modesto Formation is an alluvial fan deposit that generally ranges in thickness from 150 to 200 feet, and consists of discontinuous clay and silt lenses, interbedded with fine and coarse sand deposits derived from the Sierra Nevada.

Soils

Erosion is the wearing away of soil and rock by processes such as mechanical or chemical weathering, mass wasting, and the action of waves, wind, and underground water. Excessive soil erosion can eventually lead to damage to building foundations and roadways. Areas that are susceptible to erosion are often those that become exposed during the construction phase of development when existing cover is removed, or earthwork activities disturb sub-grade areas (County 2014).

Settlement can occur from immediate settlement, consolidation, shrinkage of expansive soil, and liquefaction. Soils tend to settle at different rates and by varying amounts depending on the load weight or changes in properties over an area, which is referred to as differential settlement. Subsidence can result in reduced storage capacity of groundwater aquifers. Subsidence within the County is usually the result of pumping groundwater or oxidation of peat in the Delta (County 2014).

The Feasibility Study Report prepared in December 2023 for the proposed Project included an evaluation of the ability for soils on the Project site to transmit water downward. Four soil borings were conducted on the Project site to assess infiltration rates. According to the report, the Unified Soil Classification System (USCS) soil classifications found within the four borings included SM (silty sand), SW (well-graded sand, fine to coarse sand), SC (clayey sand), SP (poorly graded sand), and CL (lean clay). It was concluded that these soils beneath the proposed groundwater recharge area appear to be suitable for groundwater recharge. However, surface soils down to 15 feet have lower permeabilities that could limit the ability to maximize the amount of water that can be recharged annually. The report found that improved permeability occurs below 20 feet bgs.

Expansive soils are characterized by their potential “shrink-swell” behavior. Shrink-swell is the cyclic change in volume (expansion and contraction) that occurs in certain fine-grained clay sediments from the process of wetting and drying. Clay minerals such as smectite, bentonite, montmorillonite, beidellite, vermiculite and others are known to expand with changes in moisture content. According to the soil survey data for San Joaquin County, close to half of the upper five feet of soils throughout the County have a low shrink-swell potential, a lesser portion is considered to have a moderate potential, and about an eighth of the area (primarily in the southwestern end of the County) has been mapped with a high potential (County 2014).

Seismicity

The nearest faults to the Project area exhibiting historic displacement (activity within the last 200 years) are the Concord-Green Valley, Hayward, and Marsh Creek-Greenville faults, located approximately 25 to 46 miles west of the Project area. Portions of the Calaveras fault zone that are considered active within the last 200 years are located approximately 45 miles west of the Project area. Other active faults within 100 miles include the Dunnigan Hills (58 miles north), Ortigalita (62 miles west), Healdsburg-Rodgers Creek (64 miles west), West Napa (47 miles west), and San Andreas (65 miles west) fault zones. According to the California DOC Earthquake Zones of Required Investigation Map (EQ Zapp), the Project is within an unevaluated area and is not located within an Alquist-Priolo Fault Zone, Liquefaction Zone, or Landslide Zone (DOC 2024b).

Mineral Resources

The California Geological Survey (CGS) classifies the regional significance of mineral resources in accordance with the California Surface Mining and Reclamation Act of 1975. Mineral Resource Zones (MRZ) have been designated to indicate the significance of mineral deposits. The MRZ categories are as follows:

- MRZ-1: Areas where adequate information indicates that no significant mineral deposits are present or where it is judged that little likelihood exists for their presence.
- MRZ-2: Areas where adequate information indicates significant mineral deposits are present, or where it is judged that a high likelihood exists for their presence.
- MRZ-3: Areas containing mineral deposits the significance of which cannot be evaluated from available data.
- MRZ-4: Areas where available information is inadequate for assignment to any other MRZ.

The primary extractive resources in San Joaquin County are sand and gravel aggregate. Peat soil, placer gold, and silver are extracted to a much lesser extent. Mining activities are monitored by the State Office of Mining Reclamation (OMR) and the County Public Works Department to ensure compliance with applicable laws, to promote reclamation that is cost-effective and beneficial to end-uses, and to protect public health and safety (County 2014). The Project site is not within a mapped MRZ (DOC 2024c), nor is the Project site within or adjacent to any active mining operations (DOC 2024d).

Summary of Impacts from the certified Stockton Delta Water Supply Project Program EIR

Geology, soils, and seismicity impacts are discussed in Section 3.3, *Geology, Soils, and Seismicity*, of the certified DWSP Program EIR. The document concluded that construction of the DWSP facilities could lead to accelerated soil erosion and possible sedimentation of local surface waters; however, the impact from construction of the WTP was determined to be less than significant with implementation of Mitigation Measure GEO-1. The certified DWSP Program EIR also concluded that in the event of seismic activity, strong ground motion, secondary hazards in the form of settlement, and/or associated ground failure (e.g., liquefaction) could possibly impact the DWSP facilities; however, the impact from the WTP was determined to be less than significant with implementation of Mitigation Measures GEO-2a through GEO-2c. Structural improvements associated with the DWSP could be subject to soil-related hazards including expansive and/or corrosive soil materials or settlement; however, the impact from the WTP was determined to be less than significant with implementation of Mitigation Measures GEO-3a and GEO-3b. Lastly, the certified DWSP Program EIR concluded that the DWSP facilities, including pipelines, intake facility, sub-surface foundations, and other underground utilities, would be subjected to hazards associated with regional subsidence; however, the impact from the WTP was determined to be less than significant.

The certified DWSP Program EIR also concluded that no mineral resource extraction areas were identified within the DWSP Project area in the City of Stockton, City of Lodi, or County general plans. As a result, construction and operation of the DWSP components would neither interfere with any existing extraction operations nor reduce the availability of an MRZ-2 classified resource. For these reasons, the potential impacts on mineral resources were not discussed further in the certified DWSP Program EIR and are not analyzed in this IS/Addendum.

Impact Analysis

The impact analysis questions related to geology, soils, and seismicity are included in Table 3.3-3, Summary of Impacts – Geology, Soils, and Seismicity, in Section 3.3, *Geology, Soils, and Seismicity,* of the certified DWSP Program EIR.

Impact GEO-1: Construction of the proposed DWSP could lead to accelerated soil erosion and possible sedimentation of local surface waters.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP facilities could lead to accelerated soil erosion and possible sedimentation of local surface waters; however, impacts from construction of the WTP were determined to be reduced to less than significant with implementation of Mitigation Measure GEO-1.

The proposed Project would include construction of three groundwater recharge basins with associated infrastructure, a visitor restroom, a shaded viewing platform, and a paved parking lot. Construction of the proposed Project would require surface disturbance including grading, excavation, and vegetation removal, which would expose soils on the Project site to potential erosion from wind and rain. With implementation of Mitigation Measure GEO-1, potential short-term impacts from construction would be addressed through conformance with applicable elements of the National Pollutant Discharge Elimination System (NPDES) Construction General Permit, including preparation and implementation of a Stormwater Pollution Prevention Plan (SWPPP). The SWPPP would implement Best Management Practices (BMPs) during construction to reduce on-site erosion of disturbed soil. Therefore, the proposed Project would not result in substantial soil erosion or the loss of topsoil, and the impact would be less than significant with implementation of Mitigation Measure GEO-1. There would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact GEO-2: In the event of seismic activity strong ground motion, secondary hazards in the form of settlement, and/or associated ground failure (e.g., liquefaction) could possibly impact DWSP facilities.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that in the event of seismic activity, strong ground motion, secondary hazards in the form of settlement, and/or associated ground failure (e.g., liquefaction) could possibly impact the WTP; however, the impact from the WTP was determined to be reduced to a less than significant impact with implementation of Mitigation Measures GEO-2b and GEO-2c.

The proposed Project would be located in unincorporated San Joaquin County at the City's DWTP. Terrain in the Project site is relatively flat with an elevation that ranges between approximately 18 to 30 feet amsl. The Project site is not located within an Alquist-Priolo Fault Zone, and there are no known faults in the Project site or the near vicinity. The nearest faults to the Project area exhibiting historic displacement (activity within the last 200 years) are the Concord-Green Valley, Hayward, and Marsh Creek-Greenville faults, located approximately 25 to 46 miles west of the Project area. Seismic activity and strong ground motion in the Project area are unlikely to occur.

As there are no known earthquake faults on or near the Project site, secondary hazards in the form of settlement and/or associated ground failure such as liquefaction would also be unlikely to occur. However, construction of the proposed groundwater recharge basins and associated infrastructure would be required to follow standard guidance from a geotechnical engineer and State construction requirements to reduce potential hazards resulting from strong seismic ground shaking. Further,

Mitigation Measure GEO-2b as identified in the certified DWSP Program EIR would remain applicable to the proposed Project and would be implemented, which would require the proposed Project to be designed to comply with the site-specific design recommendations as provided by a licensed geotechnical or civil engineer. Therefore, with implementation of Mitigation Measure GEO-2b identified in the certified DWSP Program EIR, impacts related to seismic activity would be reduced to less than significant with mitigation. Therefore, *no new or substantially more severe impact* would occur compared to what was evaluated in the certified DWSP Program EIR.

Impact GEO-3: Structural improvements associated with the proposed DWSP could be subject to soil-related hazards including expansive and/or corrosive soil materials or settlement.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that structural improvements associated with the proposed DWSP could be subject to soil-related hazards including expansive and/or corrosive soil materials or settlement; however, the impact from the WTP was determined to be less than significant with implementation of Mitigation Measures GEO-3a and GEO-3b. Expansive soils are characterized by their potential "shrink-swell" behavior. Shrink-swell is the cyclic change in volume (expansion and contraction) that occurs in certain fine-grained clay sediments from the process of wetting and drying. Clay minerals such as smectite, bentonite, montmorillonite, beidellite, vermiculite and others are known to expand with changes in moisture content. The effects of expansive soil materials would result in cracking, settlement, and uplift of foundations of aboveground structures, paved service roads, and concrete slabs. Settlement of fill material would occur from static loads with possibly half of the settlement taking place during construction or shortly thereafter. Differential settlement would also occur due to variability in the underlying soil materials.

The proposed Project would include the construction of three groundwater recharge basins with associated infrastructure, a visitor restroom, a shaded viewing platform, and a paved parking lot. Waste from the visitor restroom would be treated on-site via a new septic tank (if connection to existing utilities is not feasible). Standard engineering practices generally require the removal and replacement of expansive soil materials with non-expansive engineered fill that would prevent the impact of pressure or settlement. Additionally, Mitigation Measure GEO-3a and GEO-3b from the certified DWSP Program EIR would remain applicable to the proposed Project and would be implemented, which would require the installation of a cathodic protection system for all underground metallic fittings, appurtenances, and piping to prevent corrosion, and would require the use of isolation valves to prevent significant losses of surface water in the event of pipeline rupture. Therefore, the impacts to soil-related hazards including expansive and/or corrosive soil materials or settlement would be reduced to less than significant with implementation of Mitigation Measures GEO-3a and GEO-3b, and *no new or substantially more severe impact* would occur compared to what was previously evaluated in the certified DWSP Program EIR.

Impact GEO-4: DWSP facilities, including pipelines, intake facility, sub-surface foundations, and other underground utilities, would be subjected to hazards associated with regional subsidence.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that the DWSP facilities, including pipelines, intake facility, sub-surface foundations, and other underground utilities, would be subjected to hazards associated with regional subsidence; however, it was concluded that the WTP is not located within an area identified as experiencing significant subsidence, and the impact from the WTP was determined to be less than significant.

The proposed Project would be located immediately east of the City's existing DWTP and within the WTP site as evaluated in the certified DWSP Program EIR. Therefore, the proposed Project would not be located within an area identified as experiencing significant subsidence. Therefore, the impact would be less than significant, and *no new or substantially more severe impact* would occur compared to what was evaluated in the certified DWSP Program EIR.

Mitigation Measures

As discussed in the sections below, the certified DWSP Program EIR identified Mitigation Measures GEO-1, GEO-2b, GEO-2c, GEO-3a, and GEO-3b to mitigate impacts related to geology, soils, and seismicity from implementation of the WTP. These mitigation measures would remain applicable to the proposed Project. However, Mitigation Measure GEO-2c, which required the City to prepare an Earthquake Response Plan and evacuation plans for all personnel-occupied structures, would not be required for the proposed Project because the proposed Project would not construct new personnel-occupied structures.

Mitigation Measure GEO-1: The City shall prepare a SWPPP for all construction phases of the proposed Project, as required by the Central Valley Regional Water Quality Control Board (CVRWQCB). The objectives of the SWPPP are to identify pollutant sources that may affect the quality of stormwater discharge and to implement BMPs to reduce pollutants in stormwater discharges. BMPs may include, but would not be limited to:

- Excavation and grading activities in areas with steep slopes or directly adjacent to open water shall be scheduled for the dry season only (April 15 to October 15), to the extent possible. This will reduce the chance of severe erosion from intense rainfall and surface runoff.

- If excavation occurs during the rainy season, storm runoff from the construction area shall be regulated through a stormwater management/erosion control plan that shall include temporary on-site silt traps and/or basins with multiple discharge points to natural drainages and energy dissipaters. Stockpiles of loose material shall be covered and runoff diverted away from exposed soil material. If work stops due to rain, a positive grading away from slopes shall be provided to carry the surface runoff to areas where flow would be controlled, such as the temporary silt basins. Sediment basins/traps shall be located and operated to minimize the amount of off-site sediment transport. Any trapped sediment shall be removed from the basin or trap and placed at a suitable location on-site, away from concentrated flows, or removed to an approved disposal site.

- Temporary erosion control measures shall be provided until perennial revegetation or landscaping is established and can minimize discharge of sediment into nearby waterways. For construction within 500 feet of a water body, appropriate erosion control measures shall be placed upstream adjacent to the water body.

- Erosion protection shall be provided on all cut-and-fill slopes. Revegetation shall be facilitated by mulching, hydroseeding, or other methods and shall be initiated as soon as possible after completion of grading and prior to the onset of the rainy season (by October 15).

- BMPs selected and implemented for the Project shall be in place and operational prior to the onset of major earthwork on the site. The construction phase facilities shall be maintained

regularly and cleared of accumulated sediment as necessary. Effective mechanical and structural BMPs that would be implemented at the Project site include the following:

- Mechanical stormwater filtration measures, including oil and sediment separators or absorbent filter systems such as the Stormceptor® system, can be installed within the storm drainage system to provide filtration of stormwater prior to discharge.

- Vegetative strips, high infiltration substrates, and grassy swales can be used where feasible throughout the development to reduce runoff and provide initial stormwater treatment.

- Roof drains shall discharge to natural surfaces or swales where possible to avoid excessive concentration and channelization of stormwater.

- Permanent energy dissipaters can be included for drainage outlets.

- The water quality detention basins are designed to provide effective water quality control measures including the following:

  - Maximize detention time for settling of fine particles;

  - Establish maintenance schedules for periodic removal of sedimentation, excessive vegetation, and debris that may clog basin inlets and outlets;

  - Maximize the detention basin elevation to allow the highest amount of infiltration and settling prior to discharge.

- Hazardous materials such as fuels and solvents used on the construction-sites shall be stored in covered containers and protected from rainfall, runoff, vandalism, and accidental release to the environment. All stored fuels and solvents will be contained in an area of impervious surface with containment capacity equal to the volume of materials stored. A stockpile of spill cleanup materials shall be readily available at all construction-sites. Employees shall be trained in spill prevention and cleanup, and individuals shall be designated as responsible for prevention and cleanup activities.

- Equipment shall be properly maintained in designated areas with runoff and erosion control measures to minimize accidental release of pollutants. The SWPPP also will specify measures for removing sediment from water pumped for trench dewatering before the water is released to waterways.

Mitigation Measure GEO-2b: Facility design for all DWSP facilities will comply with the site-specific design recommendations as provided by a licensed geotechnical or civil engineer. These recommendations will be based on the anticipated peak ground acceleration (PGA) for each Project-component within the overall Project area. In instances where conflicting PGA values are obtained, the City will apply the greater of the two values to ensure maximum structural integrity. Design recommendations provided in the geotechnical report will demonstrate compliance with 1997 Uniform Building Code (UBC) and 2001 California Building Code (CBC) requirements for structures located in seismic zone 3.

Mitigation Measure GEO-3a: The City shall install a cathodic protection system for all underground metallic fittings, appurtenances, and piping to protect these facilities from corrosion. The cathodic protection system shall be designed consistent with City standards.

Mitigation Measure GEO-3b: Isolation valves will be incorporated into all pipelines to prevent significant losses of surface water in the event of pipeline rupture. The specifications of the isolation valves will conform to the UBC, American Water Works Association (AWWA), and City standards.

III. DRAINAGE AND FLOODPLAIN MANAGEMENT

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
Impact Analysis Questions (Table 3.4-1 of the certified DWSP Program EIR):				
DFM-1: Dewatering of excavated areas during construction in areas of shallow groundwater could affect surface water quality.	☐	☐	☐	☒
DFM-2: DWSP construction activities could result in increased erosion and sedimentation, or release fuels or other hazardous materials associated with construction equipment that could impact surface water quality.	☐	☐	☐	☒
DFM-3: DWSP intake and WTP facilities would increase the amount of impervious surfaces, which in turn would increase local storm runoff volumes that could exceed the capacity of on-site drainage systems, and create localized flooding or contribute to a cumulative flooding impact downstream.	☐	☐	☐	☒
DFM-4: Removal and stockpiling of tunnel spoils during construction of the raw and treated water pipelines could release chemicals or spoils into the surrounding environment that could affect surface water quality.	☐	☐	☐	☒
DFM-5: Construction of the intake facility and raw water pipelines could potentially increase the risk of flooding on Empire Tract and King Island.	☐	☐	☐	☒

Affected Environment

The Central Valley is a very large, flat alluvial valley that dominates the central portion of California. The valley stretches approximately 500 miles from north to south, from about 100 miles south of the Oregon border to the boundary between Kern and Los Angeles counties. The Central Valley is divided into three

hydrologic regions or surface water basins including the Sacramento River Basin in the north, San Joaquin River Basin in the center, and Tulare Lake Basin to the very south. Together, the Sacramento and San Joaquin River Basins cover about one fourth of the total areas of the State and over 30 percent of the irrigable land. The two main drainages for these valleys, the Sacramento River and San Joaquin River, empty into the San Francisco Bay estuary system through a large expanse of interconnected canals, streambeds, sloughs, marshes and peat islands known as the Delta (County 2014).

The County lies entirely within the San Joaquin River Basin, which is bounded topographically and geologically by the bedrock of the Diablo Range on the west and the Sierra Nevada to the east. The San Joaquin River flows in a southeast to northwest direction from the Sierra Nevada through the County into the Delta, San Francisco Bay, and ultimately the Pacific Ocean. Both the headwaters and ultimate destination of the San Joaquin River and its tributaries are outside of the county. Four major rivers and streams drain from the western slope of the Sierra Nevada traversing or bordering the County, including Calaveras River, Mokelumne River, Stanislaus River, and San Joaquin River (County 2014).

The Delta occupies the western portion of San Joaquin County and represents the point of discharge for the Sacramento and San Joaquin River systems. Water flows out of the Delta, into San Francisco Bay, and through the Golden Gate to the Pacific Ocean, creating an extensive estuary where salty ocean water and fresh river water commingle. In sum, water from over 40 percent of the State's land area is discharged into the Delta. The Delta supports several beneficial uses, including water supply to local municipalities and agricultural uses, ecological support for fisheries including wetlands and important habitat, in-Delta agriculture, flood management, water quality management, and a major conveyance for transporting fresh water from northern to southern portions of the state. Within the San Joaquin County portion of the Delta, three irrigation districts provide irrigation water from Delta channels to farms within the Delta (County 2014).

In general, surface water quality depends on seasonal hydrologic patterns, mineral composition of watershed soils, topography, land use, and sources of contamination. During low-flow conditions of the summer months, the surface water quality characteristics of most importance to aquatic life are temperature, dissolved oxygen, turbidity, nutrients such as nitrogen and phosphorous, algae growth, and other toxic constituents including ammonia, pesticides, and residual chlorine. Higher flow conditions in the winter are influenced more by stormwater runoff and associated pollutants such as sediment (turbidity), petroleum hydrocarbons, nutrients and bacteria from livestock areas and agricultural fields, heavy metals, pesticides, and various other pollutants (County 2014).

According to the Interactive Flood Zone Map for San Joaquin County, the proposed Project would be located within the Federal Emergency Management Agency (FEMA) Flood Zone "X", which indicates an area of minimal to moderate flood risk hazard (0.2 percent annual chance of flood hazard; County 2024b). The nearest inundation zone is located approximately 6 miles north of the Project site and is associated with the New Woodbridge Diversion (DWR 2024b).

Water supply sources for the proposed groundwater recharge basins would include water from the Delta, WID, and/or the MICUP during surplus. As mentioned in Section 4.2, *Water Supply,* the City currently has about 21,000 AF/year of raw water of existing surface water supplies from these sources available for recharge (NEXGEN 2024). The WID has the authority to divert water from the Mokelumne River (Lodi Lake) via the main diversion canal in Woodbridge, which runs underneath Lower Sacramento Road and feeds the majority of the canals to the south.

Summary of Impacts from the certified Stockton Delta Water Supply Project Program EIR

Drainage and floodplain impacts are discussed in Section 3.4, *Drainage and Floodplain Management*, of the certified DWSP Program EIR. The certified DWSP Program EIR concluded that dewatering of excavated areas during construction in areas of shallow groundwater could result in adverse impacts to surface water quality, but the impact from the WTP was determined to be less than significant with implementation of Mitigation Measure DFM-1. Additionally, construction of the DWSP facilities could result in increased erosion and sedimentation, or release fuels or other hazardous materials associated with construction equipment that could impact surface water quality; however, the impact from the WTP was determined to be less than significant with implementation of Mitigation Measure GEO-1. The certified DWSP Program EIR concluded that the DWSP intake and WTP would increase the amount of impervious surfaces, which in turn would increase local storm runoff volumes that could exceed the capacity of on-site drainage systems and create localized flooding or contribute to a cumulative flooding impact downstream; however, the impact from the WTP was determined to be less than significant with implementation of Mitigation Measure DFM-3. Removal and stockpiling of tunnel spoils during construction of the raw and treated water pipelines could release chemicals or spoils into the surrounding environment that could affect surface water quality; however, it was determined that no impact would occur from construction of the WTP. Lastly, construction of the intake facility and raw water pipelines could potentially increase the risk of flooding on Empire Tract and King Island; however, the impact was determined to be less than significant from the WTP.

Impact Analysis

The impact analysis questions related to drainage and floodplain management are included in Table 3.4-1, Summary of Impacts – Hydrology, Flooding, and Water Quality, in Section 3.4, *Drainage and Floodplain Management,* of the certified DWSP Program EIR.

Impact DFM-1: Dewatering of excavated areas during construction in areas of shallow groundwater could affect surface water quality.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that dewatering of excavated areas during construction in areas of shallow groundwater could result in adverse impacts to surface water quality, however the impact from the WTP was determined to be reduced to less than significant with implementation of Mitigation Measure DFM-1.

The proposed Project would be constructed immediately east of the City's existing DWTP and would include the construction of three groundwater recharge basins totaling approximately 45.5 acres. The proposed groundwater recharge basins would be excavated to approximately three feet bgs and would require approximately 212,860 CY of cut. It is anticipated that if shallow groundwater is encountered during construction, dewatering of the shallow groundwater would be required. If chemicals are present or sediment is released into the extracted water, discharge of this groundwater into surface water would affect surface water quality. Therefore, implementation of Mitigation Measure DFM-1, as required in the certified DWSP Program EIR, would ensure that in the event that dewatered groundwater cannot be contained on-site, the City shall pump the water into multiple-gallon Baker tanks or approved equivalent with either a filter or gel coagulant system or other containment to remove sediment. Therefore, the impact would be reduced to less than significant with implementation of Mitigation Measure DFM-1, and *no new or substantially more severe impact* would occur.

Impact DFM-2: DWSP construction activities could result in increased erosion and sedimentation, or release fuels or other hazardous materials associated with construction equipment that could impact surface water quality.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP facilities could result in increased erosion and sedimentation, or release fuels or other hazardous materials associated with construction equipment that could impact surface water quality; however, the impact from construction of the WTP was determined to be reduced to less than significant with implementation of Mitigation Measure GEO-1.

The proposed Project would include the construction of three groundwater recharge basins totaling approximately 45.5 acres, which would be excavated to approximately three feet bgs and would require approximately 212,860 CY of cut. Excavated soil would be temporarily stored in the proposed stockpile areas, which would encompass approximately 14 acres of the Project site. Ground disturbing activities during Project construction and temporary soil stockpiling could result in exposure of soils to runoff, which would cause erosion and transportation of soil particles that, once in surface water runoff, could cause sediment and other pollutants to leave the construction-site and affect the water quality of the San Joaquin River and/or other surface water in the Project area. Hazardous materials associated with construction equipment and practices, such as fuels, oils, antifreeze, coolants, and other substances, could adversely affect water quality if released to groundwater or surface water. However, implementation of Mitigation Measure GEO-1 would require the City to prepare a SWPPP for all construction phases of the proposed Project, as required by the CVRWQCB, which would identify pollutant sources that may affect the quality of stormwater discharge and to implement BMPs to reduce pollutants in stormwater discharges during construction. Therefore, the construction-related impact would be less than significant with implementation of Mitigation Measure GEO-1, and *no new or substantially more severe impact* would occur.

Impact DFM-3: DWSP intake and WTP facilities would increase the amount of impervious surfaces, which in turn would increase local storm runoff volumes that could exceed the capacity of on-site drainage systems, and create localized flooding or contribute to a cumulative flooding impact downstream.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that the DWSP intake and WTP would increase the amount of impervious surfaces, which in turn would increase local storm runoff volumes that could exceed the capacity of on-site drainage systems and create localized flooding or contribute to a cumulative flooding impact downstream; however, the impact from construction and operation of the WTP was determined to be less than significant with implementation of Mitigation Measure DFM-3.

Development of the proposed Project would include the construction of three groundwater recharge basins with associated infrastructure, a visitor restroom, a shaded viewing platform, and a paved parking lot. Increases in impervious surfaces and the resulting increases of surface water runoff volumes and rates can produce considerable changes to downstream hydrology in areas where portions of the drainage system are converted from pervious to impervious surfaces; however, the proposed Project would add minimal impervious surfaces and would also construct infiltration wells within each groundwater recharge basin to increase groundwater recharge. Mitigation Measure DFM-3 would remain applicable to the proposed Project and would require the City to comply with all measures of the 2020 Stormwater Quality Control Criteria Plan (SWQCCP), which is a joint plan between the City of

Stockton and San Joaquin County. The 2020 SWQCCP, most recently revised in 2023, is an update to the 2009 SWQCCP and reflects the most recent Phase I municipal stormwater NPDES permit requirements and new Statewide trash control requirements (City of Stockton and San Joaquin County 2020).

Additionally, as discussed above in Impact DFM-2, with implementation of Mitigation Measure GEO-1, potential short-term impacts from construction would be addressed through conformance with applicable elements of the NPDES Construction General Permit, including implementation of a SWPPP. The SWPPP would implement BMPs during construction to reduce on-site erosion of disturbed soil. Therefore, with implementation of Mitigation Measure GEO-1 and Mitigation Measure DFM-3, implementation of the proposed Project would not create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff, and the impact would be less than significant. There would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact DFM-4: Removal and stockpiling of trench and tunnel spoils during construction of the raw and treated water pipelines could release chemicals or spoils into the surrounding environment that could affect surface water quality.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that removal and stockpiling of tunnel spoils during construction of the raw and treated water pipelines could release chemicals or spoils into the surrounding environment that could affect surface water quality. The certified DWSP Program EIR concluded that construction of the raw and treated water pipelines would occur primarily by open trench construction adjacent to existing roadways. These trench and tunnel spoils or materials, removed from the subsurface as pipe is installed, would contain lubrication and hydraulic chemicals, very fine sediments, and would have a high water content. The certified DWSP Program EIR concluded that some components of the DWSP would release of these spoils into surface water runoff or soils in adjacent agricultural fields would cause potential adverse effects on surface water quality and soil productivity; however, the certified DWSP Program EIR concluded that construction of the WTP would not result in impacts to surface water quality or soil productivity on adjacent lands.

The proposed Project would temporarily stockpile debris and vegetation from site preparation and soil from basin excavation on-site. The proposed temporary stockpile areas would be located west of the groundwater recharge basins and adjacent to the City's DWTP and would encompass approximately 14 acres of the Project site. Following excavation and temporary stockpiling, the excavated soils would be used on-site to construct the perimeter berms for the proposed basins, and remaining soil (if any) would be balanced on-site. Implementation of standard BMPs, such as installation of straw wattles around the perimeter of the stockpiled soil, would minimize the potential for soil erosion. Further, the proposed Project would not require the construction of new raw and/or treated water pipelines off-site or adjacent to existing roadways which could contain lubrication and hydraulic chemicals. Therefore, the proposed Project would not release chemicals or soils into the surrounding environment that could affect water quality. No impact would occur, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact DFM-5: Construction of the intake facility and raw water pipelines could potentially increase the risk of flooding on Empire Tract and King Island.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the intake facility and raw water pipelines could potentially increase the risk of flooding on Empire Tract and King Island; however, the impact from construction of the WTP was determined to be less than significant. The certified DWSP Program EIR contemplated that both the in-river intake and the in-bank intake would be constructed on the river side of the existing levee. The in-bank intake would be constructed into the levee; the raw water pipelines would pass through or under the levee. Construction crews and equipment would require access to and over the levee into the river channel.

The proposed Project would be constructed immediately east of the City's existing DWTP and would not require the construction of any Project components within the immediate vicinity of the river channel. Therefore, the proposed Project would not increase the risk of flooding on Empire Tract and King Island. No impact would occur, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Mitigation Measures

The certified DWSP Program EIR identified Mitigation Measures DFM-1, DFM-3, and GEO-1 to mitigate impacts related to drainage and floodplain management from implementation of the WTP. As described in the impact analyses above, all mitigation measures identified for the WTP related to drainage and floodplain management would remain applicable to the proposed Project and would be implemented. These mitigation measures are provided below. See Section 6.II, *Geology, Soils, and Seismicity,* for Mitigation Measure GEO-1.

Mitigation Measure DFM-1: During construction, if groundwater cannot be contained on-site, the City shall pump the water into multiple-gallon Baker tanks or approved equivalent with either a filter or gel coagulant system or other containment to remove sediment. The remaining water will then be discharged to irrigation ditches. On upland areas sprinkler systems may be used to disperse the water in farmers' fields. BMPs, as described in the SWPPP, will also be implemented, as appropriate, to retain, treat, and dispose of groundwater. Measures shall include but are not limited to:

- Retaining pumped groundwater in surface facilities to reduce turbidity and suspended sediments concentrations.

- Treating (i.e., flocculate) pumped groundwater, as appropriate, to reduce turbidity and concentrations of suspended sediments.

- Directly conveying pumped groundwater to a suitable land disposal area capable of percolating flows.

If contamination is suspected, water collected during dewatering will be tested for contamination prior to disposal. Discharges shall comply with the Central Valley Regional Water Quality Control Board's requirements.

Mitigation Measure DFM-3: The City shall comply with all measures of the City's Stormwater Quality Control Criteria Plan to effectively manage and minimize increases in stormwater runoff resulting from the operation of DWSP facilities. Measures to be implemented may include detention basins, vegetated swales, buffer strips, and/or infiltration basins.

IV. BIOLOGICAL RESOURCES

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
Impact Analysis Questions (Table 3.5-3 of the certified DWSP Program EIR):				
BIO-1: Construction of DWSP facilities would result in the loss of jurisdictional waters of the U.S., including wetlands.	☐	☐	☐	☒
BIO-2: Construction of DWSP facilities could result in impacts to special-status species.	☐	☐	☐	☒
BIO-3: Construction of the proposed DWSP raw and treated water pipelines could result in temporary impacts to riparian habitats or other sensitive natural communities.	☐	☐	☐	☒
BIO-4: Construction of the proposed DWSP raw and treated water pipelines could impact native wildlife migration corridors or nursery sites.	☐	☐	☐	☒
BIO-5: The proposed DWSP could conflict with adopted City and County tree preservation ordinances.	☐	☐	☐	☒
BIO-6: The proposed DWSP could conflict with the SJMSCP.	☐	☐	☐	☒

A Biological Resources Assessment was prepared by HELIX in February 2025 for the proposed Project and is included as Appendix B.

Affected Environment

The approximately 134.2-acre Study Area encompasses the entirety of the Project site, which includes the 78-acre permanent and temporary Project impact footprint adjacent to the existing DWTP and its infrastructure. The Study Area supports the existing water treatment facility with several structures,

native plant landscaping, and sewer treatment ponds in addition to undeveloped land that supports valley grassland. The Study Area and surrounding area has changed little over the last 30 years based on a review of historic aerial imagery, which consists primarily of agricultural uses and rural residences. The DWTP was constructed on the northwestern portion of the Study Area in 2010.

Terrain in the Study Area is comprised of generally flat land with an elevation that ranges between approximately 18 to 30 feet amsl. The Study Area consists of developed areas with structures, ruderal/disturbed areas, and valley grassland, dominated by annual grasses and forbs. The Study Area does not support any natural drainages or wetlands, but agricultural ditches run along the northern and western border of the Study Area, with one upland ditch that originates in the Study Area and runs north to south, where it terminates in a vineyard.

The Study Area is in the San Joaquin Delta watershed (USGS Hydrologic Unit Code [HUC] 18040003). The Study Area is generally flat, and drainage of the Study Area is directed via sheet flow to upland roadside or agricultural ditches.

Soils

Two soil map units are mapped within the Study Area: Acampo sandy loam, 0 to 2 percent slopes, and Rioblancho clay loam, drained, 0 to 2 percent slopes. The general characteristics and properties associated with these soils are described below (NRCS 2024a).

- **Acampo sandy loam, 0 to 2 percent slopes**, is a moderately well-drained soil that consists of sandy loam, underlain by dense cemented layers. The parent material for this soil is alluvium derived from granite. This soil unit is moderately well drained and is found on fan remnants. This soil map unit is considered to support prime farmland of statewide importance if it is irrigated. Minor components of this soil map unit are considered hydric on valley floors (NRCS 2024b).

- **Rioblancho clay loam, drained, 0 to 2 percent slopes**, is a well-drained soil that consists of clay loam and sandy loam underlain by cemented layers. The parent material for this soil is alluvium derived from mixed rock sources. This soil unit is somewhat poorly drained and is found on rims on basin floors. This soil map unit covers the majority of the Study Area and is also rated as moderately alkaline. This soil map unit is considered to support prime farmland of statewide importance. This soil map unit is considered a hydric soil on basin floors (NRCS 2024b).

Vegetation Communities

Upland vegetation communities that occur within the Study Area include valley grassland, urban/industrial/built, sewer treatment ponds, ruderal, and drainage ditch. All habitat types in the Study Area were reviewed and compared to habitats mapped in the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP) (SJMSCP 2000). These habitat types are discussed below.

Valley Grassland

A total of 89.38 acres of valley grassland habitats were mapped within the Study Area. This community includes open grasslands composed primarily of annual plant species. Many of these species also occur as understory plants in oak woodland and other habitats. Structure in valley grassland depends largely on weather patterns and livestock grazing; dramatic differences in physiognomy, both between seasons and between years, are characteristic of this habitat. Dominant species observed within valley grassland

habitat in the Study Area include rattail six weeks grass (*Festuca myuros*), slender oats (*Avena barbata*), soft brome (*Bromus hordeaceus*), stinkwort (*Dittrichia graveolens*), and yellow star-thistle (*Centaurea solstitialis*). Prior to 2010, when the DWTP was constructed, areas currently mapped as valley grassland consisted of agricultural lands and has since been fallowed and returned to a grassland vegetation community that provide habitat for wildlife species that utilize grassland habitat.

The valley grassland community supports breeding, foraging, and shelter for several species of wildlife. Species observed in the Study Area included red-tailed hawk (*Buteo jamaicensis*), white-tailed kite (*Elanus leucurus*), turkey vulture (*Cathartes aura*), American crow (*Corvus brachyrhynchos*), house finch (*Haemorhous mexicanus*), lark sparrow (*Chondestes grammacus*), and evidence of burrowing small mammals such as California ground squirrel (*Otospermophilus beecheyi*).

Urban/Industrial/Built

Urban/industrial/built or developed areas comprise 21.37 acres in the Study Area. Urban/industrial/built consist of areas that are graveled or support buildings with associated ornamental vegetation. The eastern and central side of the Study Area is dominated by buildings and structures associated with the treatment facility. The treatment facility was built in 2010. Prior to the construction of the treatment plant, these areas consisted of agricultural fields.

Sewer Treatment Ponds

A total of 5.17 acres of sewer treatment ponds were mapped within the Study Area, consisting of five separate features. Three large basins are concrete-lined sludge basins and two smaller earthen basins are vegetated with riparian scrub vegetation. These features are maintained as part of the water treatment system and are not natural features. Additionally, earthen basins support hydrophytes, however, other wetland hydric soil indicators are not present in the soil.

Ruderal

A total of 18.12 acres of ruderal lands were mapped in the Study Area. Ruderal or disturbed areas have been subject to past or on-going human disturbance but retain a soil substrate. If vegetated, there is no recognizable plant community, and the species assemblage depends on local colonization potential. Ruderal and disturbed areas include dirt roads, trails, parking areas, and weedy open areas where the natural vegetation has been removed. Ruderal and disturbed areas are not described in treatments of plant communities.

The eastern and central portion of the Study Area around the treatment facility is mostly ruderal, which was heavily disturbed by past activities likely associated with routine vegetation maintenance. Ruderal areas are dominated by rattail six weeks grass, slender oats, stinkwort, and yellow star-thistle.

Drainage ditch

A total of 0.18-acre of drainage ditch was mapped within the Study Area, consisting of one earthen ditch that occurs along the northern boundary of the Study Area. The ditch is associated with a vineyard north of the Study Area and appears to drain water from the vineyard and roadside drainage from North Lower Sacramento Road. The ditch originates along the roadside of North Lower Sacramento Road, where it continues west to another ditch outside of the Study Area. The ditch was mostly barren but was dominated by annual fireweed (*Epilobium brachycarpum*) and western ragweed (*Erigeron bonariensis*). The ditch does not meet the three-parameter criteria for vegetation, hydrology, and soils to qualify as a wetland, and this ditch does not convey water for long enough duration to scour the ditch to exhibit an

"ordinary high-water mark (OHWM)". The ditch appears to be maintained in conjunction with the vineyard north of the Study Area.

Special-Status Species

Sensitive plant and wildlife species identified during database queries were evaluated for their potential to occur within the Study Area based on the results of the field survey and the criteria described below.

Listed and Special-Status Plants

According to the database query, 19 listed and/or special-status plant species have the potential to occur on-site or in the vicinity of the Study Area (CNPS 2024; CDFW 2024; USFWS 2024). Based on field observations, literature review, and published information, no listed and/or special-status plants have the potential to occur in the Study Area. Plants identified in the database query occur in vernal pools, fresh emergent wetlands and in habitat types or soils that do not occur in the Study Area. The Study Area is comprised of alkaline sandy loam and clay loam soils with no natural water resources. An upland or managed ditch occurs in the Study Area but does not support wetland conditions or convey enough flow to form an ordinary high-water mark. In addition, the Study Area previously consisted of agricultural lands and currently appears to be routinely disturbed and/or altered for vegetation management for the facility. There is no suitable habitat for special-status plants within the Study Area.

Listed and Special-Status Wildlife

According to the database query, 24 listed and/or special-status wildlife species have the potential to occur on-site or in the vicinity of the Study Area (CDFW 2024; USFWS 2024). Based on field observations, published information, and literature review, six special-status wildlife species have the potential to occur within the Study Area: valley elderberry longhorn beetle (*Desmocerus californicus californicus*), northwestern pond turtle (*Actinemys marmorata*), giant garter snake (*Thamnophis gigas*), burrowing owl (*Athene cunicularia*), Swainson's hawk (*Buteo swainsoni*), and white-tailed kite (*Elanus leucurus*). These species are discussed in more detail below. In addition to these special-status wildlife species, other migratory birds and raptors protected under federal, State, and local laws/policies also have the potential to occur within the Study Area. The Study Area is not located within federally-designated critical habitat for any wildlife species.

Sensitive Habitats

Sensitive habitats include those that are of special concern to resource agencies or those that are protected under CEQA, Section 1600 of the FGC (i.e., riparian areas) and/or Sections 401 and 404 of the CWA, which include wetlands and other waters of the U.S. Sensitive habitats. Aquatic resources that may qualify as potential waters of the U.S. or State were not observed in the Study Area.

Wildlife corridors link areas of suitable wildlife habitat that are otherwise separated by rugged terrain, changes in vegetation, or human disturbance. This fragmentation of habitat can also occur when a portion of one or more habitats is converted into another habitat; for instance, when woodland or scrub habitat is altered or converted into grasslands after a disturbance such as fire, mudslide, or construction activities. Wildlife corridors mitigate the effects of this fragmentation by (1) allowing animals to move between remaining habitats thereby permitting depleted populations to be replenished and promoting genetic exchange; (2) providing escape routes from fire, predators, and human disturbances, thus reducing the risk of catastrophic events (such as fire or disease) on population or local species

extinction; and (3) serving as travel routes for individual animals as they move within their home ranges in search of food, water, mates, and other needs. The Study Area is located in an area of San Joaquin County surrounded by busy roadways and agricultural lands.

Methods

Biological studies conducted for the Study Area consisted of a special-status species evaluation that included a desktop review and database searches to identify known biological resources in the Study Area and vicinity, as well as a biological and wetland field survey.

Database and Literature Review

Before conducting the field survey, background research was conducted to inform and create target lists to focus the survey efforts. Accessible information in public databases pertaining to natural resources in the region of the Study Area was queried and provided in Appendix A of Appendix B.

Biological Surveys

The biological and wetland reconnaissance survey was conducted on October 22, 2024, by HELIX biologists Patrick Martin and Kate Valdez. The weather during the field survey was clear and warm with a high temperature of 80 degrees Fahrenheit and relatively calm winds and clear conditions. The Study Area was systematically surveyed on foot to ensure total search coverage, with special attention given to portions of the Study Area with the potential to support special-status species and sensitive habitats. Binoculars were used to further extend site coverage and identify species observed. Following the field survey, the potential for each species identified in the database query to occur within the Study Area was determined based on the site survey, soils, habitats present within the Study Area, and species-specific information, as shown in Appendix B of Appendix B. All plant and animal species observed on-site during the surveys were recorded in Appendix C of Appendix B. All biological communities occurring within the Study Area were characterized according to the SJMSCP vegetation classifications (SJMSCP 2000).

Summary of Impacts from the certified Stockton Delta Water Supply Project Program EIR

Biological resources impacts are discussed in Section 3.5, *Biological Resources*, of the certified DWSP Program EIR. The certified DWSP Program EIR concluded that construction of the DWSP facilities would result in the loss of jurisdictional waters of the U.S., including wetlands; however, it was determined that no impact would occur from construction of the WTP because there were no jurisdictional waters on the WTP site. Additionally, construction of the DWSP facilities could result in impacts to the following special-status species: giant garter snake, Swainson's hawk, western pond turtle, white-tailed kite, other nesting raptors, loggerhead shrike, western burrowing owl, Suisun marsh aster, rose mallow, Delta tule pea, Mason's lilaeopsis, Delta mudwort, eel-grass pondweed, Sanford's arrowhead, marsh skullcap, and blue skullcap; however, the impact from construction of the WTP was determined to be less than significant with incorporation of Mitigation Measures BIO-2a and BIO-2b. Further, the certified DWSP Program EIR concluded that construction of the DWSP raw and treated water pipelines could result in temporary impacts to riparian habitats or other sensitive natural communities; however, it was determined that no impact would occur from construction of the WTP. Construction of the DWSP raw and treated water pipelines could impact native wildlife migration corridors or nursery sites; however, it was determined that there would be no impact to wildlife migration corridors from construction of the WTP. The certified DWSP Program EIR also concluded that the DWSP facilities could conflict with adopted City and County tree preservation ordinances; however, the impact from the WTP was

determined to be less than significant with implementation of Mitigation Measure BIO-5. Lastly, the DWSP facilities would be consistent with the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP); therefore, it was determined that no impact would occur from the WTP.

Impact Analysis

The impact analysis questions related to biological resources are included in Table 3.5-3, Summary of Impacts – Biological Resources, in Section 3.5, *Biological Resources,* of the certified DWSP Program EIR.

BIO-1: Construction of DWSP facilities would result in the loss of jurisdictional waters of the U.S., including wetlands.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP facilities would result in the loss of jurisdictional waters of the U.S., including wetlands; however, it was determined that no impact would occur for the WTP because there are no jurisdictional features on the WTP site.

The proposed Project would be constructed immediately east of the City's existing DWTP. No aquatic resources that may qualify as potential waters of the U.S. or State were observed on the Project site. Therefore, construction of the proposed Project would not result in the loss of jurisdictional waters of the U.S., and no impact would occur. Therefore, there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

BIO-2: Construction of DWSP facilities could result in impacts to special-status species.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP facilities could result in impacts to the following special-status species: giant garter snake, Swainson's hawk, western pond turtle, whitetailed kite, other nesting raptors, loggerhead shrike, western burrowing owl, Suisun marsh aster, rose mallow, Delta tule pea, Mason's lilaeopsis, Delta mudwort, eel-grass pondweed, Sanford's arrowhead, marsh skullcap, and blue skullcap; however, the impact for the WTP was determined to be reduced to less than significant with incorporation of Mitigation Measures BIO-2a and BIO-2b.

<u>Listed and Special Status-Plant Species</u>

According to the database query, 19 listed and/or special-status plant species have the potential to occur on-site or in the vicinity of the Project site. Based on field observations, literature review, and published information, no listed and/or special-status plants have the potential to occur in the Project site. Plants identified in the database query occur in vernal pools, fresh emergent wetlands and in habitat types or soils that do not occur in the Project site. Therefore, construction of the proposed Project would not impact listed or special-status plant species, and no mitigation would be necessary. i

<u>Listed and Special-Status Wildlife</u>

The Project site contains potential habitat for special-status wildlife species, including valley elderberry longhorn beetle, northwestern pond turtle, giant garter snake, burrowing owl, Swainson's hawk, and white-tailed kite, as well as potential habitat for nesting migratory birds and raptors. However, with implementation of Mitigation Measure BIO-2a from the certified DWSP Program EIR potential impacts from construction of DWSP facilities would be reduced, which includes the proposed Project, and would

apply to the proposed Project. An abridged version of the applicable portion of Mitigation Measure BIO-2a is provided below:

> The City anticipates that the DWSP would be approved for participation in the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP) for the land-based facilities (pipelines and WTP). Compliance with the SJMSCP would provide for impact avoidance measures (e.g., pre-construction surveys during appropriate seasons for identification, construction set-backs, restriction on construction timing) and mitigation for loss of habitat for all species that may be affected by this impact, with the exception of eelgrass pondweed and marsh skullcap. Impact avoidance measures would include, but are not limited to, the species-specific measures presented below, which are summarized from the SJMSCP.

Complete impact avoidance and habitat compensation measures for special-status species with the potential to occur in the Project site, consistent with the SJMSCP, are discussed for each species below. (Note: The applicable measures from Mitigation Measure BIO-2a in the certified DWSP Program EIR, consistent with the SJMSCP, are identified as Mitigation Measures BIO-2a.i, BIO-2a.ii, BIO-2a.iii, BIO-2a.iv, BIO-2a.v, BIO-2a.vi, and BIO-2a.vii for purposes of clarity within this IS/Addendum).

Valley Elderberry Longhorn Beetle

The Project site contains suitable habitat for valley elderberry longhorn beetle (VELB) since elderberry shrubs located along the entrance roadway provide habitat for this species, with several shrubs supporting multiple stems over one inch diameter as measured at the base of the shrub. However, elderberry shrubs are not located within the Project impact footprint and are unlikely to be impacted by the Project. Although the potential for Project impacts to elderberry shrubs remains low, the proposed Project would implement Mitigation Measure BIO-2a.i, which contains measures from Section 5.2.4.1 of the SJMSCP, to avoid potential impacts to a less than significant level to VELB in areas with elderberry bushes.

Northwestern Pond Turtle

The Project site contains suitable habitat for northwestern pond turtle within sewer treatment ponds and a canal located to the west of the Project site. Adjacent upland areas near the sewer treatment ponds and canal may provide nesting or refuge habitat for northwestern pond turtles. If present within the Project site, this species could be impacted by the proposed Project during implementation of Project activities that include the installation of pipelines and establishment of laydown areas or other temporary disturbance areas. The installation of the proposed recharge basins are outside of the 300-foot buffer zone recommended by the SJMSCP. However, to avoid potential impacts to northwestern pond turtle during Project construction, Mitigation Measure BIO-2a.ii would be implemented to reduce potential impacts to a less-than-significant level, which contains measures from Section 5.2.4.10 of the SJMSCP.

Giant Garter Snake

The Project site contains suitable habitat for giant garter snake within sewer treatment ponds and a ditch located west of the Project site. Adjacent upland areas near aquatic features may provide refuge habitat for giant garter snake. Ditches that occur adjacent to the Project site are contiguous with the White Slough area, which is considered to be occupied by the giant garter snake. If present within the Project site, this species could be impacted by the proposed Project during implementation of Project

activities that include the installation of pipelines and establishment of laydown areas or other temporary disturbance areas. The installation of the proposed recharge basins are outside of the 200-foot buffer zone recommended by the SJMSCP. However, to avoid potential impacts to giant garter snake during construction, Mitigation Measure BIO-2a.iii would be implemented to reduce potential impacts to a less-than-significant level, which contains measures from Section 5.2.4.8 of the SJMSCP.

Burrowing Owl

The Project site contains suitable habitat for burrowing owl in open areas such as valley grassland. Additional suitable habitat is present within the vicinity of the Project site in other opens areas or along ditches. If present within the Project site, burrowing owl could be impacted by all aspects of the proposed Project through grading, vegetation removal, or other Project related activities. To avoid potential impacts to burrowing owl during construction, Mitigation Measure BIO-2a.iv would be implemented to reduce potential impacts to a less-than-significant level, which contains measures from Section 5.2.4.15 of the SJMSCP.

Swainson's Hawk

Swainson's hawk has a high potential to occur in the vicinity of the Project site due to the presence of suitable nesting and foraging habitat and known occurrences within five miles of the Project site. If the Project activities take place during the nesting season (February 1 to August 31), nesting Swainson's hawks may be impacted during all aspects of the proposed Project. If Project activities take place outside of the nesting season, no mitigation measures for Swainson's hawk are required. If Project activities take place during the nesting season, Mitigation Measure BIO-2a.v, which contains measures from Section 5.2.4.11 of the SJMSCP, and Mitigation Measure BIO-2a.vii, which contains measures from Section 5.2.3.1(G) of the SJMSCP, would be implemented to avoid or minimize potential impacts, reducing them to a less than significant level, to Swainson's hawk.

White-tailed Kite

The Project site contains suitable habitat for white-tailed kite in trees with foraging habitat in open areas that consist of ruderal areas and valley grassland. Additional suitable habitat is present within the vicinity of the Project in other opens areas or trees. If present within the Project site, white-tailed kite could be impacted by during all aspects of the proposed Project. To avoid potential impacts to white-tailed kite, the Project would implement Mitigation Measure BIO-2a.vi, which contains measures from Section 5.2.4.19 of the SJMSCP, consistent with the provisions of the Migratory Bird Treaty Act described in Section 5.2.3.1(G) of the SJMSCP, to reduce impacts to a less than significant level to the white-tailed kite.

<u>Migratory Birds</u>

Several special-status species of migratory birds have the potential to forage and nest in the Project site, including special-status species such red-tailed hawk, western meadowlark, and other migratory birds. Active nests are protected by the California Fish and Game Code Section 3503.5 and the Migratory Bird Treaty Act (MBTA). The SJMSCP covers lawful activities which must comply with all federal, State, and local laws for coverage. In addition to the applicable measures of Section 5.4.2 of the SJMSCP, identified above in Mitigation Measures BIO-2a.i through BIO-2a.vi, Mitigation Measure BIO-2a.vii would also be implemented to avoid impacts to migratory birds, which includes Section 5.2.3.1(G) of the SJMSCP, reducing the Project impacts to a less than significant level.

Proposed Project Impact Discussion

The proposed Project would implement the applicable measures contained within Mitigation Measure BIO-2a, as identified in the certified DWSP Program EIR, to mitigate potential impacts to special-status species and migratory birds. Mitigation Measure BIO-2b would not be applicable to the proposed Project, as this measure only applies to the raw water pipeline components of the DWSP that would impact eel-grass pondweed and marsh skullcap. Therefore, with implementation of the applicable measures contained within Mitigation Measure BIO-2a, and consistent with the applicable measures contained within SJMSCP, the impact would be less than significant. Therefore, there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

BIO-3: Construction of the proposed DWSP raw and treated water pipelines could result in temporary impacts to riparian habitats or other sensitive natural communities.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP raw and treated water pipelines could result in temporary impacts to riparian habitats or other sensitive natural communities; however, it was determined that no impact would occur for the WTP because there is no riparian habitat or sensitive natural community on the WTP site.

Upland vegetation communities that occur within the Project site include valley grassland, urban/industrial/built, sewer treatment ponds, ruderal, and drainage ditch. The proposed Project would permanently impact 64.21 acres of valley grassland (63.66 acres), ruderal (0.09 acre), urban/industrial/built (0.45 acre), and an earthen sewer treatment pond (0.01 acre) from construction of the groundwater recharge basins, viewing platform, and associated infrastructure and improvements (e.g., parking lot, visitor restroom, pipelines, fencing). Stockpiling of dirt and construction materials during Project construction would result in temporary impacts to 13.65 acres of valley grassland (13.53 acres) and urban/industrial/built (0.12 acre) that would be restored to pre-Project conditions following Project construction. The proposed Project would be constructed immediately east of the City's existing DWTP, which is currently developed with a total of 5.17 acres of sewer treatment ponds consisting of five separate features. Three large basins are concrete-lined sludge basins and two smaller earthen basins are vegetated with riparian scrub vegetation. However, these features are maintained as part of the water treatment system and are not natural features. Therefore, construction of the proposed Project would not temporarily impact riparian habitats or other sensitive natural communities. No impact would occur, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

BIO-4: Construction of the proposed DWSP raw and treated water pipelines could impact native wildlife migration corridors or nursery sites.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP raw and treated water pipelines could impact native wildlife migration corridors or nursery sites, and it was determined that there would be no impact for the WTP because there is no wildlife migration corridor or nursery site at the WTP site. Wildlife corridors link areas of suitable wildlife habitat that are otherwise separated by rugged terrain, changes in vegetation, or human disturbance.

The Project site is located immediately east of the City's existing DWTP and is substantially surrounded by roadways and agricultural lands. For these reasons, construction of the Project would not adversely

affect wildlife migration corridors or nursery sites. No impact would occur, there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

BIO-5: The proposed DWSP could conflict with adopted City and County tree preservation ordinances.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that the DWSP facilities could conflict with adopted City and County tree preservation ordinances; however, the impact for the WTP was determined to be less than significant with implementation of Mitigation Measure BIO-5.

The Project site primarily consists of valley grassland. Trees on the Project site are limited to the northern perimeter of the site and immediately east of the DWTP. No tree removal is anticipated for the proposed Project; however, Mitigation Measure BIO-5 would remain applicable to the proposed Project and would be implemented. The impact would be less than significant with mitigation, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

BIO-6: The proposed DWSP would be consistent with the SJMSCP.

No New or Substantially More Severe Impact. The certified DWSP Program EIR determined that the DWSP's conversion of agricultural land to non-agricultural land uses would not decrease the majority of the acreage available for coverage under the SJMSCP; therefore, the DWSP was determined to be consistent with the SJMSCP and no impact would occur from implementation of the WTP. The determination of the DWSP's consistency with the SJMSCP was based on the San Joaquin County Joint Powers Authority (JPA) approval required by the City prior to approval of the DWSP Program EIR. Further, the JPA was required to determine that the applicable SJMSCP measures implemented in the certified DWSP Program EIR would appropriately mitigate impacts on the SJMSCP covered species.

The proposed Project would be located adjacent to the City's existing DWTP, which is located in the Central Zone of the SJMSCP. As discussed in Impact BIO-2, the Project would implement the applicable measures contained in Mitigation Measure BIO-2a of the certified DWSP Program EIR, consistent with measures contained in the SJMSCP. With implementation of these mitigation measures, the Project would not conflict with a local, regional, or State conservation plan. Therefore, no impact would occur, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Mitigation Measures

Mitigation Measure BIO-2a: The City anticipates that the DWSP would be approved for participation in the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP) for the land-based facilities (pipelines and WTP). Compliance with the SJMSCP would provide for impact avoidance measures (e.g., pre-construction surveys during appropriate seasons for identification, construction set-backs, restriction on construction timing) and mitigation for loss of habitat for all species that may be affected by this impact, with the exception of eelgrass pondweed and marsh skullcap. Impact avoidance measures would include, but are not limited to, the species-specific measures presented below, which are summarized from the SJMSCP.

Mitigation Measure BIO-2a.i: Valley Elderberry Longhorn Beetle

The following mitigation measure is from Section 5.2.4.1 of the SJMSCP.

A. If elderberry shrubs are present on the Project site, a setback of 20 feet from the dripline of each elderberry bush shall be established.

B. Brightly colored flags or fencing shall be placed surrounding elderberry shrubs throughout the construction process.

C. For all shrubs without evidence of VELB exit holes which cannot be retained on the Project site as described in A and B, above, the JPA shall, during preconstruction surveys, count all stems of 1" or greater in diameter at ground level. Compensation for removal of these stems shall be provided by the JPA within SJMSCP Preserves as provided in SJMSCP Section 5.5.4(B).

D. For all shrubs with evidence of VELB exit holes, the JPA shall undertake transplanting of elderberry shrubs displaying evidence of VELB occupation to VELB mitigation sites during the dormant period for elderberry shrubs (November 1 - February 15). For elderberry shrubs displaying evidence of VELB occupation which cannot be transplanted, compensation for removal of shrubs shall be as provided in SJMSCP Section 5.5.4 (C).

Mitigation Measure BIO-2a.ii: Pond Turtles

The following mitigation measure is from Section 5.2.4.10 of the SJMSCP.

When nesting areas for northwestern pond turtles are identified on a Project site, a buffer area of 300 feet shall be established between the nesting site (which may be immediately adjacent to wetlands or extend up to 400 feet away from wetland areas in uplands) and the wetland located near the nesting site. These buffers shall be indicated by temporary fencing if construction has or will begin before nesting periods are ended (the period from egg laying to emergence of hatchlings is normally April to November).

Mitigation Measure BIO-2a.iii: Giant Garter Snake

The following mitigation measure is from Section 5.2.4.8(B) of the SJMSCP.

B. For areas with potential giant garter snake habitat, the following is required. Potential GGS habitat elements are described in SJMSCP Section 2.2.2.2 and exist in the Primary Zone of the Delta and the Central Zone contiguous with known occupied habitat in the White Slough area north to the San Joaquin/Sacramento County line and south to Paradise Cut; in the Central Zone east of Stockton in Duck Creek, Mormon Slough, Stockton Diverting Canal, Little John's Creek, Lone Tree Creek, and French Camp Slough (wherever habitat elements are present); and the Southern Central Zone and Southwest/Central Transition Zone including the area east of County Route J4 from the Alameda-San Joaquin County Line to Tracy and area south of Tracy and east of Interstate 580 to the east edge of Agricultural Habitat Lands east of the San Joaquin River.

    1. Construction shall occur during the active period for the snake, between May 1 and October 1. Between October 2nd and April 30th, the JPA, with the concurrence of the

Permitting Agencies' representatives on the TAC, shall determine if additional measures are necessary to minimize and avoid take.

2. Limit vegetation clearing within 200 feet of the banks of potential giant garter snake aquatic habitat to the minimal area necessary.

3. Confine the movement of heavy equipment within 200 feet of the banks of potential giant garter snake aquatic habitat to existing roadways to minimize habitat disturbance.

4. Prior to ground disturbance, all on-site construction personnel shall be given instruction regarding the presence of SJMSCP Covered Species and the importance of avoiding impacts to these species and their habitats.

5. In areas where wetlands, irrigation ditches, marsh areas or other potential giant garter snake habitats are being retained on the site:

    a. Install temporary fencing at the edge of the construction area and the adjacent wetland, marsh, or ditch;

    b. Restrict working areas, spoils and equipment storage and other Project activities to areas outside of marshes, wetlands and ditches; and

    c. Maintain water quality and limit construction runoff into wetland areas through the use of hay bales, filter fences, vegetative buffer strips, or other accepted equivalents.

6. If on-site wetlands, irrigation ditches, marshes, etc. are being relocated in the vicinity: the newly created aquatic habitat shall be created and filled with water prior to dewatering and destroying the pre-existing aquatic habitat. In addition, non-predatory fish species that exist in the aquatic habitat and which are to be relocated shall be seined and transported to the new aquatic habitat as the old site is dewatered.

7. If wetlands, irrigation ditches, marshes, etc. will not be relocated in the vicinity, then the aquatic habitat shall be dewatered at least two weeks prior to commencing construction.

8. Pre-construction surveys for the giant garter snake (conducted after completion of environmental reviews and prior to ground disturbance) shall occur within 24 hours of ground disturbance.

9. Other provisions of the USFWS Standard Avoidance and Minimization Measures during Construction Activities in Giant Garter Snake Habitat shall be implemented (excluding programmatic mitigation ratios which are superseded by the SJMSCP's mitigation ratios).

Mitigation Measure BIO-2a.iv: Burrowing Owls

The following mitigation measure is from Section 5.2.4.15 of the SJMSCP.

The presence of ground squirrels and squirrel burrows are attractive to burrowing owls. Burrowing owls may therefore be discouraged from entering or occupying construction areas by discouraging the presence of ground squirrels. To accomplish this, the Project proponent should prevent ground squirrels from occupying the Project site early in the planning process by employing one of the following practices:

A. The Project proponent may plant new vegetation or retain existing vegetation entirely covering the site at a height of approximately 36" above the ground. Vegetation should be retained until construction begins. Vegetation will discourage both ground squirrel and owl use of the site.

B. Alternatively, if burrowing owls are not known or suspected on a Project site and the area is an unlikely occupation site for red-legged frogs, San Joaquin kit fox, or tiger salamanders:

   The Project proponent may disc or plow the entire Project site to destroy any ground squirrel burrows. At the same time burrows are destroyed, ground squirrels should be removed through one of the following approved methods to prevent reoccupation of the Project site. Detailed descriptions of these methods are included in Appendix A, Protecting Endangered Species, Interim Measures for Use of Pesticides in San Joaquin County, dated March 2000:

1. **Anticoagulants**. Establish bait stations using the approved rodenticide anticoagulants. Rodenticides shall be used in compliance with U.S. Environmental Protection Agency label standards and as directed by the San Joaquin County Agricultural Commissioner. It should be noted, that although the SJMSCP recommends the use of anticoagulants that include Chlorophacinone or Diphacinone, however these chemicals have recently been banned in California.

2. **Zinc Phosphide**. Establish bait stations with non-treated grain 5-7 calendar days in advance of rodenticide application, then apply Zinc Phosphide to bait stations. Rodenticides shall be used in compliance with U.S. Environmental Protection Agency label standards and as directed by the San Joaquin County Agricultural Commissioner.

3. **Fumigants**. Use below-ground gas cartridges or pellets and seal burrows. Approved fumigants include Aluminum Phosphide (Fumitoxin, Phostoxin) and gas cartridges sold by the local Agricultural Commissioner's office. NOTE: Crumpled newspaper covered with soil is often an effective seal for burrows when fumigants are used. Fumigants shall be used in compliance with U.S. Environmental Protection Agency label standards and as directed by the San Joaquin County Agricultural Commissioner.

4. **Traps**. For areas with minimal rodent populations, traps may be effective for eliminating rodents. If trapping activities are required, the use of, shall be consistent with all applicable laws and regulations.

If the measures described above were not attempted or were attempted but failed, and burrowing owls are known to occupy the Project site, then the following measures shall be implemented:

C. During the non-breeding season (September 1 through January 31) burrowing owls occupying the Project site should be evicted from the Project site by passive relocation as described in the *California Department of Fish and Game's Staff Report on Burrowing Owls* (Oct, 1995).

D. During the breeding season (February 1 through August 31) occupied burrows shall not be disturbed and shall be provided with a 75 meter protective buffer until and unless the TAC, with the concurrence of the Permitting Agencies' representatives on the TAC; or unless a qualified biologist approved by the Permitting Agencies verifies through non-invasive means that either: 1) the birds have not begun egg laying, or 2) juveniles from the occupied burrows are foraging independently and are capable of independent survival. Once the fledglings are capable of independent survival, the burrow can be destroyed.

These Incidental Take Minimization Measures are consistent with the provisions of the Migratory Bird Treaty Act as described in Section 5.2.3.1(G) of the SJMSCP.

Mitigation Measure BIO-2a.v: Swainson's Hawk

The following mitigation measure is from Section 5.2.4.11 of the SJMSCP.

The Project proponent has the option of retaining known or potential Swainson's hawk nest trees (i.e., trees that hawks are known to have nested in within the past three years or trees, such as large oaks, which the hawks prefer for nesting) or removing the nest trees.

If the Project proponent elects to retain a nest tree, and in order to encourage tree retention, the following Incidental Take Minimization Measure shall be implemented during construction activities:

- If a nest tree becomes occupied during construction activities, then all construction activities shall remain a distance of two times the dripline of the tree, measured from the nest.

Mitigation Measure BIO-2a.vi: Birds Nesting Along Riparian Corridors (Cooper's Hawk, Yellow-Breasted Chat, Osprey, White-Tailed Kite)

The following mitigation measure is from Section 5.2.4.19 of the SJMSCP.

A. For white-tailed kites, preconstruction surveys shall investigate all potential nesting trees on the Project site (e.g., especially tree tops 15-59 feet above the ground in oak, willow, eucalyptus, cottonwood, or other deciduous trees), during the nesting season (February 15 to September 15) whenever white-tailed kites are noted on-site or within the vicinity of the Project site during the nesting season.

B. For the Cooper's hawk, yellow-breasted chat, osprey and white-tailed kite, a setback of 100 feet from nesting areas shall be established and maintained during the nesting season for the period encompassing nest building and continuing until fledglings leave nests. This setback applies whenever construction or other ground-disturbing activities must begin

during the nesting season in the presence of nests which are known to be occupied. Setbacks shall be marked by brightly colored temporary fencing.

These Incidental Take Minimization Measures are consistent with the provisions of the Migratory Bird Treaty Act as described in Section 5.2.3.1(G).

Mitigation Measure BIO-2a.vii: Incidental Take Minimization Strategy and Expectations for All SJMSCP Covered Species

The following mitigation measure is from Section 5.2.3.1(G) of the SJMSCP.

Pursuant to the Migratory Bird Treaty Act (16 USC 703-711), it is unlawful at any time, by any means or in any manner to pursue, hunt, take, capture, kill, attempt to take, capture, or kill any migratory bird, any part, nest, or eggs of any such bird is defined as Take. All SJMSCP Covered Bird Species are subject to the Migratory Bird Treaty Act. Because the SJMSCP is based on the more stringent, federal standard for "Take" pursuant to the ESA which includes modification of habitat, Incidental Take Permits for SJMSCP Covered Bird Species are included in the SJMSCP, to allow for the Conversion of habitat for SJMSCP Covered Bird Species with appropriate creation of compensatory habitat for these species. To fulfill the requirements of the Migratory Bird Treaty Act, however, the Incidental Take Minimization Measures of the SJMSCP for all SJMSCP Covered Bird Species must result in no Take, as Take is defined by the MBTA, of SJMSCP Covered Bird Species.

Mitigation Measure BIO-5: The City shall ensure that the DWSP complies with San Joaquin County's General Plan Tree Preservation and Riparian Habitat requirements, and with the City's Tree Preservation ordinance. Prior to construction, the City shall conduct a survey for heritage trees that may be impacted by the Project (i.e., the dripline of trees is within the treated water pipeline alignment). The City shall coordinate with City and County staff to ensure that impacts to heritage trees are avoided to the extent feasible.

If it is necessary to remove a heritage tree, a permit will be obtained from the City's Parks and Recreation Department. The tree(s) will be replaced on a one for one basis at the discretion of the City's Landscape Architect. The size of the replacement tree shall be based on the size of the tree removed.

If heritage trees are identified in riparian areas, the City shall implement Mitigation Measure BIO-3.

V. AIR QUALITY

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
Impact Analysis Questions (Table 3.6-3 of the certified DWSP Program EIR):				
AIR-1: Construction of DWSP facilities would result in a temporary increase in air pollutant emissions.	☐	☐	☐	☒
AIR-2: Operation of DWSP facilities would result in air emissions from powering of pumps, various processes, and equipment at the WTP and from vehicle trips to DWSP facilities.	☐	☐	☐	☒
AIR-3: Operation of DWSP facilities could result in odors.	☐	☐	☐	☒

An Air Quality Analysis was prepared by HELIX in February 2025 for the proposed Project and is included as Appendix C.

Affected Environment

The proposed Project is located in unincorporated San Joaquin County, which lies within the San Joaquin Valley Air Basin (SJVAB). Air quality in the SJVAB is regulated by the U.S. Environmental Protection Agency (USEPA) at the federal level, by the California Air Resources Board (CARB) at the state level, and by the San Joaquin Valley Air Pollution Control District (SJVAPCD) at the regional level.

The SJVAB comprises all or part of eight counties: San Joaquin, Stanislaus, Fresno, Merced, Madera, Kings, Tulare, and Kern. The distinctive climate of the SJVAB is determined by its terrain and geographic location. The SJVAB is in the southern half of California's Central Valley and is 250 miles long and averages 35 miles wide. The SJVAB is bounded by the Sierra Nevada Mountains to the east, the Coast Ranges to the west, the Tehachapi Mountains to the south, and is open to the Sacramento Valley and San Francisco Bay Area to the north.

The SJVAB is in a Mediterranean climate zone which is characterized by typically hot and dry summers and sparse rainfall mainly during the winter. Especially in summer, winds in the SJVAB most frequently blow from the northwesterly direction. The region's topographic features restrict air movement and channel the air mass towards the southeastern end of the basin. A secondary but significant summer wind pattern is from the southeasterly direction and can be associated with nighttime drainage winds from the Sierra Nevada Mountains, and prefrontal conditions. Many days in the winter are marked by stagnation events where winds are very weak. Transport of pollutants during winter can be very limited.

The vertical dispersion of air pollutants in the SJVAB can be limited by persistent temperature inversions. Temperature inversions that occur on the summer days are usually encountered 2,000 to 2,500 feet above the valley floor. In winter months, overnight inversions occur 500 to 1,500 feet above the valley floor. The mountains surrounding the basin are mostly above the typical summer height of inversion layers, restricting dispersion of pollutants (SJVAPCD 2015).

Sensitive Receptors

CARB and the Office of Environmental Health Hazard Assessment (OEHHA) have identified the following groups of individuals as the most likely to be affected by air pollution: adults over 65, children under 14, infants (including in utero in the third trimester of pregnancy), and persons with cardiovascular and chronic respiratory diseases such as asthma, emphysema, and bronchitis, known as sensitive receptors (CARB 2005; OEHHA 2015). Some land uses are considered more sensitive to air pollution than others due to the types of population groups or activities involved and are referred to as sensitive receptor locations. Examples of these sensitive receptor locations are residences, schools, hospitals, and daycare centers.

The closest existing sensitive receptor locations to the Project site are single-family residential homes located 160 feet west/southwest of the Project site. The nearest schools to the Project site include Elkhorn Elementary School, located 1.4 miles southwest of the Project site and Podesta Ranch Elementary School, located approximately 1.9 miles south of the Project site.

Summary of Impacts from the certified Stockton Delta Water Supply Project Program EIR

Air quality impacts are discussed in Section 3.6, *Air Quality*, of the certified DWSP Program EIR. The document concluded that construction of the DWSP facilities would result in a temporary increase in air pollutant emissions, but the impact was determined to be less than significant for PM_{10} and CO. And although the certified DWSP Program EIR identified Mitigation Measure AIR-1a and AIR-1b, the impact remained significant and unavoidable for NO_x and ROG. The certified DWSP Program EIR concluded that operation of the DWSP facilities would result in air emissions from powering of pumps, various processes, and equipment at the WTP and from vehicle trips to the DWSP facilities; however, the impact from operation of the WTP would be reduced to a less than significant with implementation of Mitigation Measure AIR-2. Lastly, the certified DWSP Program EIR concluded that operation of the DWSP facilities would not generate odors; therefore, it was determined that no impact would occur from operation of the WTP.

Impact Analysis

The impact analysis questions related to air quality are included in Table 3.6-3, Summary of Impacts – Air Quality, in Section 3.6, *Air Quality,* of the certified DWSP Program EIR.

Impact AIR-1: Construction of DWSP facilities would result in a temporary increase in air pollutant emissions.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP facilities would result in a temporary increase in air pollutant emissions, and the impact would be less than significant for particulate matter with a diameter of 10 microns or less (PM_{10})and carbon monoxide (CO). However, the certified DWSP Program EIR determined that even with

Mitigation Measure AIR-1a and AIR-1b, the impact would remain significant and unavoidable for nitrogen oxides (NO_x) and reactive organic gases (ROG).

SJVAPCD recommended that determination of significance with respect to construction impacts be based not on quantification of emissions and comparison to thresholds, but upon inclusion of feasible control measures for PM_{10} and compliance with SJVAPCD Regulation VIII, Rule 8011. Compliance with Regulation VIII and implementation of appropriate measures to control PM_{10} emissions are considered to be sufficient to render a Project's impacts less than significant.

Although no thresholds are required to determine the significance of construction impacts, the California Emissions Estimator Model (CalEEMod) version 2022.1 was used to quantify Project-generated construction emissions for informational purposes only. Assumptions included in the model are described in *Methodology and Assumptions* and the detailed model output sheets are included in Attachment B of Appendix C. Construction of the proposed Project is anticipated to begin May of 2025 and be completed in June 2026. The quantity, duration, and intensity of construction activity influence the amount of construction emissions and related pollutant concentrations that occur at any one time. As such, the emission forecasts provided herein reflect a specific set of conservative assumptions based on the expected construction scenario wherein a relatively large amount of construction activity is occurring in a relatively intensive manner. Because of this conservative assumption, actual emissions could be less than those forecasted. If construction is delayed or occurs over a longer time period, emissions could be reduced because of: (1) a more modern and cleaner-burning construction equipment fleet mix than assumed in CalEEMod; and/or (2) a less intensive buildout schedule (i.e., fewer daily emissions occurring over a longer time interval).

The Project's construction emissions were estimated using CalEEMod, as described above. The emissions generated from construction activities include:

- Dust (including PM_{10} and $PM_{2.5}$), primarily from fugitive sources such as soil disturbance and vehicle travel over paved and unpaved surfaces; and

- Combustion emissions of air pollutants (including ROG, NO_X, PM_{10}, $PM_{2.5}$, CO, and sulfur oxides [SO_X]), primarily from operation of heavy off-road equipment and haul trucks.

The results of the calculations for Project construction are shown below in Table 1, *Annual Construction Emissions*, on the following page. The data is presented as the annual anticipated emissions for comparison with the SJVAPCD thresholds. The data shown assumes application of water sprayed onto exposed surfaces a minimum of two times per day in compliance with SJVAPCD Rule 8021, *Construction, Demolition, Excavation, Extraction, and other Earth Moving Activities*.

Table 1
ANNUAL CONSTRUCTION EMISSIONS

Year	Pollutant Emissions (tons per year)					
	ROG	**NO_X**	**CO**	**SO_2**	**PM_{10}**	**$PM_{2.5}$**
2025	0.3	2.5	2.8	<0.1	0.4	0.2
2026	<0.1	0.1	0.2	<0.1	<0.1	<0.1
Maximum Annual Emissions	**0.3**	**2.5**	**2.8**	**<0.1**	**0.4**	**0.2**
SJVAPCD Threshold	*10*	*10*	*100*	*27*	*15*	*15*
Significant Impact?	***No***	***No***	***No***	***No***	***No***	***No***

Source: CalEEMod (Appendix C); Thresholds: SJVAPCD 2015
ROG = reactive organic gas; NO_X = nitrogen oxides; CO = carbon monoxide; SO_2 = sulfur dioxide; PM_{10} = respirable particulate matter with a diameter of 10 microns or less; $PM_{2.5}$ = fine particulate matter with a diameter of 2.5 microns or less; SJVAPCD = San Joaquin Valley Air Pollution Control District

As shown in Table 1, the Project's construction emissions would not exceed SJVAPCD thresholds and would not result in a temporary increase in air pollutant emissions. To further reduce Project construction emissions, Mitigation Measure AIR-1a would be required to ensure compliance with SJVAPCD Regulation VIII. Under Mitigation Measure AIR-1a, a Dust Control Plan would be submitted to the SJVAPCD prior to the start of construction. Additionally, Mitigation Measure AIR-1b would be implemented to reduce ozone precursor emissions.

As outlined in Section 3.6 of the certified Program EIR, impacts related to construction of the DWSP were determined to be less than significant for PM_{10} and CO and significant and unavoidable for NO_X and ROG even with implementation of Mitigation Measures AIR-1a and AIR-1b. While the Project would contribute to those emissions, it would not result in a *new or substantially more severe impact* than what was previously evaluated in the certified Program EIR.

Impact AIR-2: Operation of DWSP facilities would result in air emissions from powering of pumps, various processes, and equipment at the WTP and from vehicle trips to DWSP facilities.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the DWSP facilities would result in air emissions from powering of pumps, various processes, and equipment at the WTP and from vehicle trips to the DWSP facilities; however, the impact for the WTP was determined to be less than significant with implementation of Mitigation Measure AIR-2.

Operational activities associated with the proposed Project would include occasional maintenance trips for the on-site visitor restroom and landscaping. A total of 39.5 lbs/day of solid waste would be generated from visitors. A truck would service the septic tank for the restroom (if connection to existing utilities is not feasible) six times a year, and landscape maintenance, including weed and irrigation maintenance, would occur two to four times a year. Staff that currently operate the DWTP facility would perform the O&M tasks required for the proposed Project, and no new employees would be required for the proposed Project. Therefore, operation of the Project would not result in a population increase and would not generate new vehicle trips beyond occasional maintenance activities. These minor operational activity maintenance trips are within the scope of what was covered in the initial Program EIR, and therefore, the proposed Project would not result in additional operational emissions beyond what was previously evaluated.

As outlined in Section 3.6 of the certified DWSP Program EIR, operational impacts were found to be less than significant with implementation of Mitigation Measure AIR-2, which required operational equipment to operate in compliance with SJVAPCD permit requirements and regulations.

Operational impacts associated with the proposed Project would still remain less than significant with implementation of Mitigation Measure AIR-2. Therefore, the Project would not substantially increase operational emissions compared to the initial DWSP Program EIR, and *no new or substantially more severe impact* would occur compared to what was previously evaluated in the DWSP Program EIR.

AIR-3: Operation of DWSP facilities could result in odors.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the DWSP facilities would not generate odors; therefore, no impact would occur for the WTP.

The DWSP Program EIR concluded that operation of the DWSP facilities would not generate odors; therefore, no impact would occur for the WTP. As noted in Section 3.6 of the Program EIR, WTP are not documented sources of odors in the SJVAPCD Guidance for Assessing and Mitigating Air Quality Impacts (SJVAPCD 2015). Therefore, as the proposed Project would construct groundwater recharge basins at the WTP, the operation of the Project would not result in odors affecting a substantial number of people. The Project would not result in other emissions (such as those leading to odors) adversely affecting a substantial number of people and no impact would occur.

The Project would have no impact related to odors, consistent with the DWSP Program EIR; therefore, *no new or substantially more severe impact* would occur compared to what was evaluated in the DWSP Program EIR.

Mitigation Measures

The certified DWSP Program EIR identified Mitigation Measures AIR-1a, AIR-1b, and AIR-2 to mitigate impacts related to air quality from implementation of the WTP. As described above, all mitigation measures identified for the WTP related to air quality would remain applicable to the proposed Project and would be implemented. These mitigation measures are provided below.

Mitigation Measure AIR-1a: The City shall comply with Regulation VIII and implement its control measures during construction. The following applicable control measures listed by the Valley Air District shall be implemented, where appropriate.

- The City shall submit a Dust Control Plan subject to review and approval of the Valley Air District at least 30 days prior to the start of any construction activity on a site that includes five acres or more of disturbed surface area.

Specific control measures for construction, excavation, extraction, and other earthmoving activities listed by the Valley Air District include:

Pre-Activity

- Pre-water site sufficient to limit visible dust emissions to 20 percent opacity, and

- Phase work to reduce the amount of disturbed surface area at any one time.

During Active Operations

- Apply water or chemical/organic stabilizers/suppressants sufficient to limit the visible dust emissions to 20 percent opacity; or

- Construct and maintain wind barriers sufficient to limit the visible dust emissions to 20 percent opacity. If utilizing wind barriers, the above control measure shall also be implemented.

- Apply water or chemical/organic stabilizers/suppressants to unpaved haul/access roads and unpaved vehicle/equipment traffic areas sufficient to limit the visible dust emissions to 20 percent opacity and meet the conditions of a stabilized unpaved road surface.

Temporary Stabilization During Periods of Inactivity

- Restrict vehicular access to the area; and

- Apply water or chemical/organic stabilizers/suppressants, sufficient to comply with the conditions of a stabilized surface. If 0.5 acres or more of disturbed surface area remains unused for seven or more days, the area must comply with the conditions for a stabilized surface area as defined in Rule 8011.

Vehicle Movement:

- Limit the speed of vehicles traveling on uncontrolled unpaved access/haul roads within constructions sites to a maximum of 15 miles per hour.

- Post speed limit signs that meet state and federal Department of Transportation standards at each construction site's uncontrolled unpaved access/haul road entrance. At a minimum, speed limit signs shall be posted at least every 500 feet and shall be readable in both directions of travel along uncontrolled unpaved access/haul roads.

- To control wind generated fugitive dust, outdoor construction, excavation, extraction, and other earth moving activities that disturb the soil shall cease whenever the visible dust emissions exceeds 20 percent opacity.

Demolition Activities

- Apply sufficient water to building exterior surfaces, unpaved surface areas where equipment will operate, and razed building materials to limit the visible dust emissions to 20 percent opacity throughout the duration of razing and demolition activities.

- Apply sufficient dust suppressants to unpaved surface areas within 100 feet where materials from razing or demolition activities will fall in order to limit the visible dust emissions to 20 percent opacity.

- Apply sufficient dust suppressants to unpaved surface areas where wrecking or hauling equipment will be operated in order to limit the visible dust emissions to 20 percent opacity.

- Handling, storage, and transport of bulk materials on-site or off-site resulting from the demolition of buildings shall comply with the requirements specified in Rule 8031 (Bulk Materials).

- Apply water within one hour of demolition to unpaved surfaces within 100 feet of the demolished structure.

- Prevent and remove carryout or trackout on paved public access roads from demolition operations in accordance with Rule 8041 (Carryout and Trackout).

Mitigation Measure AIR-1b: The City shall implement the following mitigation measures listed below to reduce ozone precursor (NO_X and ROG) emissions from off-road equipment, where appropriate.

- Use of alternative fueled or catalyst equipped diesel construction equipment;

- Minimize idling time (e.g., 10 minute maximum);

- Limit the hours of operation of heavy duty equipment and/or the amount of equipment in use;

- Replace fossil-fueled equipment with electrically driven equivalents (provided they are not run via a portable generator set); and

- Implement activity management (e.g., rescheduling activities to reduce short-term impacts).

Mitigation Measure AIR-2: The WTP shall be designed so that each piece of equipment operates in compliance with applicable SJVAPCD permit requirements and regulations including the Authority to Construct and the Permit to Operate. The equipment used, particularly the pumps and diesel generators, shall be operated as per the SJVAPCD permit requirements and regulations.

VI. NOISE

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
Impact Analysis Questions (Table 3.7-4 of the certified DWSP Program EIR):				
NOISE-1: Construction of DWSP facilities could temporarily increase noise levels at sensitive receptors.	☐	☐	☐	☒
NOISE-2: Operation of the intake facility and WTP could increase noise levels at nearby sensitive receptors.	☐	☐	☐	☒

Sensitive Receptors

Some land uses are considered more sensitive to ambient noise levels than others, sensitivity being a function of noise exposure (in term of both exposure duration and insulation from noise) and the types of activities involved. Noise-sensitive land uses (NSLUs) are generally defined as locations where people reside or where the presence of unwanted sound could adversely affect the use of the land. Noise-sensitive land uses typically include residences, hospitals, schools, daycare facilities, transient lodging, libraries, and certain types of recreational uses. NSLUs in the vicinity of the Project site include two single-family residences located adjacent to the southern boundary of the site and one single-family residence located east of N. Lower Sacramento Road approximately 500 feet east of the Project site.

Noise Metrics

All noise-level and sound-level values presented herein are expressed in terms of decibels (dB), with A weighting, abbreviated "dBA," to approximate the hearing sensitivity of humans. Time averaged noise levels of one hour are expressed by the symbol "L_{EQ}" unless a different time period is specified. Maximum noise levels are expressed by the symbol "L_{MAX}." Some of the data also may be presented as octave-band-filtered and/or A-octave band-filtered data, which are a series of sound spectra centered on each stated frequency, with half of the bandwidth above and half of the bandwidth below, the stated frequency. These data are typically used for machinery noise analysis and barrier-effectiveness calculations. The Community Noise Equivalent Level (CNEL) is a 24-hour average, where noise levels during the evening hours of 7:00 p.m. to 10:00 p.m. have an added five dBA weighting, and sound levels during the nighttime hours of 10:00 p.m. to 7:00 a.m. have an added 10 dBA weighting. This is similar to the Day Night sound level (L_{DN}), which is a 24-hour average with an added 10 dBA weighting on the same nighttime hours but no added weighting on the evening hours.

Because decibels are logarithmic units, S_{PL} cannot be added or subtracted through standard arithmetic. Under the decibel scale, a doubling of sound energy corresponds to a three dBA increase. In other

words, when two identical sources are each producing sound of the same loudness, the resulting sound level at a given distance would be three dBA higher than from one source under the same conditions. For example, if one automobile produces an S_{PL} of 70 dBA when it passes an observer, two cars passing simultaneously would not produce 140 dBA—rather, they would combine to produce 73 dBA. Under the decibel scale, three sources of equal loudness together produce a sound level five dBA louder than one source.

Under controlled conditions in an acoustic laboratory, the trained, healthy human ear is able to discern 1 dBA changes in sound levels, when exposed to steady, single-frequency ("pure-tone") signals in the mid-frequency (1,000 Hertz [Hz]–8,000 Hz) range. In typical noisy environments, changes in noise of 1 to 2 dBA are generally not perceptible. It is widely accepted, however, that people begin to detect sound level increases of three dB in typical noisy environments. Further, a five dBA increase is generally perceived as a distinctly noticeable increase, and a 10 dBA increase is generally perceived as a doubling of loudness.

Vibration Metrics

Ground-borne vibration consists of rapidly fluctuating motions or waves transmitted through the ground with an average motion of zero. Sources of ground-borne vibrations include natural phenomena and anthropogenic causes (e.g., explosions, machinery, traffic, trains, construction equipment). Vibration sources may be continuous (e.g., factory machinery) or transient (e.g., explosions). Peak particle velocity (PPV) is commonly used to quantify vibration amplitude. The PPV, with units of inches per second (in/sec), is defined as the maximum instantaneous positive or negative peak of the vibration wave.

Regulatory Setting

San Joaquin County

Section 9-404.060(a), Additional Regulations for Specific Activities, of the San Joaquin County Development Code limits general construction noise to weekdays from 6:00 a.m. to 9:00 p.m. Pre-construction activities, including loading and unloading, deliveries, truck idling, backup beeps, and radios, also are limited to these construction noise hours. Additionally, no noise-producing construction activities shall be permitted outside of these hours or on Sundays and federal holidays unless a temporary waiver is granted by the Building Official.

Section 9-404.040(b), Noise Limits, of the San Joaquin County Development Code states that proposed Projects that will create new stationary noise sources or expand existing stationary noise sources shall be required to mitigate the noise levels from these sources, so as not to exceed the noise level standards specified in Table 9-404.040, Part II (See Table 2, on the following page) for the specified noise sensitive land uses:

Table 2
MAXIMUM ALLOWABLE NOISE EXPOSURE FOR NOISE-SENSITIVE LAND USES
PART II: STATIONARY NOISE SOURCES

Sound Level	Outdoor Activity Areas of Noise Sensitive Land Uses	
	Daytime[1] (7:00 a.m. – 10:00 p.m.)	Nighttime[2] (10:00 p.m. – 7:00 a.m.)
Hourly equivalent sound level (L_{EQ}), dB[3]	55	45
Maximum sound level (L_{MAX}), dB	75	65

Source: County 2024a

[1] Where the location of outdoor activity areas is unknown or is not applicable, the noise standard shall be applied at the property line of the receiving land use. When determining the effectiveness of noise mitigation measures, the standards shall be applied on the receiving side of noise barriers or other property line noise mitigation measures.

[2] Each of the noise level standards specified shall be reduced by 5 dB for impulsive noise, single tone noise, or noise consisting primarily of speech or music.

[3] If the noise source operates for less than 30 minutes per hour, then the maximum sound level standard shall apply.

City of Stockton

Section 8.20, Noise Regulations, of the City of Stockton Code of Ordinances provides performance standards in order to prevent unnecessary, offensive, or excessive noise levels within the City. Section 8.20.030(A), General Noise Regulations, provides standards which shall be considered in determining whether a violation of noise regulations consists of (but is not limited to) considerations such as the nature of the noise (usual or unusual), the proximity of the noise to residential sleeping facilities, the duration, the intensity, and the time of day or night the noise occurs.

Section 16.60, Noise Standards, of the City of Stockton Development Code establishes standards to protect the health, safety, and welfare of those living and working in the City. Municipal Code Section 16.60.030(A) prohibits operating or causing the operation of tools or equipment on private property used in alteration, construction, demolition, drilling, or repair work between the hours of 10:00 p.m. and 7:00 a.m., so that the sound creates a noise disturbance across a residential property line. Section 16.60.040(B)(2)(c) states that public facility land uses adjacent to any NSLU shall comply with the performance standards contained in Table 3-7 Maximum Allowable Noise Exposure for Noise-Sensitive Land Uses – Part II: Land Use-Related Noise Standard (See Table 3) below:

Table 3
MAXIMUM ALLOWABLE NOISE EXPOSURE FOR NOISE-SENSITIVE LAND USES
PART II: LAND USE-RELATED NOISE STANDARD

Noise Level Descriptor	Outdoor Activity Areas	
	Day (7:00 a.m. – 10:00 p.m.)	Night (10:00 p.m. – 7:00 a.m.)
Hourly equivalent sound level (L_{EQ}), dB	55	45
Maximum sound level (L_{MAX}), dB	75	65

Source: City 2025

Summary of Impacts from the Stockton Delta Water Supply Project Program EIR

Noise impacts are discussed in Section 3.7, *Noise*, of the certified DWSP Program EIR. The certified DWSP Program EIR concluded that construction of the DWSP facilities could temporarily increase noise

levels at sensitive receptors above the County noise standards; however, the impact from construction of the WTP was determined to be less than significant with implementation of Mitigation Measure Noise-1a through Noise-1e. Additionally, operation of the WTP could increase noise levels at nearby sensitive receptors; however, the impact was determined to be less than significant with implementation of Mitigation Measure Noise-2.

Although the City-owned WTP site is outside of the City limits, the analysis of noise impacts from construction and operation of the WTP contained in the certified DWSP Program EIR included both City and County noise regulations.

Impact Analysis

The impact analysis questions related to noise are included in Table 3.7-4, Summary of Impacts – Noise, in Section 3.7, *Noise,* of the certified DWSP Program EIR.

Impact Noise-1: Construction of DWSP facilities could temporarily increase noise levels at sensitive receptors.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP facilities could temporarily increase noise levels at sensitive receptors; however, the impact for construction of the WTP would be less than significant with implementation of Mitigation Measure NOISE-1a through NOISE-1e.

Construction of the proposed Project is anticipated to begin May of 2025 and be completed in June 2026. It is anticipated that construction of the three groundwater recharge basins would occur concurrently. The City-owned Project site would be constructed immediately east of the City's existing DWTP in a primarily rural area of the unincorporated County. As summarized in *Regulatory Setting* above, the County Development Code limits general construction noise to weekdays from 6:00 a.m. to 9:00 p.m., and the City Code of Ordinances prohibits operating or causing the operation of tools or equipment on private property used in alteration, construction, demolition, drilling, or repair work between the hours of 10:00 p.m. and 7:00 a.m., so that the sound creates a noise disturbance across a residential property line. The Project would be consistent with both the City's and County's noise regulations and implement Mitigation Measure NOISE-1a, which would limit construction noise to the hours of 7:00 a.m. to 9:00 p.m. Mitigation Measure NOISE-1a, as identified in the certified DWSP Program EIR, limited construction noise to the hours of 7:00 a.m. to 10:00 p.m.; however, this mitigation measure is revised in this IS/Addendum in order to be consistent with both the City's and County's noise regulations.

Per the Project engineer, debris and vegetation from site preparation and soil from basin excavation would be stockpiled on-site. No off-site export of debris, vegetation, or soil would be required. Approximately 219 CY of aggregate would be imported during underground utilities and 500 CY of concrete and aggregate would be imported during basin and berm construction, per the Project engineer. Additionally, per the Project engineer, 296 CY of AC/AB would be imported during paving and 140 CY of crushed rock would be imported during construction of the percolation wells. The nearest NSLUs to the proposed stockpile areas include a residence located approximately 350 feet to the south, a church located approximately 1,200 feet to the southeast, a residence located approximately 1,300 feet to the southeast, and a residence located approximately 1,900 feet to the east. However, the proposed Project would be required to implement Mitigation Measure NOISE-1b identified in the certified DWSP Program EIR, which would require the Project contractor to select staging areas as far as

reasonably feasible from existing residences and to limit activities within the temporary staging areas to the hours specified in Mitigation Measure NOISE-1a. Implementation of Mitigation Measures NOISE-1a and 1-b would reduce construction-related noise impacts on NSLUs to a less-than-significant level.

Although construction noise would be temporary and short-term and would adhere to the construction hours specified in Mitigation Measure NOISE-1a, construction of Project components may temporarily increase noise levels at the NSLUs described above. The proposed Project would be required to implement Mitigation Measure NOISE-1c, which would require the contractor to maintain construction equipment with the manufacturers' specified noise muffling devices, as well as Mitigation Measure NOISE-1d, which would require the Project contractor to place stationary noise-generating construction equipment as far as reasonably feasible from NSLUs or in an orientation that minimizes noise impacts. Implementation of Mitigation Measures NOISE-1c and NOISE-1d would further reduce construction-related noise impacts on NSLUs to a less-than-significant level.

As discussed above, Mitigation Measures NOISE-1a through NOISE-1d identified in the certified DWSP Program EIR would remain applicable to the proposed Project and would be implemented to reduce construction-related impacts to a less-than-significant level. Mitigation Measure Noise-1e would not be applicable to the proposed Project, as the Project site is located in a primarily rural area of the County and would not require hauling or construction routes through residential areas. Therefore, the impact would be less than significant with implementation of Mitigation Measures NOISE-1a through NOISE-1d, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact Noise-2: Operation of the WTP could increase noise levels at nearby sensitive receptors.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the WTP could increase noise levels at nearby sensitive receptors above the County noise standards; however, the impact was determined to be less than significant with implementation of Mitigation Measure NOISE-2.

Long-term operation of the proposed groundwater recharge basins would involve a "drying out" period of 30 days over the year for each groundwater recharge basin. "Drying out" periods would be staggered for the three groundwater recharge basins so that recharge could be conducted throughout the year. These periods could also be used to conduct any other maintenance requirements including clearing out the infiltration pipelines, removal of vegetation that occurs, etc. Operation of the proposed Project would also include infrequent educational visits from local public or private schools, organizations, other interested groups, etc. as allowed by the DWTP facility management. It is anticipated that educational visits would be limited to one school bus per visit (up to 72 students, per standard school bus sizes) and would occur between typical daytime school hours and operational hours of the DWTP.

Although operation of the proposed Project is not anticipated to substantially increase ambient noise levels, several NSLUs are located in the vicinity of the Project site, including two single-family residences located adjacent to the southern boundary of the site and one single-family residence located east of N. Lower Sacramento Road approximately 500 feet east of the Project site. Operation of the proposed Project may increase noise levels at these nearby sensitive receptors. However, Mitigation Measure NOISE-2, as identified in the certified DWSP Program EIR, would remain applicable to the proposed Project and would be implemented to reduce operation-related impacts to a less-than-significant level. Mitigation Measure NOISE-2 would require that stationary noise sources be designed to ensure that

noise levels at the property line do not exceed 70 dBA during Project operation. Therefore, the impact would be less than significant with implementation of Mitigation Measure NOISE-2, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Mitigation Measures

The certified DWSP Program EIR identified Mitigation Measures NOISE-1a through NOISE-1e and NOISE-2 to mitigate impacts related to noise from implementation of the WTP. However, Mitigation Measure Noise-1e would not be applicable to the proposed Project, as the Project site is located in a primarily rural area of the County and would not require hauling or construction routes through residential areas.

As discussed above, Mitigation Measures NOISE-1a through NOISE 1-d would remain applicable to the proposed Project and would be implemented. These mitigation measures are provided below.

Mitigation Measure NOISE-1a: Construction shall be limited to the hours of 7:00 a.m. to 9:00 p.m.

Mitigation Measure NOISE-1b: The City shall require in construction specifications that the contractor select staging areas as far as reasonably feasible from existing residences. Activities within these staging areas shall conform to the time limitations established in Mitigation Measure NOISE-1a.

Mitigation Measure NOISE-1c: The City shall require in construction specifications that the contractor maintain all construction equipment with manufacturers' specified noise muffling devices.

Mitigation Measure NOISE-1d: The City shall require in construction specifications that the contractor place all stationary noise generating construction equipment as far away as reasonably feasible from sensitive receptors or in an orientation minimizing noise impacts (i.e., behind existing barriers or storage piles, etc.).

Mitigation Measure NOISE-2: The design of the WTP and intake structure shall ensure that operational noise levels at the property line do not exceed a noise level of 70 dBA from the stationary equipment sources. Shielding and other specified measures as deemed appropriate and effective by the design engineer to comply with this performance standard shall be incorporated in final WTP and intake facility designs. Noise reduction measures may include, but are not necessarily limited to:

- Incorporation of equipment enclosures, fan silencers, mufflers, acoustical louvers, noise barriers, acoustical panels, etc.;
- Location of particularly noisy equipment as far away as feasibly possible from the property line and away from surrounding sensitive land uses;
- Orientation of acoustical exits away from sensitive receptors; and
- Incorporation of buildings, landscaping, where possible, to absorb and/or redirect noise.

VII. HAZARDOUS MATERIALS/PUBLIC HEALTH

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
Impact Analysis Questions (Table 3.8-1 of the certified DWSP Program EIR):				
HAZ-1: Construction of the proposed DWSP facilities could result in the disturbance of contaminated soil and/or groundwater.	☐	☐	☐	☒
HAZ-2: Construction of the proposed DWSP would involve the use and storage of hazardous materials such as gasoline and diesel fuels, oils, and solvents. Depending on the relative hazard of the hazardous material, if a spill of significant quantity were to occur, the accidental release could pose both a hazard to construction employees and the environment.	☐	☐	☐	☒
HAZ-3: Operation of the WTP could expose individuals to existing and/or potential future use of hazardous materials and generation of hazardous wastes.	☐	☐	☐	☒

Affected Environment

Hazardous materials include all flammable, reactive, corrosive, or toxic substances, which, because of these properties, pose potential harm to the public or environment. The California Code of Regulations (CCR) defines a hazardous material or hazardous waste as a substance that, because of physical or chemical properties, quantity, concentration, or other characteristics, may either: (1) cause an increase in mortality or an increase in serious, irreversible, or incapacitating, illness; or (2) pose a substantial present or potential hazard to human health or environment when improperly treated, stored, transported or disposed of, or otherwise managed (County 2014). The predominant land use in the Project area is agriculture, as such, hazardous materials presently used in the Project vicinity are limited to those hazardous materials common to agriculture, including pesticides, fertilizers, and fuels.

Numerous federal and State laws regulate hazardous materials and wastes, such as the California Environmental Protection Agency (Cal/EPA) and Department of Toxic Substances Control (DTSC). However, depending on the waste, the Office of the State Fire Marshal (OSFM), the SWRCB, or another agency may be involved. Locally, the SJCEHD, San Joaquin County Office of Emergency Services (SJCOES), and the SJVAPCD have responsibility for enforcing some State standards (County 2014). The SJCEHD is the Certified Unified Program Agency (CUPA) for all cities and unincorporated areas within San Joaquin County. The CUPA was created by the California legislature to minimize the number of inspections and

different fees for businesses. The SJCEHD provides the management and record keeping of hazardous materials and underground storage tank (UST) sites for San Joaquin County, including the City of Stockton. Through the Hazardous Materials Program, the SJCEHD inspects businesses for compliance with the Hazardous Waste Control Act. Hazardous waste is subject to storage time limits, disposal requirements and labeling requirements on containers. The San Joaquin County OES is responsible for effective planning for emergencies including those related to hazardous material incidents. The OES coordinates planning, response to emergencies, improves procedures for incident notification, and provides training and equipment to safety personnel.

The following databases were reviewed for the Project site and surrounding area to identify potential hazardous contamination sites: the DTSC's EnviroStor online tool (DTSC 2024), SWRCB's GeoTracker tool (SWRCB 2024), and the USEPA's Superfund National Priorities List (NPL) (USEPA 2024). Based on the results of the databases reviewed, one record within a 0.25-mile radius of the Project site was listed on GeoTracker. The site is located to the east of the Project site and is a closed Cleanup Program Site. There are no active or open sites within the Project vicinity.

The Project site is located within the Lodi Unified School District. The nearest schools to the Project site are Elkhorn Elementary School, located approximately 1.9 miles southwest of the Project site; Podesta Ranch Elementary School, located approximately 2.0 miles south of the Project site; and John Muir Elementary School, located approximately 2.25 miles southwest of the Project site.

The San Joaquin Council of Governments (SJCOG) Board of Directors serves as the designated body to carry out the functions of the Airport Land Use Commission (ALUC). The SJCOG has adopted two Airport Land Use Compatibility Plans (ALUCP) to address the following airports: Kingdon Airport, Lodi (Lind's) Airport, Lodi (Precissi) Airpark, New Jerusalem Airport, Stockton Metropolitan Airport, and Tracy Municipal Airport. The Stockton Metropolitan Airport's ALUCP was last updated in 2018. The Countywide ALUCP, which covers the other five airports in the County, was also updated in 2018. The ALUCPs establish areas of influence within which airport operations are likely to affect land uses or land uses could affect airport operations. Safety and noise criteria are identified in the ALUCPs in order to minimize land use conflicts with airport operations. The nearest airport to the Project site is the Lodi Airpark, located approximately 0.8 mile north of the Project site, which currently serves as a base for aerial chemical application services; as a result, the majority of the operations at the airport are performed by aerial application aircraft or "crop-dusters". Additionally, the Kingdon Airpark is located approximately 2.0 miles northwest of the Project site, and is a privately-owned airport primarily used for pilot training and aerial application of agricultural chemicals (SJCOG 2018).

Summary of Impacts from the Stockton Delta Water Supply Project Program EIR

Hazardous materials and public health impacts are discussed in Section 3.8, *Hazardous Materials/Public Health*, of the certified DWSP Program EIR. The certified DWSP Program EIR concluded that construction of the DWSP facilities could result in the disturbance of contaminated soil and/or groundwater; however, as there were no contaminated sites identified within the vicinity of the WTP, the certified DWSP Program EIR concluded that the impact from WTP would be less than significant. Construction of the DWSP facilities would also involve the use and storage of hazardous materials such as gasoline and diesel fuels, oils, and solvents; however, the impact from construction of the WTP was determined to be less than significant with implementation of Mitigation Measure HAZ-2. Additionally, the certified DWSP Program EIR concluded that operation of the WTP could expose individuals to existing and/or potential future use of hazardous materials and generation of hazardous waste. The impact from operation of the

WTP was determined to be less than significant with implementation of Mitigation Measure HAZ-3a and HAZ-3b.

Impact Analysis

The impact analysis questions related to hazardous materials and public health are included in Table 3.8-1, Summary of Impacts – Hazardous Materials/Public Health, in Section 3.8, *Hazardous Materials/Public Health,* of the certified DWSP Program EIR.

Impact HAZ-1: Construction of the proposed DWSP facilities could result in the disturbance of contaminated soil and/or groundwater.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP facilities could result in the disturbance of contaminated soil and/or groundwater; however, as there were no contaminated sites identified within the vicinity of the proposed WTP, the certified DWSP Program EIR concluded that the impact from construction of the WTP was less than significant.

The proposed Project would be constructed immediately east of the City's existing DWTP and would include the construction of three groundwater recharge basins totaling approximately 45.5 acres. The proposed groundwater recharge basins would be excavated to approximately three feet bgs and would require approximately 212,860 CY of cut. During proposed Project construction, oil, gasoline, diesel fuel, solvents, and other hazardous materials may be present on-site. If spilled, these substances could pose a risk to the environment and to human health; however, the routine transport, use, and disposal of hazardous materials are subject to local, State, and federal regulations to minimize risk and exposure. Further, based on a review of online databases including the DTSC's EnviroStor, SWRCB's GeoTracker, and the USEPA's Superfund NPL, one record within a 0.25-mile radius of the Project site was listed on GeoTracker. The site is located to the east of the Project site and is a closed Cleanup Program Site. Therefore, as there are no active or open sites within the Project vicinity, the risk of disturbance of contaminated soil and/or groundwater would be unlikely. Therefore, the impact would be less than significant, and there would be *no new impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact HAZ-2: Construction of the proposed DWSP would involve the use and storage of hazardous materials such as gasoline and diesel fuels, oils, and solvents. Depending on the relative hazard of the hazardous material, if a spill of significant quantity were to occur, the accidental release could pose both a hazard to construction employees and the environment.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP facilities would involve the use and storage of hazardous materials such as gasoline and diesel fuels, oils, and solvents; however, the impact from construction of the WTP was determined to be less than significant with implementation of Mitigation Measure HAZ-2.

The proposed Project would be constructed immediately east of the City's existing DWTP and would include the construction of three groundwater recharge basins totaling approximately 45.5 acres. Under the proposed Project, the impact from the WTP would be similar compared to what was evaluated in the certified DWSP Program EIR, as oil, gasoline, diesel fuel, solvents, and other hazardous materials may be present on the Project site during construction. If spilled, these substances could pose a risk to the environment and to human health. However, the routine transport, use, and disposal of hazardous

materials would be subject to local, State, and federal regulations to minimize risk and exposure. Mitigation Measure HAZ-2 required the WTP to prepare a Hazardous Materials Management Plan (HMMP), which would address storage, containment, and transfers of hazardous materials related to Project construction. However, since the proposed Project would not require 660 gallons of hazardous materials on the Project site during construction, Mitigation Measure HAZ-2 would not be required for the proposed Project. Therefore, in compliance with local, State, and federal regulations, the proposed Project would not create a significant hazard through the use and storage of hazardous materials such as gasoline and diesel fuels, oils, and solvents. The impact would be less than significant, and *no new or substantially more severe impact* would occur compared to what was evaluated in the certified DWSP Program EIR.

Impact HAZ-3: Operation of the WTP could expose individuals to existing and/or potential future use of hazardous materials and generation of hazardous wastes.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the WTP could expose individuals to existing and/or potential future use of hazardous materials and generation of hazardous waste. The impact from operation of the WTP was determined to be less than significant with implementation of Mitigation Measure HAZ-3a and HAZ-3b. Mitigation Measure HAZ-3a would require compliance with the UBC, Uniform Fire Code, and HMMP, and Mitigation Measure HAZ-3b would require the City to consult with the appropriate authorities regarding its responsibilities concerning hazardous materials and their inventory, handling, and emergency response training. The certified DWSP Program EIR concluded that WTP would use potentially hazardous materials in the treatment of raw surface water to remove suspended solids, control and adjust pH, and disinfect raw surface water in order to achieve mandated drinking water limitations. As such, the routine storage, use, transportation, and disposal of these potentially hazardous materials required for operation of the WTP was determined to potentially expose individuals to existing and/or potential future use of hazardous materials and generation of hazardous wastes.

Project O&M activities would include periodic “drying out” of the groundwater recharge basins, clearing out the infiltration pipelines, removal of vegetation that occurs, etc. However, Mitigation Measure HAZ-3a and Mitigation Measure HAZ-3b would not be required for the proposed Project, as it is not anticipated that O&M activities would require the transport, use, or disposal of hazardous materials. Further, the routine transport, use, and disposal of hazardous materials would be subject to local, State, and federal regulations to minimize risk and exposure. Therefore, the impact would be less than significant, and *no new or substantially more severe impact* would occur compared to what was evaluated in the certified DWSP Program EIR.

Mitigation Measures

The certified DWSP Program EIR identified Mitigation Measures HAZ-2, HAZ-3a, and HAZ-3b to mitigate impacts related to hazardous materials and public health from implementation of the WTP. As described above, none of the mitigation measures identified for the WTP related to hazardous materials and public health would be required for construction or operation of the proposed Project.

VIII. TRANSPORTATION AND TRAFFIC

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
Impact Analysis Questions (Table 3.9-4 of the certified DWSP Program EIR):				
TR-1: Construction of the raw and treated water pipelines could temporarily reduce the number of, or the available width of, travel lanes on roads, resulting in an unacceptable LOS or v/c ratio.	☐	☐	☐	☒
TR-2: Construction would generate short-term increases in vehicle trips by construction workers and construction vehicles that could cause a substantial decrease in the LOS.	☐	☐	☐	☒
TR-3: Construction of the raw and treated water pipelines could adversely affect access to adjacent land uses and streets for both commercial and emergency traffic, and bicycle/pedestrian access.	☐	☐	☐	☒
TR-4: Construction of the raw and treated water pipelines could generate a demand for construction worker parking, and could temporarily displace existing on-street parking on pipeline routes.	☐	☐	☐	☒
TR-5: Construction of the raw and treated water pipelines could increase potential traffic safety hazards for vehicles, bicyclists and pedestrians on affected public roadways.	☐	☐	☐	☒
TR-6: Construction could increase wear and-tear on the designated haul routes used by construction vehicles to access the Project work site.	☐	☐	☐	☒
TR-7: Operation of the proposed WTP could increase vehicle trips on area roadways.	☐	☐	☐	☒

Affected Environment

The following regional and local transportation networks are located near the Project site and relevant to the analysis of transportation and traffic:

- **North Lower Sacramento Road**: N. Lower Sacramento Road is a two-lane undivided arterial. N. Lower Sacramento Road has discontinuous gravel shoulders and a paved cross-section of approximately 32 feet. N. Lower Sacramento Road is signalized at its intersection with Eight Mile Road.

- **Eight Mile Road**: Eight Mile Road is an arterial with varying width, consisting of a two-lane undivided road for the majority of its length within the Project area. Between Mokelumne Circle and Trinity Parkway (about 300 feet west of I-5), Eight Mile Road remains a two-lane arterial, but widens to approximately 49 feet. The roadway remains a two-lane roadway with no on-street parking. Near Oak Grove Regional Park, just east of the I-5 interchange, Eight Mile Road becomes a four-lane roadway, with two eastbound lanes, one center turn-lane, and one westbound lane. Between Thornton Road and West Lane, Eight Mile Road returns to be a two-lane roadway, with a width of about 30 feet.

- **Davis Road**: Davis Road is a two-lane undivided arterial, with discontinuous on-street parking and a paved cross-section of approximately 60 feet. The roadway is posted at 55 mph, with a 25-mph posting in the school zone. Davis Road is a four-way stop at its intersection with Eight Mile Road.

- **West Lane**: West Lane is a four-lane divided arterial. West Lane has emergency on-street parking only and a paved cross-section of approximately 30 feet on each side of the median. The roadway is posted at 55 mph. West Lane is signalized at its intersection with Eight Mile Road.

- **Interstate 5**: I-5 is a major north-south freeway and the primary regional roadway in the DWSP vicinity. I-5 is a six-lane divided freeway, with an overpass at Eight Mile Road. Its diamond interchange with Eight Mile Road is signalized at both the northbound and southbound ramps. Both the raw and treated water pipelines tunnel beneath I-5 just north of its intersection with Eight Mile Road.

Summary of Impacts from the Stockton Delta Water Supply Project Program EIR

Transportation and traffic impacts are discussed in Section 3.9, *Transportation and Traffic,* of the certified DWSP Program EIR. The certified DWSP Program EIR concluded that construction of the raw and treated water pipelines could temporarily reduce the number of, or the available width of, travel lanes on roads, resulting in an unacceptable level of service (LOS) or vehicle/capacity (v/c) ratio; however, no impact would occur from construction of the WTP. The certified DWSP Program EIR concluded that Project construction would generate short-term increases in vehicle trips by construction workers and construction vehicles that could cause a substantial decrease in the LOS to less than LOS D (i.e., approaching unstable operations where small increases in volume produce substantial increases in delay and decreases in speed); however, the impact from construction of the WTP was determined to be less than significant with implementation of Mitigation Measures TR-2a and TR-2b. Construction of the raw and treated water pipelines could adversely affect access to adjacent land uses and streets for both commercial and emergency traffic, and bicycle/pedestrian access; however, no impact was determined

to occur from construction of the WTP. Additionally, construction of the raw and treated water pipelines could generate a demand for construction worker parking which could temporarily displace existing on-street parking on pipeline routes; however, no impact was determined to occur from construction of the WTP.

The certified DWSP Program EIR concluded that construction of the raw and treated water pipelines could increase potential traffic safety hazards for vehicles, bicyclists and pedestrians on affected public roadways; however, no impact would occur from construction of the WTP. Construction of the DWSP facilities was determined to increase wear-and-tear on the designated haul routes used by construction vehicles to access the Project work sites, and the impact from construction of the WTP was determined to be less than significant with implementation of Mitigation Measure TR-6. Lastly, the certified DWSP Program EIR concluded that operation of the WTP could increase vehicle trips on area roadways; however, the impact from operation of WTP was determined to be less than significant.

Impact Analysis

The impact analysis questions related to transportation and traffic are included in Table 3.9-4, Summary of Impacts – Transportation and Traffic Facilities, in Section 3.9, *Transportation and Traffic,* of the certified DWSP Program EIR.

Impact TR-1: Construction of the raw and treated water pipelines could temporarily reduce the number of, or the available width of, travel lanes on roads, resulting in an unacceptable LOS or v/c ratio.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the raw and treated water pipelines could temporarily reduce the number of, or the available width of, travel lanes on roads, resulting in an unacceptable LOS or v/c ratio; however, no impact was determined to occur from construction of the WTP.

The proposed Project would be constructed immediately east of the City's existing DWTP. Construction activities and staging of construction equipment for the proposed Project would be contained within the Project site. As the Project would not require the installation of pipeline along or within the right-of-way of roadways in the Project vicinity, the Project would not reduce the number of, or available width of, travel lanes on roads in the Project area such that unacceptable LOS or v/c would occur. Therefore, no impact would occur, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact TR-2: Construction of the proposed DWSP facilities would generate short-term increases in vehicle trips by construction workers and construction vehicles that could cause a substantial decrease in the LOS to less than LOS D, i.e., approaching unstable operations where small increases in volume produce substantial increases in delay and decreases in speed.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that project construction would generate short-term increases in vehicle trips by construction workers and construction vehicles that could cause a substantial decrease in the LOS to less than LOS D (i.e., approaching unstable operations where small increases in volume produce substantial increases in delay and decreases in speed); however, the impact from construction of the WTP was determined to be less than significant with implementation of Mitigation Measures TR-2a and TR-2b.

The proposed Project would include construction of three groundwater recharge basins with associated infrastructure, a visitor restroom, a shaded viewing platform, and a paved parking lot. Construction of the proposed Project would be short-term and temporary and is therefore anticipated to generate short-term, temporary increases in vehicle trips associated with construction vehicles and worker trips. However, these construction-related vehicle trips would be dispersed throughout the daily hours of construction and would not cause a substantial increase in traffic along roadways in the Project area beyond the existing conditions. Mitigation Measures TR-2a and TR-2b would not be applicable to the proposed Project, as construction activities and staging of construction equipment for the proposed Project would be contained within the Project site, would not involve multiple work sites, nor require lane closures of roads in the vicinity of the Project site. Therefore, the impact would be less than significant, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact TR-3: Construction of the proposed raw and treated water pipelines could adversely affect access to adjacent land uses and streets for both commercial and emergency traffic, and bicycle/pedestrian access.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the raw and treated water pipelines could adversely affect access to adjacent land uses and streets for both commercial and emergency traffic, and bicycle/pedestrian access; however, no impact was determined to occur from construction of the WTP.

As discussed in Impact TR-1, construction activities and staging of construction equipment for the proposed Project would be contained within the Project site. As the Project would not require the installation of pipeline along or within the right-of-way of roadways in the Project vicinity, the Project would not adversely affect access to adjacent land uses and streets for commercial, emergency, or bicycle/pedestrian access. Therefore, no impact would occur, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact TR-4: Construction of the proposed raw and treated water pipelines could generate a temporary demand for construction worker parking, and construction activity could temporarily displace existing on-street parking on pipeline alignment routes.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the raw and treated water pipelines could generate a demand for construction worker parking and could temporarily displace existing on-street parking on pipeline routes; however, no impact was determined to occur for construction of the WTP.

The proposed Project would be located immediately east of the City's existing DWTP, which has existing parking for DWTP staff. It is anticipated that construction worker vehicles could utilize this existing parking. Further, there is no formal on-street parking along roads in the Project vicinity. Therefore, construction of the proposed Project would not temporarily displace existing on-street parking, and no impact would occur. Therefore, there would be *no new or substantially more severe impact* compared to what was analyzed in the certified DWSP Program EIR.

Impact TR-5: Construction of the proposed raw and treated water pipelines could increase potential traffic safety hazards for vehicles, bicyclists, and pedestrians on public roadways.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the raw and treated water pipelines could increase potential traffic safety hazards for vehicles, bicyclists and pedestrians on affected public roadways; however, no impact was determined to occur from construction of the WTP.

As previously discussed, construction activities and staging of construction equipment for the proposed Project would be contained within the Project site. As Project construction would not require the installation of pipeline along or within the right-of-way of roadways in the Project vicinity, nor require lane closures, the Project would not increase potential traffic safety hazards for vehicles, bicyclists, and pedestrians on public roadways. Therefore, no impact would occur, and there would be *no new or substantially more severe impact* compared to what was analyzed in the certified DWSP Program EIR.

Impact TR-6: Construction of the proposed DWSP facilities could increase wear-and-tear on the designated haul routes used by construction vehicles to access the Project work sites.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP facilities could increase wear-and-tear on the designated haul routes used by construction vehicles to access the Project work sites, and the impact from construction of the WTP would be less than significant with implementation of Mitigation Measure TR-6. The certified DWSP Program EIR concluded that the degree to which this impact would occur would depend on the design (pavement type and thickness) and existing condition of the road. Major arterials and collectors are designed to accommodate a mix of vehicle types, including heavy trucks. However, rural roadways and residential streets may not have been constructed to support the weight and use by construction equipment.

The proposed Project would include construction of three groundwater recharge basins with associated infrastructure, a visitor restroom, a shaded viewing platform, and a paved parking lot. Although construction would be short-term and temporary, heavy duty construction equipment and vehicles would be used, which could affect road conditions along roadways in the Project vicinity. Mitigation Measure TR-6, as identified in the certified DWSP Program EIR, would remain applicable to the proposed Project and would be implemented, which would require any roads damaged by construction activities to be repaired to a structural condition equal to that which existed prior to construction activity. Therefore, the impact would be less than significant with implementation of Mitigation Measure TR-6, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact TR-7: Operation of the proposed WTP could increase vehicle trips on area roadways.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the WTP could increase vehicle trips on area roadways; however, the impact was determined to be less than significant.

Operational activities associated with the proposed Project would include occasional maintenance trips for the on-site restroom and landscaping. It is anticipated that a truck would service the septic tanks six times a year (if connection to existing utilities is not feasible), and landscape maintenance, including weed and irrigation maintenance, would occur two to four times a year. Staff that currently run the City-owned DWTP would perform the O&M tasks required for the proposed Project, and no new employees would be required to support the proposed Project. Operation of the proposed Project would also include infrequent educational visits from local public or private schools, organizations, other interested

groups, etc. as allowed by the DWTP facility management. It is anticipated that educational visits would be limited to one school bus per visit (up to 72 students, per standard school bus sizes) and would occur between typical daytime school hours and operational hours of the DWTP. Vehicle trips associated with operation of the proposed Project would be minimal and would not generate a noticeable increase in vehicle trips on roadways in the Project area. Therefore, the impact would be less than significant, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Mitigation Measures

The certified DWSP Program EIR identified Mitigation Measures TR-2a, TR-2b, and TR-6 to mitigate impacts related to transportation and traffic from implementation of the WTP. However, Mitigation Measures TR-2a and TR-2b would not be applicable to the proposed Project, as construction activities and staging of construction equipment for the proposed Project would be contained within the Project site, would not involve multiple work sites, nor require lane closures of roads in the vicinity of the Project site.

As described above, Mitigation Measure TR-6 would remain applicable to the proposed Project and would be implemented. This mitigation measure is provided below.

Mitigation Measure TR-6: Roads damaged by construction activities will be repaired to a structural condition equal to that which existed prior to construction activity.

IX. PUBLIC SERVICES AND UTILITIES/ENERGY

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
Impact Analysis Questions (Table 3.10-1 of the certified DWSP Program EIR):				
PUB-1: DWSP pipeline construction could result in temporary, planned, or accidental disruption to utility services.	☐	☐	☐	☒
PUB-2: Construction in specific segments of the proposed pipeline alignments could result in utility conflicts.	☐	☐	☐	☒
PUB-3: Pipeline construction could temporarily block access routes for city police departments, San Joaquin County Sheriff's Department, fire department, and emergency services.	☐	☐	☐	☒
PUB-4: DWSP construction could require short-term police and fire protection services to assist in traffic management or to respond to a construction-related accident.	☐	☐	☐	☒
PUB-5: DWSP construction could result in a substantial use of nonrenewable energy resources.	☐	☐	☐	☒
PUB-6: DWSP operation could result in substantial energy consumption.	☐	☐	☐	☒

Affected Environment

The Stockton Fire Department serves the City and the surrounding unincorporated areas of the County, including the Project site. Fire Station Number 14 is located approximately 2.25 miles northeast of the Project site.

The Stockton Police Department provides police protection within the City of Stockton and is located approximately nine miles south of the Project site. The unincorporated areas of San Joaquin County receive law enforcement services by the San Joaquin County Sheriff's Department and the Central

Division of the California Highway Patrol (CHP). The San Joaquin County Jail and Sheriff's Department are located approximately 13.5 miles south of the Project site in French Camp and the nearest CHP station is located approximately seven miles southeast of the Project site in the City of Stockton.

The Project site is located within the Lodi Unified School District. The nearest schools to the Project site include: Elkhorn Elementary School, located approximately 1.7 miles southwest of the Project site; Podesta Ranch Elementary School, located approximately 1.9 miles south of the Project site; John Muir Elementary School, located approximately 2.1 miles southwest of the Project site; Bear Creek High School, located approximately 2.3 miles southwest of the Project site; and Julia Morgan Elementary School, located approximately 2.5 miles southwest of the Project site.

San Joaquin County Parks and Recreation is responsible for the maintenance of several regional and community parks within the unincorporated areas of the County. Additionally, the City of Stockton Community Services Department maintains 66 parks and open spaces, ranging from neighborhood parks to community parks. The nearest parks to the Project site include: Baxter Park, located approximately 2.1 miles southwest of the Project site; Laughlin Park, located approximately 2.7 miles southwest of the Project site; Garrigan Park, located approximately 3.1 miles southwest of the Project site; and Faklis Community park, located approximately 3.6 miles southwest of the Project site.

Most library facilities in San Joaquin County are provided by the Stockton-San Joaquin County Public Library System. The Chavez Central Library in Stockton supports collections for nine branches, a bookmobile, and other various services. Branch libraries are located in Thornton, Linden, Tracy, Manteca, Ripon, Escalon, and throughout the City of Stockton.

Several major hospitals serve the Project site: Sutter Urgent Care is located approximately four miles southwest of the Project site; St. Joseph's Medical Center is located approximately seven miles south of the Project site, Dameron Hospital is located approximately eight miles south of the Project site in the City of Stockton, and San Joaquin General Hospital is located approximately 13 miles south of the Project site in the unincorporated community of French Camp.

The County Department of Public Works is responsible for the administration of solid waste and operation of facilities. The Environmental Health Division is involved in administering local and State regulations regarding waste management and has been appointed as the local enforcement agency throughout the County. Waste is collected by the incorporated cities or the County, or by private firms franchised and licensed by the cities or the County. The cities and the County are individually responsible for their own solid waste facilities, including transfer stations, disposal sites, and resource recovery facilities.

Wastewater treatment services are provided in the incorporated cities of San Joaquin County. Septic systems are used in many of the unincorporated communities and areas. The unincorporated areas are served by a combination of City sewers, County service districts, and private septic tanks. The City of Stockton operates a wastewater collection system through a system of pumping stations and sewer lines. The Stockton Regional Wastewater Control Facility (RWCF) provides secondary and tertiary treatment of municipal wastewater throughout the City. The RWCF is located north of SR 4 on both sides of the San Joaquin River. The primary and secondary treatment facilities are located east of the river, while the secondary polishing facilities, filtration facilities, and disinfection facilities are located on the west side of the river. Primary and secondary solids are treated by anaerobic digestion, dewatered, and disposed off-site. Effluent is discharged into the San Joaquin River adjacent to the RWCF.

Potable water for irrigation and domestic use in the County is provided through multiple agencies and water Projects, including federal, regional, and local water districts, special districts, and private systems. Water agencies acquire water from ground and surface supplies, treat the water, and distribute the treated water to the users. Retail water purveyors in the COSMA include the Stockton MUD, Cal Water, and San Joaquin County.

Drainage facilities are operated by the incorporated cities, urban communities, and irrigation districts, including the City. Urban portions of the City are served by a system of underground storm drains that are separate from the sanitary sewer system. Stormwater flows to catch basins or to outfall points along the City's natural drainage ways. At several locations, storm drains catch basins feed into the sanitary collection system. The storm drainage system is generally connected to flood control canals and channels that drain into sloughs of the San Joaquin River and the Delta. Some incorporated portions are served by roadside drainage ditches. Stormwater management in the City is regulated by certain federal, state, and local regulations, standards, and criteria related to the computation of runoff, facility design, and quality of runoff entering streams.

Summary of Impacts from the Stockton Delta Water Supply Project Program EIR

Public services and utilities/energy impacts are discussed in Section 3.10, *Public Services and Utilities/Energy*, of the certified DWSP Program EIR. The certified DWSP Program EIR concluded that construction of the DWSP pipeline could result in temporary, planned, or accidental disruption to utility services; however, it was determined that no impact would occur from construction of the WTP. Similarly, construction in specific segments of the pipeline alignments could result in utility conflicts; however, it was determined that no impact would occur from construction of the WTP. Pipeline construction could also temporarily block access routes for city police departments, San Joaquin County Sheriff's Department, fire department, and emergency services; however, no impact would occur from construction of the WTP. The certified DWSP Program EIR concluded that construction of the DWSP components could require short-term police and fire protection services to assist in traffic management or respond to a construction-related accident; however, the impact from construction of the WTP was determined to be less than significant with implementation of Mitigation Measure PUB-3c. The certified DWSP Program EIR concluded that construction of the DWSP components would not result in a substantial use of nonrenewable energy resources, and the impact from construction of the WTP was determined to be less than significant. Lastly, operation of the DWSP could result in substantial energy consumption; however, the impact from operation of the WTP was determined to be less than significant.

Impact Analysis

The impact analysis questions related to public services, utilities, and energy are included in Table 3.10-1, Summary of Impacts – Public Services and Utilities/Energy, in Section 3.10, *Public Services and Utilities/Energy*, of the certified DWSP Program EIR.

PUB-1: DWSP pipeline construction could result in temporary, planned, or accidental disruption to utility services.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the raw and treated water pipelines for the DWSP could result in temporary, planned, or accidental disruption to utility services; however, it was determined that no impact would occur from construction of the WTP.

The proposed Project would construct three groundwater basins and associated infrastructure adjacent to the City's existing DWTP. The proposed Project would include construction of a 30-inch motorized butterfly isolation valve located adjacent to the existing raw water connection on the DWTP site. The new motorized butterfly isolation valve would tie into the DWTP's existing SCADA system, which would then connect to a 36-inch welded steel pipeline WSP. The WSP would then connect to three 24-inch butterfly valves that would be used to control flows to each groundwater recharge basin. From the three butterfly valves, three 30-inch HDPE pipelines would direct flows into each forebay. The proposed Project would not require the construction of new raw and/or treated water pipelines off-site and would not result in temporary, planned, or accidental disruption to utility services. Therefore, no impact would occur, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

PUB-2: Construction in specific segments of the proposed pipeline alignments could result in utility conflicts.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction in specific segments of the raw and treated water pipeline alignments could result in utility conflicts; however, it was determined that no impact would occur from construction of the WTP.

As discussed above in Impact PUB-1, the proposed Project would construct a 30-inch motorized butterfly isolation valve located adjacent to the existing raw water connection on the DWTP site. The new motorized butterfly isolation valve would tie into the DWTP's existing SCADA system, which would then connect to a 36-inch welded steel pipeline WSP. The WSP would then connect to three 24-inch butterfly valves that would be used to control flows to each groundwater recharge basin. From the three butterfly valves, three 30-inch HDPE pipelines would direct flows into each forebay. The proposed underground infrastructure would be contained within the Project site and would not interfere with existing on-site or off-site utilities. Therefore, no impact would occur, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

PUB-3: Pipeline construction could temporarily block access routes for city police departments, San Joaquin County Sheriff's Department, fire department, and emergency services.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the raw and treated water pipelines could also temporarily block access routes for city police departments, San Joaquin County Sheriff's Department, fire department, and emergency services; however, it was determined that no impact would occur from construction of the WTP.

As discussed above in Impact PUB-1 and PUB-2, the proposed Project would include the construction of underground pipelines on-site that control flows from the DWTP's existing SCADA system. Construction activities associated with the proposed infrastructure would be contained within the Project site and would not extend onto roadways in the Project area. Therefore, construction of the proposed pipelines would not temporarily block access routes for the Stockton Police Department, San Joaquin County Sheriff's Department, Stockton Fire Department, or other emergency services. No impact would occur, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact PUB-4: DWSP construction could require short-term police and fire protection services to assist in traffic management or to respond to a construction-related accident.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of DWSP components could require short-term fire protection services to assist in traffic management or to respond to a construction-related accident; however, the impact from construction of the WTP was determined to be less than significant with implementation of Mitigation Measure PUB-3c.

The proposed Project area receives police and fire protection services from the Stockton Fire Department, the Stockton Police Department, the San Joaquin County Sheriff's Department, and the Central Division of the CHP. The proposed Project would construct three groundwater recharge basins and associated infrastructure adjacent to the existing City-owned DWTP, which already receives police and fire protection services from the City and County. The potential for a minor increase in demand for police and fire services may occur during construction of the proposed Project if there was a construction-related accident; however, in the unlikely chance that there is a construction-related accident, the increased service demands would be short-term and temporary and would not overburden the existing City and County police and fire departments. Mitigation Measure PUB-3c would not be applicable to the proposed Project, because, as discussed in Section 6.VIII, *Transportation and Traffic,* construction activities and staging of construction equipment for the proposed Project would be contained within the Project site, would not involve multiple work sites, nor require lane closures of roads in the vicinity of the Project site thereby necessitating a Traffic Control Plan. Therefore, the impact would be less than significant, and no mitigation would be necessary. *No new or substantially more severe impact* would occur compared to what was evaluated in the certified DWSP Program EIR.

Impact PUB-5: DWSP construction could result in a substantial use of nonrenewable energy resources.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP components would not result in a substantial use of nonrenewable energy resources, and the impact from construction of the WTP was determined to be less than significant.

The proposed Project would include construction of three groundwater recharge basins with associated infrastructure, a visitor restroom, a shaded viewing platform, and a paved parking lot. Energy consumed for Project construction would primarily consist of fuels in the form of diesel and gasoline. Fuel consumption would result from the use of on-road and off-highway trucks for the transportation of construction materials and water, construction worker vehicles traveling to and from the proposed Project site, and from the use of off-road construction equipment. While construction activities would consume petroleum-based fuels, consumption of such resources would be temporary and would cease upon the completion of construction. Therefore, construction of the proposed Project would not result in a substantial use of nonrenewable energy resources, and the impact would be less than significant. Therefore, there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

PUB-6: DWSP operation could result in substantial energy consumption.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the DWSP could result in substantial energy consumption; however, the impact from operation of the WTP was determined to be less than significant.

The proposed Project and the existing DWPT are within the PG&E service area for electricity. The proposed recharge basins would be filled with raw surface water by the proposed pumps, which would be powered by the existing motor control center at the City's DWTP; however, the proposed pumps

would not result in substantial energy consumption. Operational activities associated with the proposed Project would include occasional maintenance trips for the visitor restroom and landscaping. Per the Project engineer, a truck would service the septic tank for the restroom (if connection to existing utilities is not feasible) six times a year, and landscape maintenance, including weed and irrigation maintenance, would occur two to four times a year. Maintenance trips required for the proposed Project would result in a negligible amount of fuel consumption.

Operation of the proposed Project would also include infrequent educational visits from local public or private schools, organizations, other interested groups, etc. as allowed by the DWTP facility management. It is anticipated that educational visits would be limited to one school bus per visit (up to 72 students, per standard school bus sizes) and would occur between typical daytime school hours and operational hours of the DWTP. Such infrequent visits to the Project site would result in a negligible amount of fuel consumption. Therefore, operation of the proposed Project would not result in the consumption of substantial energy resources, and the impact would be less than significant. There would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Mitigation Measures

The certified DWSP Program EIR identified Mitigation Measure PUB-3c to mitigate impacts related to public services from implemented of the WTP. However, Mitigation Measure PUB-3c would not be applicable to the proposed Project, because, as discussed in Section 6.VIII, *Transportation and Traffic,* construction activities and staging of construction equipment for the proposed Project would be contained within the Project site, would not involve multiple work sites, nor require lane closures of roads in the vicinity of the Project site thereby necessitating a Traffic Control Plan. No other mitigation measures are applicable to the proposed Project related to public services, utilities, or energy.

X. CULTURAL RESOURCES

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
Impact Analysis Question (Table 3.11-1 of the certified DWSP Program EIR):				
CUL-1: Construction of DWSP facilities could damage unidentified buried archaeological, historical, or paleontological resources within the Project area.	☐	☐	☐	☒

A Cultural Resources Assessment (CRA) was prepared by HELIX in February 2025 for the proposed Project and is included as Appendix D.

Background Research

Archival Records Search

On October 17, 2024, staff at the Central California Information Center (CCIC) at California State University, Stanislaus in Turlock, California, conducted a California Historical Resources Information System (CHRIS) records search for the Project site plus a 0.25-mile radius. The results of the records search are summarized below.

Previous Studies

The CHRIS records search identified four studies that have previously been conducted within a 0.25-mile radius of the Project site. One of these previous studies partially overlapped with the Project. The four previous studies conducted in the Project vicinity are described in Table 4, below. Report SJ-06843, the previous study that partially overlaps with the proposed Project site, is briefly described after the table.

Table 4
PREVIOUS STUDIES CONDUCTED WITHIN 0.25-MILE OF THE PROJECT SITE

Report	Year	Author(s)	Title	Affiliation	Includes Project Site?
SJ-00831	1929	Schenck, W.E. and E.J. Dawson	Archaeology of the Northern San Joaquin Valley. University of California Publications in American Archaeology and Ethnology Vol. 25, No. 4, pp. 289-413	University of California, Berkeley	No
SJ-005487	2004	Jensen, Peter M.	Archaeological Inventory Survey, Proposed North Alpine Development Project, c. 369 acres along Eightmile Road, San	Jensen & Associates for The Grupe Company, Inc.	No

Report	Year	Author(s)	Title	Affiliation	Includes Project Site?
			Joaquin County, California		
SJ-006785	2008	Blind, H., M.R. Hibma, and C. Gerike	A Cultural and Paleontological Resources Study for the North Stockton Railroad Grade Separation and Bridge Replacement Project, North Stockton, San Joaquin County, California	LSA Associates, Inc. for Mark Thomas Company, Inc.	No
SJ-06843	2007	ESA	Stockton Delta Water Supply Project Cultural Resources Inventory Report	ESA; for the City of Stockton	Yes

Report SJ-06843 – This report, entitled *Stockton Delta Water Supply Project Cultural Resources Inventory Report*, was prepared by Environmental Science Associates (ESA) for the City of Stockton in October 2007, and was intended to support CEQA analysis of the proposed DWTP and associated infrastructure. The Area of Potential Effects (APE) addressed in the study entirely overlapped the current Project site and included pipeline corridors extending west to the San Joaquin River and south to the City of Stockton. The study found no archaeological resources or potentially significant historical structures within the Project site; at the time of the survey the Project site consisted of tilled and cropped agricultural fields with poor surface visibility. The report concluded that no historical resources would be impacted by the Project, although it acknowledged a slight potential for deeply buried archaeological resources to be encountered if excavations extend below approximately 10 feet.

Previously Recorded Resources

The CCIC records search also identified two previously documented cultural resources within 0.25 mile of the Project site, although neither of these resources are located within the boundaries of the Project site itself. The previously documented resources are described briefly in Table 5, below.

Table 5
PREVIOUSLY RECORDED CULTURAL RESOURCES WITHIN 0.25-MILE OF THE PROJECT SITE

Primary	Trinomial	Year	Recorder	Description	Within Project Site?
P-57-000170	CA-SJO-34	1929	Schenck and Dawson	No description provided (possibly an isolated artifact); “destroyed by cultivation”	No
P-57-000283	CA-SJO-166	1990	McIvers, K. and E. Derr	Precontact village and cemetery; heavily disturbed	No

Native American Heritage Commission Sacred Lands File Search

On October 25, 2024, HELIX requested that the Native American Heritage Commission (NAHC) conduct a search of the NAHC’s Sacred Lands File (SLF). On November 5, 2024, HELIX received a response from the NAHC that stated that the SLF search returned negative results.

Pedestrian Survey

On November 21, 2024, HELIX Staff Archaeologists Jentin Joe and Leah Wargo, RPA, surveyed the Project site under the direction of HELIX Senior Cultural Resources Project Manager II Clarus Backes, RPA. Ground visibility during the survey was fair (approximately 75 percent), with bare soil partially obscured by intermittent patches of short vegetation. Ultimately, the Project site was thoroughly examined during HELIX's pedestrian survey, but no precontact or historic-era materials or features were observed.

Summary of Impacts from the Certified Stockton Delta Water Supply Project Program EIR

Cultural resources impacts are discussed in Section 3.11, *Cultural Resources*, of the certified DWSP Program EIR. The certified DWSP Program EIR concluded that construction of the DWSP facilities could damage unidentified buried archaeological, historical, or paleontological resources within the Project area; however, the impact from construction of the WTP was determined to be less than significant with implementation of Mitigation Measure CUL-1.

Impact Analysis

The impact analysis question related to cultural resources is included in Table 3.11-1, Summary of Impacts – Cultural Resources, in Section 3.11, *Cultural Resources*, of the certified DWSP Program EIR.

Impact CUL-1: Construction of DWSP facilities could damage unidentified buried archaeological, historical, or paleontological resources within the Project area.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that construction of the DWSP facilities could damage unidentified buried archaeological, historical, or paleontological resources within the Project area; however, the impact from construction of the WTP was determined to be less than significant with implementation of Mitigation Measure CUL-1.

The proposed groundwater basins, viewing platform, parking lot, and associated infrastructure would encompass approximately 64 acres of the Project site, and the proposed temporary stockpile areas would encompass approximately 14 acres of the Project site. HELIX's CCIC record search revealed that four studies have previously been conducted within a 0.25-mile radius of the proposed Project site. One of these previous studies (Report SJ-06843), which was associated with the construction of the City's DWTP, partially overlapped with the Project. The study found no archaeological resources or potentially significant historical structures within the Project site. The report concluded that no historical resources would be impacted by the proposed Project, although it acknowledged a slight potential for deeply buried archaeological resources to be encountered within the site if excavations extend below approximately 10 feet. The CCIC records search also identified two previously documented cultural resources within 0.25 mile of the Project site, although neither of these resources are located within the boundaries of the Project site itself.

On November 21, 2024, HELIX Staff Archaeologist Jentin Joe surveyed the Project site under the direction of HELIX Senior Cultural Resources Project Manager II Clarus Backes, RPA. The survey involved systematic investigation of the Project site's ground surface by walking in parallel 20-meter transects. No precontact or historic-era materials or features were observed within the Project site during the pedestrian survey. Based on the background research conducted and the pedestrian survey of the proposed Project site, no cultural resources were identified within the Project site. However, in the

unlikely event that funerary objects and/or archaeological cultural resources are discovered during Project construction, Mitigation Measure CUL-1 would require all work that would potentially affect the resources to halt, and the City would be required to consult with a qualified archaeologist or paleontologist to assess the significance of the resources. Additionally, in the event that human remains are encountered during Project constriction, Mitigation Measure CUL-1 would be implemented, which would require the San Joaquin Coroner to be contacted. Implementation of Mitigation Measure CUL-1 would reduce impacts to a less-than-significant level; therefore, there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Mitigation Measures

The certified DWSP Program EIR identified Mitigation Measure CUL-1 to mitigate impacts related to cultural resources from implementation of the WTP, which would remain applicable to the proposed Project. This mitigation measure is provided below.

Mitigation Measure CUL-1: Work shall be stopped in affected areas if cultural resources are discovered during Project construction and appropriate measures will be implemented.

Pursuant to CEQA Guidelines 15064.5 (f), "provisions for historical or unique archaeological resources accidentally discovered during construction" shall be instituted. Therefore, in the event that any prehistoric or historic subsurface cultural resources are discovered during ground disturbing activities, all work potentially affecting the resources shall be halted and the Project proponent and/or lead agency shall consult with a qualified archaeologist or paleontologist to assess the significance of the find. If any find is determined to be significant, representatives of the Project proponent and/or lead agency and the qualified archaeologist and/or paleontologist shall meet to determine the appropriate avoidance measures or other appropriate mitigation. All significant cultural materials recovered shall be subject to scientific analysis, professional museum curation, and a report prepared by the qualified archaeologist according to current professional standards.

If the discovery includes human remains, CEQA Guidelines 15064.5 (e)(1) shall be followed:

- In the event of the accidental discovery or recognition of any human remains in any location other than a dedicated cemetery, the following steps shall be taken:
- There shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until:
    - The San Joaquin County coroner must be contacted to determine that no investigation of the cause of death is required, and
    - If the coroner determines the remains to be Native American:
        - The coroner shall contact the NAHC within 24 hours.
        - The NAHC shall identify the person or persons it believes to be the most likely descended from the deceased Native American.
        - The most likely descendent may make recommendations to the landowner or the person responsible for the excavation work, for

means of treating or disposing of, with appropriate dignity, the human remains and any associated grave goods as provided in Public Resources Code Section 5097.98, or

- Where the following conditions occur, the landowner or their authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location not subject to further subsurface disturbance.
    - The NAHC is unable to identify a most likely descendent or the most likely descendent failed to make a recommendation within 24 hours after being notified by the commission.
    - The descendant identified fails to make a recommendation; or
    - The landowner or their authorized representative rejects the recommendation of the descendant, and the mediation by the NAHC fails to provide measures acceptable to the landowner.

XI. DELTA WATER RESOURCES

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
Impact Analysis Questions (Table 4-5 of the certified DWSP Program EIR):				
WATER-1: DWSP operation could affect Delta inflow and outflow, and river flow hydrologic conditions.	☐	☐	☐	☒
WATER-2: DWSP operation could affect CVP-SWP reservoir operations and deliveries.	☐	☐	☐	☒
WATER-3: DWSP operation could affect hydrodynamic and water quality conditions in the Delta and at major Delta water diversion-sites.	☐	☐	☐	☒

Affected Environment

Delta water resource impacts are addressed in Section 4.1, *Delta Water Resources*, of the DWSP Project Program EIR. The certified DWSP Program EIR identified the following resource topics in the Project vicinity relavent to the analysis of recreation.

Delta Flows

The three major sources of freshwater to the Delta are the Sacramento River, the San Joaquin River, and Eastside streams (Mokelumne, Consumnes, and Calaveras Rivers). The Sacramento River Hydrologic Region contains the entire drainage area of the Sacramento River and its tributaries and extends almost 300 miles from Collinsville in the Delta north to the Oregon border. The total land area within the region is approximately 27,000 square miles. The Sacramento River enters the Delta at Freeport. Most flood flows that come from the upper Sacramento River, Feather River, and Sutter Bypass are diverted west of Freeport and the Sacramento area into the Yolo Bypass through the Fremont Weir at Verona.

The flows from the San Joaquin River into the Delta are considerably lower than those from the Sacramento River. Most of the inflow to the San Joaquin River region originates from the upper watershed tributary streams between the Mokelumne River and the San Joaquin River, on the west slope of the Sierra Nevada. The San Joaquin River enters the Delta above Vernalis. Vernalis lies just inside the boundary of the Delta and is widely used as a monitoring point for Delta inflows and standards.

Delta Hydraulics

The hydraulics of the Delta are complicated by tidal influences, a multitude of agricultural, industrial, and municipal diversions for use within the Delta itself, and by State Water Project (SWP) and Central Valley Project (CVP) exports. The principal factors affecting Delta hydrodynamic conditions are: (1) river inflow and outflow from the Sacramento River and San Joaquin systems, (2) daily tidal inflow and outflow through the San Francisco Bay, and (3) export pumping from the south Delta primarily through the Banks and Tracy Pumping Plants.

Each region in the Delta is dominated by different hydraulic variables during any given period of time. In the west Delta, for example, tidal influences are strong and reverse flows occur frequently. The north Delta is more dominated by Sacramento River and Mokelumne River inflows. The south Delta is more affected by both San Joaquin River inflows and export pumping. All of these influences intersect in the central Delta.

Tidal action has a great influence on the flow of water in Delta channels. Over the tidal cycle, flows move downstream toward the San Francisco Bay during ebb tides and move upstream during flood tides. Twice-daily tides move water from the San Francisco Bay into the Delta. Historically, during extremely low runoff periods in summer, salt from tidal flows intruded into the Delta as far as Hood. During winter and spring, freshwater from heavy rains pushed the salt water back, well into the San Francisco Bay, and sometimes beyond. Saltwater intrusion into the Delta during summer is controlled by tides, freshwater inflows from reservoir releases, and Delta pumping. With the addition of Shasta, Folsom, and Oroville dams, saltwater intrusion into the Delta during summer months has been controlled by reservoir releases during what were the traditionally dry months under natural conditions (no dams). Flows from the Eastside streams and San Joaquin River also contribute to controlling saltwater intrusion. Typically, peaks in winter and spring flows have been dampened, and summer and fall flows have been increased. In very wet years, reservoirs are unable to control runoff, and salinity in the Bay is nearly reduced to freshwater levels.

Water Supply and Management

To facilitate movement of Sacramento River water to pumping facilities in the south Delta, the Delta Cross Channel diverts water, by gravity, from the Sacramento River to Snodgrass Slough into the North and South Forks of the Mokelumne River. Sacramento River water moves down these channels through the central Delta and into the San Joaquin River. Flows in the channel reverse as the tide changes and, at certain stages; there is considerable flow from the channel into the Sacramento River.

Flow that enters the Delta via the Sacramento River flows by various routes to the export pumps in the southern Delta. Some of this flow is drawn to the SWP and CVP pumps through interior Delta channels, facilitated by the CVP's Delta Cross Channel. Water that does not travel into the central Delta continues towards the San Francisco Bay. Under certain conditions, additional Sacramento River waters flow into the central and south Delta. The Sacramento River waters flow through Threemile Slough, around the western end of Sherman Island and up the San Joaquin River towards the export pumps. When freshwater outflow is relatively low, water with a higher salt concentration enters the Central and south Delta as tidal inflow from the San Francisco Bay.

Water supply sources for the proposed groundwater recharge basins would include water from the Delta, WID, and/or the MICUP during surplus. As mentioned in Section 4.2, *Water Supply,* the City currently has about 21,000 AF/year of raw water of existing surface water supplies from these sources

available for recharge (NEXGEN 2024). The WID has the authority to divert water from the Mokelumne River (Lodi Lake) via the main diversion canal in Woodbridge, which runs underneath Lower Sacramento Road and feeds the majority of the canals to the south.

Water Quality

Water quality in the Delta is continually changing in response to natural hydrologic conditions, operation of upstream reservoirs, agricultural and water supply diversions, and discharges into the Delta system. Seasonal trends reflect the effects of higher spring/summer runoff and fall/winter low-flow periods.

Trends in water quality in the Delta reflect the effects of inflows, tidal exchanges with the San Francisco Bay, diversions, and pollutant releases in the Delta. The north Delta tends to have better water quality in large part because of the inflow from the Sacramento River. The quality of water in the west Delta is strongly influenced by tidal exchange with the San Francisco Bay; during low-flow periods, seawater intrusion results in increased salinity. In the south Delta, water quality tends to be poorer because of the combination of inflows of poorer water quality from the San Joaquin River, discharges (agricultural return flows) from Delta islands, and effects of diversions that can sometimes increase seawater intrusion from the Bay.

The DWR, Reclamation, USGS, the California Data Exchange Center (CDEC), various water and reclamation districts, and various cities monitor water quality in the Delta. In general, water quality improves from upstream to downstream in the San Joaquin River (northwesterly direction). This improvement is due primarily to dilution from higher flows and the quality of the Sacramento River inflow that is drawn southwards to the State Water Project (SWP) and Central Valley Project (CVP) pumping plants. Delta water quality is influenced by the following:

- Discharges from Delta islands that have elevated concentrations of total organic carbon (TOC) and salts.
- High-salinity water from Suisun and San Francisco Bays that intrudes into the Delta during periods of low Delta outflow.
- Bromides associated with seawater that lead to the formation of brominated compounds in treated water supplies.
- Agricultural drainage into the Delta that can contain elevated levels of nutrients, suspended solids, organic carbon, salinity, selenium, and boron in addition to pesticides.
- Heavy metals, including cadmium, copper, mercury, and zinc, continue to enter the Delta. Sources of these metals include runoff from abandoned mine sites, tailings deposits, downstream sediments where metals have been deposited over the past 150 years, urban runoff, and industrial and municipal wastewater.

Impacts and Mitigation Measures from the Stockton Delta Water Supply Project Program EIR

Delta water resource impacts are addressed in Section 4.1, *Delta Water Resources*, of the certified DWSP Program EIR. The certified DWSP Program EIR concluded that operation of the DWSP could affect Delta inflow and outflow, and river flow hydrologic conditions; however, the impact from operation of the WTP was determined to be less than significant. Additionally, operation of the DWSP could affect CVP-

SWP reservoir operations and deliveries; however, the impact from operation of the WTP was determined to be less than significant. Lastly, operation of the DWSP could affect hydrodynamic and water quality conditions in the Delta and at major Delta water diversion-sites; however, it was determined that no impact would occur from operation of the WTP.

Impact Analysis

The impact analysis questions related to Delta water resources are included in Table 4-5, Summary of Impacts – Delta Water Resources, in Section 4.1, *Delta Water Resources*, of the certified DWSP Program EIR.

Impact WATER-1: DWSP operation could affect Delta inflow and outflow, and river flow hydrologic conditions.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the DWSP could affect Delta inflow and outflow, and river flow hydrologic conditions; however, the impact from operation of the WTP would was determined to be less than significant. The certified DWSP Program EIR concluded that the DWSP facilities would have no direct impact on upstream river flows. However, indirect effects could occur because changes in Delta conditions can trigger changes in CVP-SWP reservoir operations and changes in CVP-SWP exports from the south Delta.

Operation of the proposed Project would allow for groundwater recharge via each of the three proposed recharge basins during surplus. According to the draft Preliminary Scope Validation Memo prepared for the proposed Project in December 2024, the City currently has approximately 21,000 AF/year of raw water of existing surface water supplies from the Delta and WID or the MICUP available for recharge (NEXGEN 2024). The WID has the authority to divert water from the Mokelumne River (Lodi Lake) via the main diversion canal in Woodbridge, which runs underneath Lower Sacramento Road and feeds the majority of canals to the south. This existing raw surface water would be used to supply the proposed groundwater recharge basins during surplus. Assuming 335 days for recharge in the groundwater basins, the 21,000 AF/year of available existing water supplies would require an average infiltration rate of about 1.44 feet/day. The recharge volume would be accomplished through the groundwater recharge basins bottom and the dry wells within the basins. Therefore, operation of the proposed Project would not substantially affect Delta inflow and outflow and river hydrologic conditions. Impacts would be less than significant, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact WATER-2: DWSP operation could affect CVP-SWP reservoir operations and deliveries.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the DWSP could affect CVP-SWP reservoir operations and deliveries; however, the impact from operation of the WTP was determined to be less than significant. The certified DWSP Program EIR concluded that CVP and SWP deliveries are a function of inflow hydrology and contract conditions rather than water supply conditions. As such, they would not be affected by the DWSP facilities. The amount of carryover storage was determined to affect the balance between CVP-SWP long-term average annual deliveries and dry year deliveries. A reduction in water supply available to the CVP-SWP was determined to result in reduced deliveries and reduced carryover storage.

As discussed above in Impact WATER-1, the City currently has about 21,000 AF/year of raw water of existing surface water supplies from the Delta and the WID or the MICUP available for recharge. This

diversion of water would occur when there is a surplus in supply and would not substantially affect CVP-SWP reservoir operations and deliveries. Therefore, the impact would be less than significant, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact WATER-3: DWSP operation could affect hydrodynamic and water quality conditions in the Delta and at major Delta water diversion-sites.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the DWSP could affect hydrodynamic and water quality conditions in the Delta and at major Delta water diversion-sites; however, it was determined that no impact would occur from operation of the WTP. The certified DWSP Program EIR concluded that water quality in the Delta is a function of several factors, including tidal action, agricultural diversions and return flows, operation of flow control structures (Delta Cross Channel, temporary barriers in the south Delta, and Suisun Marsh Salinity Control Gate), Delta inflows (Sacramento River, Yolo Bypass, San Joaquin River, and Eastside streams), and export pumping at CVP and SWP facilities.

The proposed Project would include construction of three groundwater recharge basins and associated infrastructure at the City-owned DWTP. As discussed above in Impact WATER-1 and WATER-2, the City currently has about 21,000 AF/year of raw water of existing surface water supplies from the Delta and the WID or the MICUP available for recharge. Operation of the proposed Project would not significantly affect hydrodynamic and water quality conditions in the San Joaquin River, Delta, or at major Delta water diversion-sites or flows within the Stockton Deep Water Ship Channel. Further, the proposed Project would increase groundwater levels in the Eastern San Joaquin Subbasin, which is anticipated to improve groundwater quality within the basin. Therefore, the impact would be less than significant, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Mitigation Measures

The certified DWSP Program EIR did not identify any substantial adverse effects related to Delta water resources from implementation of the WTP. Therefore, no mitigation measures were identified.

XII. GROUNDWATER RESOURCES

	New or Substantially More Severe Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No New or Substantially More Severe Impact
Impact Analysis Question (Table 5-3 of the certified DWSP Program EIR):				
GW-1: Operation of the DWSP would improve groundwater water levels.	☐	☐	☐	☒
GW-2: Operation of the DWSP would not alter the existing hydrological interaction between the surface water and the groundwater.	☐	☐	☐	☒
GW-3: Operation of the DWSP would reduce the risk of land subsidence in the region.	☐	☐	☐	☒
GW-4: Operation of the DWSP would improve groundwater water quality and would not violate water quality standards.	☐	☐	☐	☒

Affected Environment

The County lies within the San Joaquin Hydrologic Region and overlies three of the subbasins within the San Joaquin Valley Groundwater Basin: Eastern San Joaquin, Tracy, and Cosumnes. The San Joaquin Valley Groundwater Basin is divided into nine subbasins in this region. Of these nine subbasins, the proposed Project would occur within the area defined by the Eastern San Joaquin Subbasin. The Eastern San Joaquin Subbasin is bound by the Mokelumne River on the north and northwest, the San Joaquin River on the west, the Stanislaus River on the south, and the Sierra Nevada to the east. The Eastern San Joaquin Subbasin is drained by the San Joaquin River and its major tributaries – the Stanislaus, Calaveras, and Mokelumne Rivers. The San Joaquin River flows northward into the Sacramento and San Joaquin Delta and discharges into the San Francisco Bay. Annual precipitation within the subbasin ranges from about 11 inches in the southwest to about 25 inches in the northeast.

Groundwater in San Joaquin County moves from sources of recharge to areas of discharge. Most groundwater recharge to the aquifer system occurs from the Delta and along active stream channels where extensive sand and gravel deposits are found. Consequently, the highest groundwater elevations typically occur near the Delta and the Stanislaus and San Joaquin Rivers. Other sources of recharge within the Project area include subsurface recharge from fractured geologic formations to the east, as well as deep percolation from applied surface water and precipitation.

Groundwater levels in some portions of the Subbasin have been declining for many years, while groundwater levels in other areas of the Subbasin have remained stable or increased in recent years. The change in groundwater levels varies across the Subbasin, with the greatest declines occurring in the central portion of the Subbasin. The western and southern portions of the Subbasin have experienced less change in groundwater levels, in part due to the minimal groundwater pumping in the Delta area to the west and the import of surface water for agricultural and urban uses (ESJGWA 2022).

As mentioned in Section 2.2, *Project Purpose*, the Eastern San Joaquin Subbasin was identified as a critically overdrafted and high priority basin in the SGMA 2019 Basin Prioritization. The Eastern San Joaquin Groundwater Subbasin Groundwater Sustainability Plan, most recently revised in 2022, outlines the need to reduce overdraft conditions in the Subbasin in order to meet current and future water demands (ESJGWA 2022).

Summary of Impacts from the Stockton Delta Water Supply Project Program EIR

Groundwater resources impacts are addressed in Chapter 5, *Groundwater Resources*, of the certified DWSP Program EIR. The certified DWSP Program EIR concluded that operation of the DWSP facilities would improve groundwater water levels, and no impact was determined to occur from operation of the WTP. The certified DWSP Program EIR concluded that operation of the DWSP facilities would not alter the existing hydrological interaction between the surface water and the groundwater; therefore, no impact was determined to occur from operation of the WTP. Operation of the DWSP would reduce the risk of land subsidence in the region; therefore, the impact from operation of the WTP was determined to be less than significant. Lastly, the certified DWSP Program EIR concluded that operation of the DWSP facilities would improve groundwater water quality and would not violate water quality standards; no impact from operation of the WTP was determined to occur.

Impact Analysis

The impact analysis question related to groundwater resources is included in Table 5-3, Summary of Impacts – Groundwater Resources, in Chapter 5, *Groundwater Resources*, of the certified DWSP Program EIR.

Impact GW-1: Operation of the DWSP would improve groundwater water levels.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the DWSP facilities would improve groundwater water levels, and no impact was determined to occur from operation of the WTP.

The purpose of the proposed Project is to improve water supply reliability and raise groundwater levels in the Eastern San Joaquin Subbasin. Currently, due to limited surface water availability within San Joaquin County and the Projected growth in water demand, it is likely that groundwater levels would continue to decline. Declining groundwater levels could potentially result in increased groundwater pumping cost due to increased pumping depth, decreased yield from groundwater wells due to reduction in the saturated thickness of the aquifer, and reduced groundwater volume in storage. Additionally, declining groundwater levels would result in steeper local groundwater gradients, which would be expected to accelerate the eastward migration of poor-quality water. Operation of the proposed Project would allow for groundwater recharge via each of the three proposed recharge basins. The City currently has about 21,000 AF/year of raw water available for recharge from the Delta and WID or MICUP. It is anticipated that the infiltration rate for each groundwater recharge basin would range

from approximately 15,000 acre-feet AF/year to 30,000 AF/year, assuming the basins are used 335 days per year. The recharge volume would be accomplished through the groundwater recharge basins bottom and the dry wells within the basins. Operation of the proposed Project would not deplete groundwater supplies or interfere adversely with groundwater recharge. Rather, the proposed Project would raise groundwater levels in the Eastern San Joaquin Subbasin, which is an overdrafted, high priority basin. Therefore, no impact would occur from operation of the WTP, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact GW-2: Operation of the DWSP would not alter the existing hydrological interaction between the surface water and the groundwater.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the DWSP facilities would not alter the existing hydrological interaction between the surface water and the groundwater; therefore, no impact was determined to occur from operation of the WTP. The certified DWSP Program EIR concluded that the DWSP facilities would not alter the current rate of seepage (groundwater recharge) from the San Joaquin and Calaveras Rivers to the underlying groundwater basin.

As discussed above in Impact GW-1, the proposed Project would include construction of three groundwater recharge basins adjacent to the City's existing DWTP that would be filled with raw water available from the Delta and WID or MICUP during surplus. The purpose of the proposed Project is to improve water supply reliability and raise groundwater levels in the Eastern San Joaquin Subbasin. The Project would not substantially interfere with or alter the existing hydrological interaction between the surface water and groundwater. Rather, the proposed Project would raise groundwater levels in the Eastern San Joaquin Subbasin, which is an overdrafted, high priority basin. No impact would occur, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact GW-3: Operation of the DWSP would reduce the risk of land subsidence in the region.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the DWSP would reduce the risk of land subsidence in the region; therefore, the impact from operation of the WTP was determined to be less than significant. Land subsidence is the lowering of the land surface due to underground changes. Land subsidence can be caused by excessive groundwater extraction (i.e., pumping). Excessive groundwater extraction from confined and unconfined aquifers can result in a lowering of groundwater levels and, in confined aquifers, a decline in water pressure. Reduction in water pressure results in increased loading of the clay and silt beds, which may subsequently consolidate, resulting in the lowering of the ground surface. Subsidence can cause damage to structures and increase the flooding potential of low-lying areas.

As discussed above in Impact GW-1 and GW-2, the purpose of the proposed Project is to improve water supply reliability and raise groundwater levels in the Eastern San Joaquin Subbasin. Therefore, operation of the proposed Project would reduce the risk of land subsidence in the region. The impact would be less than significant, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Impact GW-4: Operation of the DWSP would improve groundwater water quality and would not violate water quality standards.

No New or Substantially More Severe Impact. The certified DWSP Program EIR concluded that operation of the DWSP facilities would improve groundwater water quality and would not violate water quality standards; no impact was determined to occur from operation of the WTP. Changes in groundwater levels or in the prevailing groundwater flow regime could cause a change in groundwater quality through a number of mechanisms. One mechanism is the potential mobilization of areas of poorer quality water, drawn down from shallow zones or drawn up into previously unaffected areas. Changes in groundwater gradients and flow directions could also cause (or speed up) the lateral migration of poorer quality water.

As discussed above in Impacts GW-1 through GW-3, the proposed Project would raise groundwater levels in the Eastern San Joaquin Subbasin; therefore, it is anticipated that the proposed Project would thereby reduce the rate of eastward migration of poorer water quality. Therefore, operation of the proposed Project would not adversely affect groundwater quality or violate water quality standards, and there would be *no new or substantially more severe impact* compared to what was evaluated in the certified DWSP Program EIR.

Mitigation Measures

The certified DWSP Program EIR did not identify any substantial adverse effects related to groundwater resources from implementation of the WTP. Therefore, no mitigation measures were identified.

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8.0 PREPARERS

This document has been completed by the City of Stockton as the CEQA Lead Agency for the proposed Project, with support from the following organizations and professional staff:

City of Stockton

Danny Trejo, Program Manager II

HELIX Environmental Planning, Inc.

Lesley Owning, Project Manager
Julia Pano, Assistant Project Manager
Emmaline deBecker, Environmental Planner
John DeMartino, Senior GIS Specialist
Victor Ortiz, Principal Air Quality Specialist
Andrew Pulcheon, Principal Archaeologist
Clarus Backes, Senior Archaeologist
Leah Wargo, Staff Archaeologist
Jentin Joe, Staff Archaeologist
David Bise, Principal Biologist
Patrick Martin, Senior Biologist
Kate Valdez, Biologist

Resolution No.

STOCKTON CITY COUNCIL

A RESOLUTION APPROVING THE AWARD OF A PROFESSIONAL SERVICES AGREEMENT TO INFERRERA CONSTRUCTION MANAGEMENT GROUP, INC. FOR CONSTRUCTION MANAGEMENT SERVICES

The Municipal Utilities Department (MUD) is constructing three groundwater recharge basins and associated infrastructure improvements at the Delta Water Treatment Plant (DWTP), located at 11373 N. Lower Sacramento Road; and

The City does not have sufficient staff resources nor the expertise to act as the inspector or the construction manager for a groundwater recharge construction project; and

Staff issued a Request for Proposals (RFP) on May 1, 2025, for construction management services and the City received six proposals on May 29, 2025; and

The construction management proposal by Inferrera Construction Management Group, Inc. was evaluated and recommended by staff to be the most qualified proposer; and

Staff recommend awarding a contract to Inferrera Construction Management Group Inc. in the not-to-exceed amount of $728,760 for construction management services; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Council approves the following findings pursuant to Stockton Municipal Code Section 3.68.070 to support and justify an exception to the competitive bidding process.

    a. A strict cost-competitive basis for the selection of professional services may lower the quality and thoroughness of the services provided because it does not consider experience, reputation, quality of work and track record handling similar projects.

    b. Considering the size, complexity, and schedule requirements of the project, the City does not have sufficient staff resources nor the expertise to act as the inspector or the construction manager for a groundwater recharge construction project.

c. Use of the RFP process is appropriate for this Professional Services Contract because it relies on the evaluation of professional qualifications and performance as the basis for selection of a vendor. Use of these criteria helps ensure selection of a vendor that will provide the highest quality professional service, which is in the public interest.

d. The City negotiated a contract following the solicitation of competitive proposals in accordance with SMC section 3.68.070.A.3.

2. The Professional Service Agreement for the construction management services, in the not-to-exceed amount of $728,760, between the City of Stockton and Inferrera Construction Management Group, Inc. is hereby awarded, and the City Manager is authorized and directed to execute same, a copy of which is attached as Exhibit 1 and incorporated by this reference.

3. The City Manager is hereby authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED August 12, 2025 .

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

CITY OF STOCKTON
STANDARD AGREEMENT

Agreement Number:

1. This Agreement is entered into between the City of Stockton ("City") and Inferrera Construction Management Group, Inc. ("Contractor") to provide construction management services as set forth in Exhibit A to this Agreement.

2. The term of this Agreement is as follows, unless amended as described in Exhibit A and Exhibit C section 8:
Commences on: Terminates on: June 30, 2028

3. The maximum not to exceed amount to be paid to Contractor for the term of this Agreement, including if authorized, reimbursement of expenses, is: $ 728,760

4. The complete Agreement consists of all the following Agreement documents which by reference are incorporated and made a part of this Agreement. The parties agree to comply with the terms and conditions of this Agreement.

(a) Exhibit A – Statement of Work
(b) Exhibit B – Insurance
(c) Exhibit C – General Terms & Conditions
(d) Exhibit D – Professional Services Special Terms & Conditions
(e) Exhibit E – Compensation Schedule
(f) Exhibit F – Timeline

IN WITNESS WHEREOF, the authorized parties have executed this Agreement.

CONTRACTOR

Inferrera Construction Management Group, Inc.
Contractor's Name (if other than an individual, state whether a corporation, partnership, etc.):

Authorized Signature — Date: 7/10/25

Jeffrey Inferrera, President
Printed Name and Title of Person Signing

7040 Settlers Trail Shingle Springs CA 95682
Address

CITY OF STOCKTON

Steve Colangelo, Interim City Manager — Date

ATTEST:

Katherine Roland, CMC, CPMC, City Clerk

APPROVED AS TO FORM:
Lori M. Asuncion, City Attorney

BY:

EXHIBIT A

STATEMENT OF WORK

1. Project Objectives

The City requiring the contractor to perform construction management and inspection including the following:

- Construction management
- Full time inspection
- Coordinate with Municipal Utilities Department staff
- Coordinate with regulatory agencies
- Assist with environmental monitor per CEQA requirements

The objective is to achieve project quality, schedule and costs goals while maintaining compliance with environmental and regulatory requirements throughout the construction.

2. Major Deliverables

- Attend and facilitate kickoff and planning meetings
- Provide constructability review of final plans and specifications
- Review project schedule and identify risks
- Provide document control support
- Review work zone safety and traffic Plans
- Review CEQA mitigation monitoring plan
- Implement a Construction Management Plan
- Perform full-time on-site inspection and quality assurance
- Track and document submittals RFIs, change orders
- Track and document contractor progress
- Prepare daily inspection reports with photography
- Coordinate with City staff, contractors, regulatory agencies
- Monitor safety and certified payrolls
- Oversee material testing and geotechnical support
- Provide lab test results and QA/QC documentation
- Conduct biweekly status and coordination meetings
- Maintain cost control and monitor schedule performance
- Coordinate SCADA installation and integration support
- Coordinate and verify as-built/record drawings
- Support startup and commissioning of systems
- Manage punch list completion and final inspection
- Review and recommend for approval final progress payment

- Verify delivery of training documentation and O&M manuals
- Confirm compliance with CEQA mitigation commitments
- Prepare and submit closeout documentation

See Attachment A (Technical Proposal for: Construction Management Services) for details of each task.

3. Internal and External Standards and Guidelines

The Contractor is required to be knowledgeable of construction industry standards, codes and practices.

4. Notices

Pursuant to Exhibit C – General Terms and Conditions, Paragraph 15 – Notices, the mailing address for all required notices is as follows:

Contractor: Inferrera Construction Management
Attn: Jeffrey Inferrera
7040 Settlers Trail
Shingle Springs, CA 95682

City: City of Stockton
Attn: City Manager
425 N. El Dorado Street
Stockton, CA 95202

5. Key Personnel

Danny Trejo – Program Manager III

Delta Water Treatment Plant

11373 N Lower Sacramento Rd

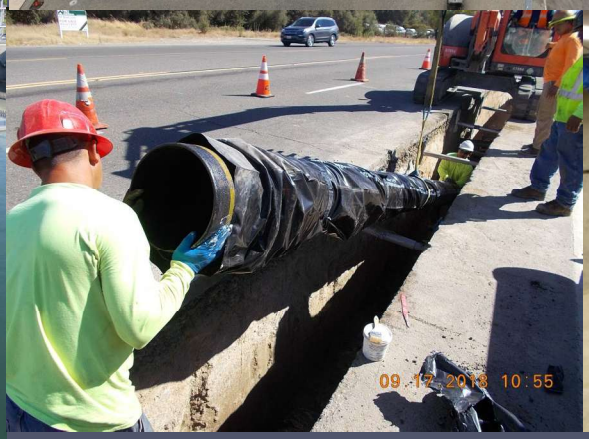
Stockton, Ca 95242

10. Option to Renew.

n/a

CITY OF STOCKTON

City of Stockton



Technical Proposal for:

Construction Management Services Stockton Groundwater Recharge Basin Project

Part 1 Proposal

May 29, 2025

ICM

May 29, 2025

City of Stockton
Attn: Orlathai Chanachai-Chum
425 N. El Dorado St.
Stockton, CA 95202
city.clerk@stocktonca.gov

RE: **RFP PUR 25-037 Construction Management Services Part 1 Technical Proposal Groundwater Recharge Basin Project**

Dear Ms. Chanachai-Chum:

Inferrera Construction Management, Inc. (ICM) is excited to present you with our proposal for construction management and inspection services for the City's important Design Build Groundwater Recharge Basin Project.

ICM will perform the services and adhere to the requirements described in PUR 25-037 and Addendum 1 dated May 21, 2025 with additional information presented in the Scope of Services section of our proposal as well as exceptions noted in Attachment H. The proposal opening date is May 29, 2025 at 2 p.m. The contact information for ICM's authorized representative is as follows:

Jeffrey Inferrera, PE, President
7040 Settlers Trail, Shingle Springs, CA 95682
Phone #: 916-792-9871
Email: jinferrera@icmgroupusa.com

Our office location and mailing address is as follows:

Inferrera Construction Management Group, Inc.
7040 Settlers Trail, Shingle Springs, CA 95682

ICM is a firm experienced in managing and inspecting your type of project. Since our founding in 2005, we have specialized in our niche market of providing third party construction management and inspection services for public agencies for only the following types of projects:

- Water Treatment Plants
- Water Storage Facilities
- Wastewater Treatment Plants
- Pump Stations
- Distribution and Collection systems for Water, Recycled Water, and Sewer

Our proposal contains information on our proposed construction manager, Jeffrey Inferrera, PE. He is experienced managing water projects such as the Groundwater Recharge Basin Project. Our

proposal also contains information on our proposed inspector, Matt Livingston, ICC, who has worked with Jeffrey on numerous projects including our recently completed SRWA Design Build Water Treatment Plant.

ICM has one of the largest groups of professionals specialized solely on water and wastewater projects in Northern California. Our proposal also provides information on the rest of our staff which totals 23 construction managers, inspectors, and administrators solely dedicated to water and wastewater public works projects.

Included under separate cover is our Cost/Price Proposal with those of our subconsultants, Youngdahl Consulting Group, Inc., Bay Area Coating Consultants, Inc., and American River Environmental.

ICM complies with the Department of Industrial Relations (DIR) Prevailing Wage requirements. Our DIR number is: 1000036717. Our subconsultants also comply with DIR requirements. We acknowledge receipt of Addendum 1 dated May 21, 2025. This proposal and all its contents, including the fee proposal, are valid for a period of 120 days.

Executive Summary – Advantages to Selecting ICM

To summarize our proposal and indicate the advantage of selecting ICM and our project team, we first look at ICM. It is a firm that is dedicated, since its founding in 2005, to providing local public works agencies with specialized construction management and inspection for their water and wastewater systems. We do not offer design services and have no conflict of interest with any designer. We do not offer services for Caltrans, City curb and gutter work, hospitals or schools. We only do water and wastewater treatment plants, pump stations, and pipelines. That means you get a firm that is intensely focused on your type of project. It's what we do.

Another advantage of selecting ICM is that we have the largest (or one of the largest) group of professionals in Northern California solely dedicated to water and wastewater construction management and inspection. We have 23 professionals in the Stockton area that are only doing water and wastewater construction management and inspection. The advantage to the City is your team will be local and have plenty of experienced resources.

Being a small firm, having a single owner, ICM can and will commit to having the same construction manager and inspector for the duration of your Project.

In regards ICM's team, the core of our team is our construction manager, Jeffrey Inferrera, PE, and our inspector, Matt Livingston, ICC. Jeffrey has an outstanding track record in the industry, formerly working as a field engineer for Black and Veatch and vice president of HDR Engineering, until opening ICM in 2005. In a bigger firm, Jeffrey would be a principal-in-charge who you would only see at the interview. But with ICM, you have the advantage to have this top notch construction manager for the entirety of your project.

Matt has been a successful inspector for over 20 years. He is very experienced in large earth moving projects having started his career in soil compaction testing. He continued his career with ICM working on large earth moving projects as well as treatment plants. The advantage to the City is having an inspector that is a perfect fit for the Project.

Our core team is experienced working together. Jeffrey and Matt have worked on the Stanislaus Regional Water Authority (SRWA) treatment plant, SRWA pump station, Manteca Digesters, and Ceres Tank projects together. Whether pump stations, treatment plants, or earthwork, Jeffrey and Matt have worked together. This provides the City with a seamless team.

Our core team has design build experience. Jeffrey has his DBIA pending, with design build experience at the SRWA water treatment plant, Manteca Atherton Pump Station, and some design build projects from earlier in his career. Matt just completed being the full-time inspector at the SRWA water treatment plant design build project for 3.5 years. Our core team knows how to function within a design build team. We know how to lead the project team, keep it progressing, and protect the City's interests. This means that the City will gain the benefit of our knowledge as we are able to be proactive and avoid issues before they become problems.

ICM and our staff are well known in the industry for building winning teams and bringing projects to success.

Thank you for reviewing our proposal. We are ready to join your team now and look forward to helping you on this very important Project. If you have questions or comments, please call me at 916-792-9871.

Sincerely,
Inferrera Construction Management Group, Inc.

Jeffrey Inferrera, PE
President

1. Firm Introduction

For many years

a. Background and General Information

Inferrera Construction Management Group, Inc. (ICM) is a California corporation and was founded by Jeffrey Inferrera in 2005 to provide local districts, cities, counties, and agencies specialized third party construction management and inspection services for their water and wastewater projects. Early in his career, Jeff was mentored in construction management and construction claims by some of the best construction managers in the business while working ten years for Black and Veatch. His projects included hard bid construction of water and wastewater treatment plants and included large national and international projects.

Jeff in 72" Transmission Pipe

Moving to California in 1999, Jeff joined HDR Engineering and quickly became a recognized leader in construction management, holding HDR Design Build Inc.'s Class A Contractors license, being promoted to Vice President, and becoming involved with the Design Build Institute, American Construction Inspectors Association and the Engineers Joint Contract Documents Committee. Jeff's dedication to client service, precision to the details that make a successful project, and commitment to a flat organizational structure propelled him to start ICM. For the City's Groundwater Recharge Basin Project, we propose Jeff Inferrera as the Construction Manager. He will provide unparalleled experience in all facets of the project.

But Jeff is not alone, ICM has experienced construction management and inspection staff that provides added depth of resources for this Project.

Since its founding, Jeff has hired engineers and inspectors with a strong background in water and wastewater and with a drive for excellence. Many of our inspectors are certified and have worked in the water and wastewater business for over 20 years. Together they have successfully completed the construction management and inspection of 42 treatment plant projects, 28 pump station projects and over 90 pipeline projects.

ICM's Authorized Person:

Jeffrey Inferrera is President of Inferrera Construction Management Group, Inc. and is authorized to negotiate contract terms and make binding agreements.

ICM's Office Locations:

Main Office: 7040 Settlers Trail
Shingle Springs, CA 95682

Field Offices: 5588 Sly Park Road
Pollock Pines, CA 95726

114 Town Center Blvd
El Dorado Hills, CA 95762

b. Services

ICM manages roughly $40 million dollars of water and wastewater construction projects for its public agency clients throughout Northern California annually. Following is the General Scope of Services that ICM provides:

- Construction Management
- Resident Engineering
- Contract Administration
- Inspection
- Special Inspection
- Document Control
- Constructability Review
- Bid Support
- Startup Support
- Schedule Review
- Cost Estimating
- Claims Mitigation
- Training

c. Management Approach

Design Build Approach

ICM's approach to Design Build is first and foremost to foster a team approach to achieving the Owner's goal. We become a reliable advisor to the Owner to support the project and align the Design Builder's team with the Owner's goals. For the City's Project, we assist the Project team to achieve the following:

- Complete an excellent facility that meets the needs of the City and the community.
- Meet the schedule deadlines.
- Meet the grant agency and CEQA requirements.

By using a high degree of cooperation and collaboration, Design Build procurement system is an effective means to meet the Owner's objectives and guard the public's interests.

Construction Oversight Approach

ICM's construction oversight approach is to adopt a partnering attitude with all of the team members. As a pure third-party construction management firm, we want everyone to win.

But our first priority is to protect the interests of the City. We want the City to have a winning project, recognizing that we work for you. We will protect your interests before anyone else and keep the City up to date on the status of the project. In addition, ICM's construction manager and inspector will keep the City's project manager informed on a daily basis on project details.

We want the Design-Builder to have a winning project. As such, we will have great communication with them and anticipate their work so that we can discuss any issues that might be coming in the future. We will let them know if they are falling behind on construction or paperwork and give them priorities, so they stay on track. And if we see potential issues, we will discuss to avoid issues before they affect the project. At ICM, we are a third-party CM firm that does not provide design services, so we have no conflict of interest. On the contrary, we want designers to look good so that they are motivated to do a good job for the City. The Design Builder's presentation of the look ahead schedules at weekly progress meetings are instrumental to keeping key project players informed on upcoming work so that issues can be expeditiously resolved.

With ICM, we have the leadership, technical, and facilitative skills to bring the Project to success. Our areas of expertise include the following:

- Construction methods
- Risk allocation
- Environmental sensitivity
- Permit compliance
- Innovation
- Safe work practices
- Stakeholder/public facilitation
- Integrated project delivery
- Conflict awareness and resolution

Quality Assurance Approach

For this Project, Gateway Pacific is providing a construction management and will be responsible to inspect their own work, like on any project. ICM's role is to verify that they are successfully implementing their quality control plan and provide owner-lead inspection. An approximate ten percent verification of material testing will provide a basis to determine that Gateway Pacific's quality control plan is being effective. If not, we would recommend modification to the their testing protocol to obtain the quality construction required. We can also increase the quantity of QA testing to determine if there are systemic quality issues.

Photographic documentation is crucial. For daily photographs, we routinely take 40 or more project photographs a day. Taking many photos has a big effect on the Design-Builder and it is our opinion that taking large quantities of daily photographs probably is the single most effective way for the field crews to do higher quality work and prevent claims.

Documentation of the location and configuration of underground utilities is important for the Operation and Maintenance staff. We suggest the City consider one of the following two approaches to document underground utilities at the treatment plant prior to them being backfilled:

- GIS documentation of all underground utilities. This would require the use of GPS survey equipment and an operator.
- Photographic documentation via drone camera. Using a drone camera, with all photographs being taken at the same elevation, a composite of photographs can be created to show the entire underground utility system at the site.

This would be in addition to the Design Builder providing as-built drawings.

d. ICM Project Examples

ICM has worked on over a hundred water and wastewater projects over the past 20 years. Below we list projects that we have successfully completed that have similar components as the Groundwater Recharge Basin Project.

Earthwork and Basins

- *SRWA WTP Sludge Basins* – Jeff Inferrera was the construction manager, Matt Livingston was the inspector. Four new percolation basins for process sludge.
- *SRWA WTP Retention Basins* – Jeff Inferrera was the construction manager, Matt Livingston was the inspector. Three new percolation basins for stormwater.
- *Ione WWTP Basins* – Jeff Inferrera was the construction manager. Rehabilitation of 5 percolation basins for tertiary water.
- *Manteca WWTP EQ Tank* – Jeff Inferrera was the construction manager. New 10 acre basin serving as an equalization reservoir.
- *Manteca WWTP Industrial Basin* – Jeff Inferrera was the construction manager. New 3 acre percolation basin for tertiary water.
- *San Juan Water District Hinkle Reservoir* – Jeff Inferrera was the construction manager. Rehabilitation of a 13 acre basin.

Wells and Drilling

- *SRWA Pump Station* – Jeff Inferrera was the construction manager, Matt Livingston was the inspector. ixteen horizontal well infiltration gallery.
- *Yuba City WTP* – Groundwater Well No. 2
- *EID Sly Park Intertie* - Jeff Inferrera was the construction manager. Anode well.
- *Manteca WWTP* – Jeff Inferrera was the construction manager, Matt Livingston was the inspector. Drilling rock filled piers under digesters
- *Golden State Water Tank* – Groundwater Well

Matt Livingston was the Inspector for the Ceres Smyrna Park Project

Community Park Projects

- *Modesto Virginia Corridor* – Jeff Inferrera was the construction manager. New park with paths, play structures.
- *Ceres Smyrna Park* – Jeff Inferrera was the construction manager, Matt Livingston was the inspector. Park improvements with shade structures, paths, parking.

Treatment Plants and Pump Stations

We have successfully completed more than 70 treatment plant and pump station projects. Almost all of them included pipelines internal to the plants, equipment replacements, and SCADA integration. Some of these plant projects are list below.

SRWA Water Treatment Plant, Hughson, CA
$240 Million
Completed with NO claims

The Project consisted of a new 15 MGD treatment plant with build out capacity of 45 MGD and 7 miles of mortar coated and line steel pipe. System components included sludge basins, stormwater basins, flocculation; sedimentation; ozonation; filters; chlorine disinfection; clearwell; pumping station; residuals handling facility; chemical storage and feed equipment; SCADA, instrumentation and controls; and site civil improvements.

SRWA Water Treatment Plant completed in 2024

ICM provided constructability review, bidding support, construction management, inspection, and document control services. Our services included inspection of construction materials and methods; monthly updates; change order review and processing; claims mitigation; and processing RFIs, submittals, and progress payments.

Manteca WQCF Expansion and Improvements Projects, Manteca, CA
$100 Million (over five contracts)
Completed with NO claims[1]

The Manteca WQCF Phase Expansion and Improvements Projects consisted of increasing the wastewater plant capacity from 7 MGD to 20 MGD and other improvements. The projects included a new influent pump station, bar screens, grit tanks, sedimentation basins, aeration basins, secondary clarifiers, foul air biofilter, solids handling building with centrifuges, new digesters, secondary filtration system, UV system, Title 22 water distribution, CNG facility, food waste/FOG receiving station, lined treatment ponds, new 17Kv electrical system, new SCADA system, new CMMS system, new administration building, new laboratory, maintenance building and employee locker building.

ICM has provided CM services for the City of Manteca's Water Quality Control Facility Expansion Projects Continuously for 13-years

ICM provided construction management (change orders, weekly meetings, schedule review, progress payments, monthly reports, claims mitigation), contract administration (document control, meeting minutes), inspection (civil, structural, mechanical, electrical, I&C), testing (soils, concrete, welding, coatings), and startup support. Post-construction phase services consisted of coordination with the design engineer for the finalization of record drawings and preparation of the construction completion report. Based on the success of the project, the City of Manteca was awarded the CWEA **"Plant of the Year"** award.

Note 1: For these project examples, we define "claims" as those claims that rise to the level of dispute that the claim resolution is processed by attorneys.

Design Build of the Atherton Booster Pump Station, City of Manteca, CA
$5.6 Million
Completed with NO claims

The Atherton Booster Pump Station and Tank Project was a **design/build project** consisting of a new 3.6 million-gallon steel tank, five 150-hp vertical turbine pumps, motor control center, SCADA, emergency generator, masonry building, yard piping, valves, electrical, detention basin, perimeter wall, and paving.

ICM provided constructability review, bidding support, construction management, inspection, and document control services. Our services included inspection of construction materials and methods; monthly updates for City managers; change order review and processing; claims mitigation; and processing RFIs, submittals, and progress payments.

Potable Water Tank

Jenny Lind Water Treatment Filter Addition, Calaveras County Water District, CA
$3.2 Million
Completed with NO claims

The Jenny Lind Water Treatment Plant is a 5-MGD plant that treats surface water from the Calaveras River. The Jenny Lind Water Treatment Plant Filter Expansion Project increases the plant capacity to 6-MGD. The project consisted of adding a 700-gpm filter and 2,000-square foot of floor area to an existing treatment building, installing a solids thickener and sludge collector equipment, and upgrading instrumentation and control systems.

ICM provided construction management and inspection services including resident engineering, inspection of construction materials and methods, specialty inspection, change order review, progress payments, monthly updates for the District, document control, and claims avoidance.

Jenny Lind Water Treatment Plant

Peterson 100 MGD Water Treatment Plant Rehabilitation, San Juan Water District, CA
$6.0 Million
Completed with NO claims

This project included the replacement of flocculation equipment, replacement of sludge collection equipment, construction of new concrete settled water conveyance channel and overflow structure, redwood baffle wall additions and replacements, and improvements to sedimentation basin launder column anchorage.

Flocculation Basin

ICM provided construction management and inspection services including resident engineering, inspection of construction materials and methods, specialty inspection, change order review, progress payments, monthly updates for the District, document control, and claims avoidance.

Treated Water Pipeline and Cooperative Transmission Bypass Pipeline Improvement Project, San Juan Water District, CA
$4 Million
Completed with NO claims

This San Juan Water District Project included the installation of 72 inch, 60 inch, 30 inch, and 24 inch pipelines interconnected to the District's main lines within the Peterson Treatment Plant and in the distribution system. Also included is the construction of a new chemical feed vault, sample pipelines, valves, corrosion protection. Trenching consisted of open and shored trenches, blasting, and dewatering.

ICM Group, Inc. provided inspection, construction management, and document control for the duration of the project. Services included inspection of construction materials and methods, coordination with treatment plant personnel, monthly updates for City managers, change order review and processing, claims mitigation, partnering, processing RFIs and submittals, and progress payments.

72-inch pipeline at SJWD WTP

40" Transmission Pipeline Rehabilitation Project, San Juan Water District, CA
$1.5 Million
Completed with NO claims

The Fair Oaks 40-inch transmission pipeline is a two-mile long conveyance pipeline which transports water from the District to the Fair Oaks water system. This project consisted of welding all unwelded internal joints, closure plates, repair plates, installation of a 42-inch inline butterfly valve, installation of a new 15' long pipe section, mortar demolition and spot repair, and disinfection.

ICM provided inspection of all internal pipeline work including verification of weldments, quantities of mortar removed and repaired. ICM provided construction management for progress payments, weekly meetings, and change orders. Inspection included torque testing of pipe flange bolts, welding inspection, leak testing, and compliance with contract specifications and manufacturers installation requirements.

Neighborhood Location of Pipeline

Design Build Operations Headquarters Building, Calaveras County Water District, CA
$2.4 Million
Completed with NO claims

This project consisted of the design and construction of a 14,000 square foot Operations Headquarters Building for the Calaveras County Water District. Design considerations included public access to lobby and customer service areas, board room, engineering workspace, operation, and maintenance offices. This design build project was completed as a lump sum contract and had no change orders or increased cost above the lump sum price.

CCWD HQ Building

ICM Group, Inc. provided conceptual design services, constructability review, bidding support, construction management, document control, and full-time inspection by a certified inspector. Included in our services was daily inspection, photographic documentation of work progress, progress payment review, RFI review, submittal review, technical support, schedule review, and claims mitigation measures. Material testing and ICC inspection was provided by Neil O. Anderson and Associates.

e. Public Agencies

At ICM we have many repeat clients. Clients want us to work on their projects because of the experienced and high caliber resident engineers and inspectors on our staff. Currently, we have four licensed engineers, twelve inspectors, and one document controller on staff. All are dedicated exclusively to water and wastewater public works projects.

Tony Barela, PE, Operation Manager for the San Juan Water District provided this reference:

> *"Jeff Inferrera and the ICM staff have worked for six years on five very complex projects for the District. With them on the District team, our projects were completed on time, on budget and, of utmost importance, no claim. We are thrilled to work with them. In my opinion, their experience, professionalism, attention to detail, and excellent communication skills is the reason for their success."*

Jason DeGroot, PE, Senior Engineer (formerly with the City of Manteca Public Works Department but now with Central Contra Costa Sanitary District) provided the following reference:

> *"I have had the pleasure of working with ICM Group for six years. ICM has provided outstanding construction management and inspection services at the Manteca WWTP on four very large and complex plant improvement projects. ICM has provided detailed and thorough inspection on our projects, always professional and highly knowledgeable on all aspects of construction. Consequently, we have had no claims on over $75 million of construction."*

ICM keeps projects on track. An example of this was when the Calaveras County Water District (CCWD) had an emergency project to expand the Jenny Lind Treatment Plant capacity. This project was a complicated expansion requiring multiple plant shutdowns and intense coordination with plant staff. The project was completed early, on budget, and with no claims. Since then, ICM has successfully completed three other District projects and trained District staff in construction management methodology.

Bill Perley, Utility Director (now retired) for CCWD states:

> *"ICM does an outstanding job. We've had a lot of CM firms working at the District. ICM's the only one I trust."*

With ICM on your side, you can expect a quality project, completed on budget, on time, and with no claims or end of project issues.

ICM staff are trained using our in-house training program. In addition, our staff is encouraged to obtain inspection certification through the American Construction Inspectors Association. Our inspectors know what to look for on treatment plant, pump station and pipeline projects and we know how to keep projects on track.

Our public agency clients include the following:

ICM

Client List and Their Facilities

	Size (x1,000 Customers)	Wastewater Treatment Plants	Water Treatment Plants	Sewer Lift Station	Water Pump Station	Water Storage Tanks	Sewer Pipelines	Water Pipelines	Water Services	Developer Projects	Reservoirs and Canals	Number of ICM Projects
Central Contra Costa Sanitary District	483	♦		♦			♦					8
City of Manteca	72	♦		♦	♦	♦	♦	♦	♦	♦		20
City of Folsom	73		♦	♦	♦	♦	♦	♦	♦	♦		7
City of Ceres	49	♦	♦	♦	♦	♦	♦	♦	♦	♦		2
City of Roseville	145	♦	♦	♦	♦	♦	♦	♦	♦	♦		1
City of Davis	66	♦		♦	♦	♦	♦	♦	♦	♦		1
City of Ione	5	♦	♦	♦	♦	♦	♦	♦	♦			2
City of Modesto	218	♦	♦	♦	♦	♦	♦	♦	♦	♦		2
City of Yuba City	69	♦	♦	♦	♦	♦	♦	♦	♦	♦		6
Citrus Heights Water District	67		♦	♦	♦	♦	♦	♦	♦	♦		8
Calaveras County Water District	17			♦	♦	♦	♦	♦	♦	♦	♦	5
Delta Diablo Sanitation District	200	♦		♦			♦					2
El Dorado Irrigation District	100	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	33
Groveland Community Services District	5	♦		♦		♦	♦	♦	♦			2
Golden State Water Company	255		♦		♦			♦	♦	♦	♦	6
Nevada County	<98	♦		♦			♦			♦		1
Sacramento County Water Agency	55		♦		♦	♦		♦				4
Sacramento Suburban Water District	173							♦	♦	♦		2
San Juan Water District	160		♦		♦			♦	♦	♦	♦	8
Stanislaus Regional Water Authority	100				♦							2
Town of Discovery Bay	13	♦		♦	♦	♦	♦	♦	♦	♦		1
Tuolumne Utilities District	44	♦	♦	♦	♦	♦	♦	♦	♦	♦		2
Turlock Irrigation District	110		♦		♦	♦		♦			♦	3
Vallejo Flood and Wastewater District	124	♦		♦			♦					3

f. ICM's Staff

Our staff resource chart is presented below:

ICM Resources Chart	CA Licensed Engineer	Construction Management	Treatment Plant Inspection	Pump Station Inspection	Pipeline Inspection	Civil Inspection	Structural Inspection	Mechanical Inspection	Electrical Inspection	Coatings Inspection	OSHA 10 Hour Safety	Confined Space	Years at ICM	Years' Experience
Principle / Project Manager / Construction Manager / Inspector														
Jeffrey Inferrera, PE	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	19	34
Construction Manager / Inspectors														
Augustine Inferrera, PE	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	2	4
Kyle Drury, PE	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	5	10
Ricardo Bedoy, PE	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	10	36
Inspectors														
Akil Barris, ICC			♦	♦	♦	♦	♦	♦	♦		♦	♦	1	16
Chris Inferrera, EIT, ICC			♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	6	13
Daniel Waymire			♦	♦	♦	♦	♦	♦			♦	♦	2	21
Don Kurosaka, PE	♦	♦	♦	♦	♦	♦	♦	♦			♦	♦	6	37
Gary Fish					♦			♦			♦	♦	1	35
George Guorgui			♦	♦	♦	♦	♦	♦			♦	♦	1	21
John Inferrera, EIT			♦	♦	♦	♦	♦	♦			♦	♦	1	1
Joe Saylor					♦	♦		♦			♦	♦	3	28
Keith DeLapp, B. Sc. Arch. Eng.		♦	♦	♦	♦	♦	♦	♦			♦	♦	7	32
Matt Livingston, ICC			♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	10	26
Paul Lopez		♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	14	30
Richard Baker			♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	1	38
Roman Gary, MS			♦	♦	♦	♦					♦	♦	1	1
Scott Ahlstrom					♦			♦			♦	♦	3	35
Sam Zeitulaev, ICC			♦	♦	♦				♦		♦	♦	1	3
Spencer Roundtree						♦	♦	♦	♦		♦	♦	3	32
Thomas Gomes					♦	♦	♦	♦			♦	♦	9	35
Document Control / Administration														
Colleen Inferrera											♦	♦	6	7
Elena Inferrera											♦	♦	2	2

g. References

Below are our references for the projects listed as Project Examples:

Client Reference #1	Mr. Chris Fisher, PE Stanislaus Regional Water Authority (209) 205-8799, cfisher@turlock.ca.us	SRWA Water Treatment Plant
Client Reference #2	Mr. Phil Govea, Department Manager Turlock Irrigation District (formerly Assistant Dep. Director in Manteca) (209) 883-3447, pdgovea@tid.org	Manteca WQCF Project
Client Reference #3	Mr. Jason DeGroot, PE Central Contra Costa Sanitary District (formerly of the City of Manteca) (925) 229-7209, jdegroot@centralsan.org	Manteca WQCF Project
Client Reference #4	Mr. Tony Barela, Senior Engineer San Juan Water District (916) 791-6939, tbarela@sjwd.org	San Juan Water District Projects
Client Reference #5	Mr. Bret Swain, Senior Civil Engineer Town of Moraga (formerly of the City of Manteca) (925) 888-7025, bswain@moraga.ca.us	Atherton Pump Station Project
Client Reference #6	Mr. Bill Perley, Utility Director Calaveras County Water District (Now retired) (209) 768-6203, billperley@icloud.com	Calaveras County Projects

2. Project Understanding

Groundwater Recharge and Habitat

When completed, the Groundwater Recharge Basin Project will be an important part of the City's water supply and community. The vision to create a wildlife habitat and community ecological space while replenishing the City's groundwater supply was a marvelous idea. We, at ICM, would be very happy to be a part of the City's team to make this Project a success.

We have reviewed, in whole or in part, the available project documentation which includes the following:

- Request For Proposal
- Addendum 1
- Preliminary Scope Validation Memo, Nexgen, 2025
- Project Schedule, Gateway Pacific, 2024
- Draft Program EIR (two volumes), ESA, 2005
- Final EID, ESA, 2005
- Preliminary Design and Estimate of Probable Costs, Geosyntec Consultants, 2023
- Feasibility Study (two volumes), Geosyntec Consultants, 2023

Pipeline installation in the berm between percolation basins – Ione WWTP

The Project is located at the Delta Water Treatment Plant, 11373 N. Lower Sacramento Road in Lodi. Geosyntec estimated the Project cost to be in the range of $14 million. The City has contracted with Gateway Pacific Contractors as Design Builder. Gateway Pacific has teamed with NexGen Engineering as their designer.

We understand that Helix Environmental Planning is completed the CEQA which goes to City Council in June or July 2025.

Currently under design, groundbreaking is scheduled to start approximately August 1, 2025. Project Completion is scheduled for approximately July 31, 2026.

The Project consists of the construction of three groundwater recharge basins and raw water diversion structures, piping systems, dry wells, fencing, SCADA integration, and a visitor area. It also includes the following:

- Site grading and earthwork for recharge basins
- Installation of percolation dry wells and diversion piping
- Fencing, gates, and new site access

- Visitor center, shade structure, paths, signage, and restrooms
- SCADA and instrumentation installation and integration
- Startup, testing, and commissioning of recharge facilities
- Environmental mitigation, habitat sensitive landscaping (mitigate at Tuolumne River)

There are long lead items presented in the schedule for early procurements consisting of Steel Pipe and Valves. Please note that the new 500 HP VFD may also have a long lead time.

It is our understand that the City is looking for ICM to perform construction management and inspection including the following:

- Construction management
- Full time inspection
- Work with City management
- Coordinate with Plant staff
- Coordinate with regulatory agencies
- Assist with environmental monitor per CEQA requirements
- Engage with public

Detailed tasks are outlined in the Scope of Services presented in this Proposal.

Verify if the 500 HP VFD is a long lead item

The objective is to achieve Project quality, schedule and costs goals while maintaining compliance with environmental and regulatory requirements throughout the construction.

Per Addendum 1, the Design Builder will perform the material testing. However, ICM will be available to assist and double check results. We have included budget for Youngdahl Consulting Group to take QA samples for material testing, Bay Area Coatings to double check coatings if needed, and American River Environmental to double check SWPPP requirements are being met. We have not included a surveyor to double check grades which we should discuss if it is necessary.

ICM did the CM/inspection of the Rehab of 5 percolation basins – Ione WWTP

3. Scope of Services

For many years

We understand the requirements of the Scope of Services presented in Sections 2.0 and 2.1 of the Request For Proposal. ICM will meet the requirements of the RFP's Scope of Services as discussed below. The following are the best practices our firm will use in providing the proposed services.

2.1.1 Pre-Construction Phase

- *Attend and facilitate kickoff and planning meetings*
  ICM can provide an agenda, conduct the meetings and provide meeting notes.
  ICM Staff: Jeff Inferrera and Matt Livingston

- *Provide constructability review of final plans and specifications*
  ICM's review of the Design/Builder's plans and specifications will include the following:
  A review of the plans to provide advice if the construction proposed is constructable with the site conditions. Typical items we look for are space, access and load constraints.
  A review of the specifications to provide advice as to the general construction materials used for backfill, material testing requirements, and facility startup and testing procedures.
  We do not provide a detailed review between plans and specifications to find inconsistencies or contradictions between different parts of the Contract. However, if we notice any, we will provide comments.
  We do not perform calculations to verify appropriateness of design parameters. However, if we notice a feature of work that looks uncommon based on our experience, or unsafe, we will provide comments.
  A review of "front ends" and Division 0 specifications is not applicable to this Project but if there are any that the Owner wished reviewed, we will review them to provide advice on how to minimize or mitigate potential management and general contractual issues.
  We do not perform a design review, or a review of specifications for technical merit.
  We do not review life cycle items but if we notice something we will provide comments.
  The constructability review will not check design parameters presented in the plans, specifications, or reports. Our review will not transfer the risk of design errors or omissions to ICM, in whole or in part. ICM is not the designer and will not be performing design services.
  ICM Staff: Jeff Inferrera and Matt Livingston

ICM has completed over 40 treatment plant projects. This is an aerial of the Manteca Wastewater Treatment Plant, ICM's first project which started in 2004.

- *Review project schedule and identify risks.*
  ICM will review the schedule and verify that it meets contract requirements, meets project milestones, blackout windows, and identify logic errors. We will also look for ways to improve the schedule like early procurement of the 500 hp VFD.
  ICM Staff: Jeff Inferrera and Matt Livingston

Jeff was the CM for the Peterson WTP FLOC/SED

- *Provide document control support.*
  ICM is flexible to use the project team's preferred document control system that best supports the needs of the Project. We recommend using Procore or similar non-proprietary document management system. We are experienced with Procore, Sharepoint, Synology DAS, EADOC, GoCanvas, and PIMS.
  ICM Staff: Jeff Inferrera and Elena Inferrera

- *Review work zone safety and traffic plans (per Addendum 1)*
  No exception taken.
  ICM Staff: Jeff Inferrera and Matt Livingston

- *Review CEQA mitigation monitoring plan*
  Helix should be reviewing the CEQA mitigation monitoring plan. ICM will assist with the review.
  ICM Staff: Jeff Inferrera and Matt Livingston

2.1.2 Construction Phase

- *Implement a Construction Management Plan.*
  No exception taken. Please see QA/QC Matrix at the end of this Section.
  ICM Staff: Jeff Inferrera and Matt Livingston

- *Perform full-time on-site inspection and quality assurance.*
  We propose having Matt Livingston as our full time inspector. He will be supplemented by Akil Barris, our ICC electrical inspector for electrical and SCADA inspection. He will also be assisted by Roman Gary who will provide as built and Clerk of the Works type of services.
  ICM Staff: Matt Livingston full-time, Akil Barris as needed, Roman Gary as needed

- *Track and document submittals, RFIs, change orders*
  No exception taken.
  ICM Staff: Jeff Inferrera and Roman Gary

- *Track and document contractor progress*
  No exception taken.
  ICM Staff: Jeff Inferrera and Matt Livingston

- *Prepare daily inspection reports with photography*
  No exception taken.
  ICM Staff: Matt Livingston

Jeff was the CM and Matt the inspector on this excavation using soil freezing - SRWA

- *Coordinate with City staff, contractors, regulatory agencies.*
  We understand that we will be "hands on" with working with the Plants Operation and Maintenance staff, who want to make sure they have no plant upsets and planning is done thoroughly and early. We will help the City Fire Department who will want to verify hydrants and the fire system is to their standards. We will also assist with other regulatory agencies as needed. We can meet via Project Teams as appropriate.
  ICM Staff: Jeff Inferrera and Matt Livingston

- *Monitor safety, ~~DBE compliance~~, and certified payrolls (per Addendum 1)*
  ICM's inspector will note safety deficiencies to the contractor and City. Addendum 1 states that certified payroll will need to be reviewed if requested by DIR. This is highly unlikely. However, if the DIR is requesting review of certified payroll, it will need to be reviewed by a labor compliance company like Cummings Group. ICM can subcontract to Cummings Group for these services if they are needed but this has not been budgeted.
  ICM Staff: Matt Livingston

- *Oversee material testing and geotechnical support*
  We understand, per Addendum 1, the Design Building will perform the material testing. However, we have provided a limited budget for Youngdahl to perform material testing QA and geotechnical support, if required.
  ICM Staff: Matt Livingston

- *Provide lab test results and QA/QC documentation*
  No exception taken.
  ICM Staff: Matt Livingston

- *Conduct biweekly status and coordination meetings*
  We recommend weekly progress meetings in person with Teams capability.
  ICM Staff: Jeff Inferrera and Matt Livingston

- *Maintain cost control and monitor schedule performance*
  Jeff will notify the City of potential cost impacts and will provide a monthly project status report. Good communication is important to keep on track and prevent surprises.
  ICM Staff: Jeff Inferrera

- *Coordinate SCADA installation and integration support*
  Jeff will take the lead to assist with SCADA coordination and prove out. This needs to start early.
  ICM Staff: Jeff Inferrera and Akil Barris

- *Other Services*
  SWPPP – The Design Builder will be responsible for SWPPP. ICM's subconsultant, American River Environmental, will provide QA inspections if needed.
  FAT testing – ICM is available to go to FAT testing for the VFD, if desired.
  Biological monitoring and training – Per Addendum 1, Helix Environmental is performing the biological monitoring. We assume they will do training also. ICM will assist as needed.

2.1.3 Post-Construction Phase

- *Coordinate and verify as-built/record drawings.*
  To be done by Design Builder but checked by ICM
  ICM Staff: Jeff Inferrera and Roman Gary

Jeff was the CM and Matt the inspector on 7 miles of 42" steel pipe - SRWA

- *Support startup and commissioning of systems*
  Jeff will work with the Design Builder to coordinate with the Plant.
  ICM Staff: Jeff Inferrera and Matt Livingston

- *Manage punchlist completion and final inspection*
  No exception taken.
  ICM Staff: Jeff Inferrera and Matt Livingston

- *Review and recommend for approval final progress payment*
  No exception taken.
  ICM Staff: Jeff Inferrera and Matt Livingston

- *Verify delivery of training documentation and O&M manuals*
  No exception taken.
  ICM Staff: Jeff Inferrera and Roman Gary

- *Confirm compliance with CEQA mitigation commitments*
  ICM will work with Helix to confirm CEQA compliance.
  ICM Staff: Jeff Inferrera and Matt Livingston

- *Prepare and submit closeout documentation*
  Project Completion Report – No exceptions taken.
  Final Environmental Mitigation Report – Helix is performing this.
  Notice of Completion – ICM will provide for City's review and signature
  ICM Staff: Jeff Inferrera

- *Other Services*
  CMMS – ICM recommends the Design Building provide CMMS data sheets.
  Warranty – If the Design Builder does not provide a warranty schedule, ICM can provide one to the City.

Jeff was the CM for the Lined Basin and the Percolation Basin shown in this photo - Manteca

A typical Design Build QA/QC matrix is presented below. We recommend reviewing this matrix with the Design Builder and verifying responsibilities at the start of our work.

Construction Quality Control and Assurance Responsibility Matrix

Task	Design-Build Contractor[(a)]	City/ICM
Pre-Construction Meeting	F	A
Inspection Procedures	F	R
Weekly Construction Meeting	F	A
Baseline Schedule Meeting	F	A
Monthly Schedule Update Meeting	F	A
Baseline Schedule of Values	F	R
Monthly Payment Application	F	R, V
Monthly Construction Report	F	R
Tracking Property Owner Coordination and Public Complaint	F	P
Submittal Review and Response	F	R
RFI Response	F	R
Earthwork Inspection	F	P
Differing Site Conditions Identification	F	R, V
Civil/Sitework Inspection	F	P
Pipeline Inspection	F	P
Concrete & Reinforcement Inspection	F	P
Mechanical & Plumbing Inspection	F	P
Electrical Inspection	F	P
Instrumentation and Controls (I&C) Inspection	F	P
Painting and Coating Inspection	F	P
Building/Structural Inspection	F	P
Materials & Laboratory Testing (i.e. concrete strength, etc.)	F	P
Specialty Inspection	F	P, R
Environmental Construction Monitoring	F	P
Field Witness Testing (i.e. leakage testing, etc.)	F	P
Factory Witness Testing	F	O
Daily Inspection Reports	F	R
Non-Compliance Notices and Resolution	F	P, R, V
Change Order/Claims Management	F	R, V
Start-Up Meetings	F, N	A
Start-Up Inspection	F	P
Operations and Maintenance (O&M) Trainings	F	A
Acceptance Testing	F	P
Record Documents	F	R, V
Communication & Notifications to the SRWA	F	--

Legend:

F = Full Responsibility

Periodic:P

-- = None

N = Admin

R = Review

A = Attend

V = Approve

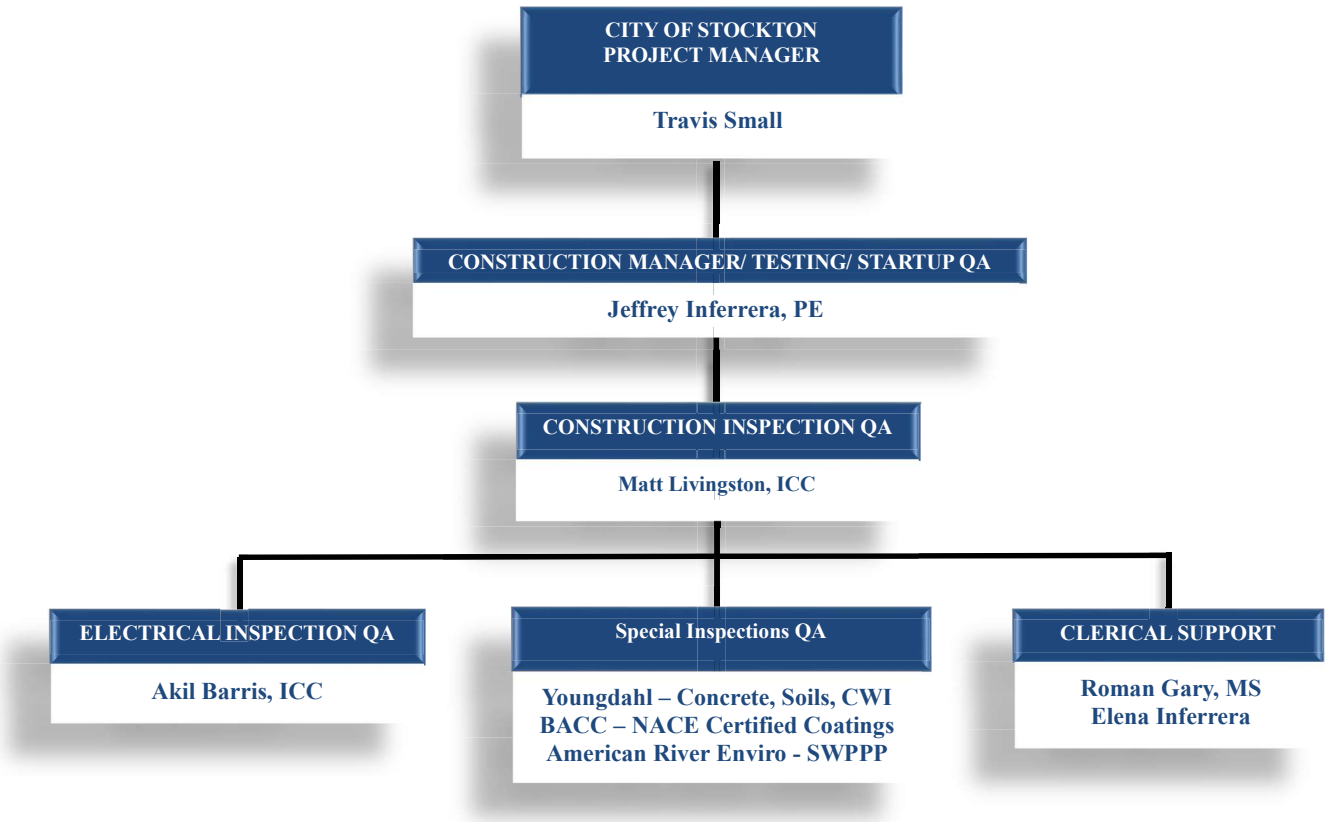
O = Optional

4. Project Team

The Team Members

a. ICM Organization Chart

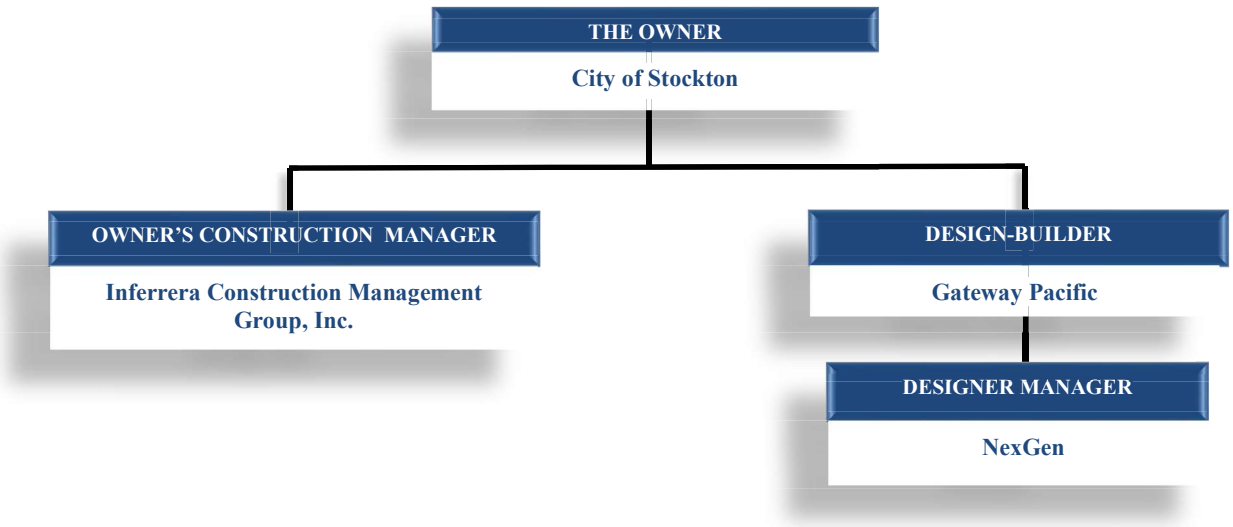
ICM has assembled a highly experienced and qualified group of professionals for the Groundwater Recharge Basin Project. Our team has worked on numerous water treatment plants, pump stations, and pipelines similar to the City's Project. ICM will not substitute team personnel during the duration of this project; each member of our team will be dedicated to the success of the Project, from start to finish. ICM's project team is comprised of the following professionals presented in this organizational chart:



Our staff and our subconsultants will be used in a QA role. Jeff will be dedicated to the Project and Matt will be onsite full time. The other staff and subconsultants will assist as needed.

b. Overall Project Organization Chart

ICM will be part of the overall Project team, supporting its members to be successful and using our experience to provide proactive, value added ideas to overcome contractual as well as technical issues. The organization chart below shows our understanding of the key project participants within the City team.



c. Team Members

Jeffrey Inferrera, PE, (DBIA pending) – Construction Manager / Testing / Startup QA

Area of Expertise: Construction management of water and wastewater treatment plants, pump stations, storage tanks, and pipelines.

Education: BS Env. Science and Engineering, Rutgers University
MS Environmental Engineering, Cornell University

Certifications: California Licensed Civil Engineer, C62190
Registered Construction Inspector, ACIA #5832
DBIA certification pending additional CEUs

Experience: Jeff has over 30-years of experience as a construction manager and resident engineer working on large public water and wastewater systems. He is experienced on Design Build projects and with Army Corps Construction Quality Management Procedures. Pertinent projects include the Ione Water Treatment Plant Ponds Project, SRWA Water Treatment Plant Design Build, Manteca Atherton Tank and Pump Station Design Build Project.

Utilization: Jeff will work approximately 80 percent part time at the start of the Project and will taper to 40-50 percent part time after two months. Jeff is currently working as part time construction manager on the Sly Park Intertie Project for the El Dorado Irrigation where he has a full-time resident engineer. His utilization on the Sly Park Intertie Project is about 25 percent and is expected to diminish by June 2025.

Matt Livingston, ICC – Construction Inspector QA

Area of Expertise: QA/QC of all trades, including pump stations, treatment plants, and pipelines.

Certifications: ICC Building Inspector, 5232456-10
ACI Level 1 01031459
Troxler Nuclear Gauge Certification 44154

Experience: Mr. Livingston has over 19 years of experience working on construction projects. His experience includes large earthwork projects, treatment plants, pump stations, pipelines, force mains, gravity lines, trenching, jack and bore, roads, working in streets and working with the public. His inspector duties include ensuring work is installed per plans and specifications, documenting work with photographs and daily reports, completing as-built drawings, and coordinating with the design engineer, agencies, and public. He recently completed his role as the Owner's inspector for over 3 years at the SRWA Water Treatment Plant Design Build Project.

Utilization: Matt is dedicated full-time, or as needed, for the Project duration. Matt currently is completing work at the Arden Service Area Project for Sacramento Water Agency.

Akil Barris, ICC – Electrical Inspector QA

Area of Expertise: Special inspection of electrical, fiber optic, instrumentation, and control systems.

Certifications: ICC Electrical

Experience: Akil has over 20-years of experience in the trades and 2 years as ICM's electrical inspector. He is experienced with special inspection at pump stations and treatment plants.

Utilization: As needed.

Keith De Lapp – Back Up Construction Inspector QA

Area of Expertise: QA/QC of all trades, including pump stations, treatment plants, and pipelines.

Experience: Mr. De Lapp has over 30 years of experience working on public works construction projects. His experience includes inspection of site civil and earthwork, treatment plants, pump stations, and pipelines.

Utilization: As needed.

Roman Gary, MS – Clerk of the Works

Area of Expertise: Project document support.

Experience: Mr. Gary has been working for ICM for a year. His role has been to assist with compiling RFIs and submittal comments into as-builts, assisting with change order development and review, reporting and schedule review.

Utilization: As needed.

Elena Inferrera – Document System Manager

Area of Expertise: Web based document management system such as Sharepoint and Procore.

Experience: Ms. Inferrera provides ICM's IT support for our clients document systems and general administration assistance.

Utilization: As needed.

Subconsultants

Bay Area Coating Consultants, Inc. (BACC) will provide NACE Certified Coating and Lining Inspection Services in an as needed QA role. ICM has worked with BACC for the past 10 years most recently at the SRWA Water Treatment Plant Design Build Project. BACC has been in the coating inspection industry for the past 25-years. BACC is a valuable team member successfully performing their scope of work responsibilities to the satisfaction of all team members.

Office Location: Bay Area Coating Consultants, Inc.
1119 K Street
Modesto, CA 95354
(209) 652-6962

Youngdahl Consulting Group will provide soils, materials, and special inspection testing services, including compaction testing, concrete, rebar, and welding inspection in an as needed QA role. Youngdahl Associates will also be available for geotechnical review. ICM has worked extensively with Youngdahl at the SRWA Water Treatment Plant Design Build Project. Youngdahl has proven to be a valuable team member successfully performing their scope of work responsibilities to the satisfaction of all team members.

Office Location: Youngdahl Consulting Group
1234 Glenhaven Court
El Dorado Hills, CA 95762
(916) 933-0633

American River Environmental (ARE) will provide SWPPP inspection in an as needed QA role. ICM has worked with the ARE staff for a number years on projects in the Sacramento area. They have a proven record to keep projects in compliance.

Office Location: American River Environmental
5468 Merchant Circle
Placerville, CA 95667
530-391-0853

Our staff resource chart is presented below:

ICM Resources Chart	CA Licensed Engineer	Construction Management	Treatment Plant Inspection	Pump Station Inspection	Pipeline Inspection	Civil Inspection	Structural Inspection	Mechanical Inspection	Electrical Inspection	Coatings Inspection	OSHA 10 Hour Safety	Confined Space	Years at ICM	Years' Experience
Principle / Project Manager / Construction Manager / Inspector														
Jeffrey Inferrera, PE	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	19	34
Construction Manager / Inspectors														
Augustine Inferrera, PE	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	2	4
Kyle Drury, PE	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	5	10
Ricardo Bedoy, PE	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	10	36
Inspectors														
Akil Barris, ICC			♦	♦	♦	♦	♦	♦	♦		♦	♦	1	16
Chris Inferrera, EIT, ICC			♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	6	13
Daniel Waymire			♦	♦	♦	♦	♦	♦			♦	♦	2	21
Don Kurosaka, PE	♦	♦	♦	♦	♦	♦	♦	♦			♦	♦	6	37
Gary Fish					♦			♦			♦	♦	1	35
George Guorgui			♦	♦	♦	♦	♦	♦			♦	♦	1	21
John Inferrera, EIT			♦	♦	♦	♦	♦	♦			♦	♦	1	1
Joe Saylor					♦	♦		♦			♦	♦	3	28
Keith DeLapp, B. Sc. Arch. Eng.		♦	♦	♦	♦	♦	♦	♦			♦	♦	7	32
Matt Livingston, ICC			♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	10	26
Paul Lopez		♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	14	30
Richard Baker			♦	♦	♦	♦	♦	♦	♦	♦	♦	♦	1	38
Roman Gary, MS			♦	♦	♦	♦					♦	♦	1	1
Scott Ahlstrom					♦			♦			♦	♦	3	35
Sam Zeitulaev, ICC			♦	♦	♦				♦		♦	♦	1	3
Spencer Roundtree						♦	♦	♦	♦		♦	♦	3	32
Thomas Gomes					♦	♦	♦	♦			♦	♦	9	35
Document Control / Administration														
Colleen Inferrera											♦	♦	6	7
Elena Inferrera											♦	♦	2	2

d. Summary of Team Experience

In summary we add the following to specifically address some features of Stockton's Project as follows:

- **Water treatment plants, pump stations and pipeline construction projects**

Jeff Inferrera – Jeff has performed construction management on thirteen treatment plants, of which six were water treatment plants. He performed construction management on nine pump stations of which three were water pump stations. He performed construction management and inspection on over 30 pipeline projects of which about half were water force mains. He has completed three design build projects while with ICM.

Matt Livingston - Matt has performed inspection on two treatment plants. He performed inspection on six pump stations. He performed inspection on over 20 pipeline projects of which about half were water force mains. He has completed one design build project while with ICM.

Working Together – Jeff and Matt has been working together for 9 years and have worked on five projects together.

- **Integrated project delivery**

Jeff Inferrera has worked on all project delivery methods, including design build, and on all size of projects including $240 million SRWA water treatment plant design build, $100 million of treatment plant work at the City of Manteca, a $100 million treatment plant expansion at the City of Las Vegas, and $400 million Boca Baracas Treatment Plant and Flood Control Project in Buenos Aires, Argentina. He has been involved with the Design Build Institute of America (DBIA), Engineers Joint Contract Document Committee (EJCDC), is experienced and knowledgeable in construction law, construction claims, and coming up with win-win-win solutions when the contracts do not adequately address the project issues that need to be resolved.

- **Project management information tools**

Elena Inferrera and Romany Gary take the lead in our company to manage the project information tools and provides training to ICM staff on new tools. Currently, ICM is experienced at using Procore, SharePoint, Synology, EADOC, and Primavera construction software including P6.

- **Fostering and maintaining cooperative atmosphere**

Jeff maintains a a great partnering-type of relationship with all the team players, building a high powered team of professionals. Being a team leader, he has very successful projects.

In the field, Matt Livingston maintains excellent working relationships with superintendents, foremen of each trade, Plant staff, and agencies. His steady vigilance prevents many issues from becoming worse and keeps a positive attitude that we all fed off of.

- **Construction industry standards and codes**

The ICM team is knowledgeable of construction industry standards, codes and practices. We have been doing treatment plant construction, the most complex public works projects, for decades. Jeff Inferrera is a Professional Engineer and Registered Construction Inspector and Matt Livingston is an ICC certified inspector.

- **Environmental (CEQA)**

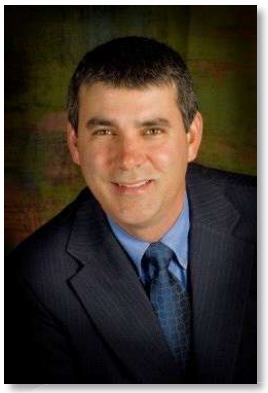
The ICM team is experienced with the Project's CEQA requirements based on our experience at the SRWA Pump Station Project as well as other treatment plant and pipeline projects with similar requirements.

- **Regulatory agencies**

The ICM team is experienced with coordinating with the Project's regulatory agencies based on our experience at the SRWA Pump Station Project as well as other treatment plant and pipeline projects with similar requirements.

- **Project close out**

The ICM team has closed out numerous Design Build and design bid build projects and is experienced with training, acceptance testing, startup, prove out, Punch List, warranty, substantial completion and final completion paperwork including release of retention.



Mr. Inferrera has more than 35 years of experience in the wastewater and water industry with emphasis in construction management, resident engineering, and inspection. He specializes in wastewater treatment plants, pump stations, and pipelines.

Qualifications

Registrations:
Professional Civil Engineer, California No. 62190

Registered Construction Inspector (Division 1) ACIA, No. 5832

DBIA, pending

Education:
MS, Environmental Engineering, Cornell University, 1991

BS, *cum laude,* Environmental Science and Engineering,

Regional Surface Water Supply Design Build Project, Stanislaus Regional Water Authority Provided construction management for a new $240 million 15 MGD treatment plant and 7 miles of 42" and 30" pipeline. Final capacity will be 45 MGD. System components included pre-oxidation with permanganate; flash mixing; flocculation; sedimentation; ozonation; GAC/sand filters; chlorine disinfection; clear well; pumping station; residuals handling facility; chemical storage and feed equipment; corrosion control; cybersecurity provisions; power supply and emergency generator power; I&Cs; administration, operation, maintenance, and laboratory facilities; and site civil improvements.

Treatment Plant Expansion and Improvement Projects, City of Manteca - Construction manager and/or inspector for over $100 million of plant expansion and improvement projects including the following:

- Nutrient Removal
- New Influent Pump Station.
- Construction of aeration basins and secondary clarifiers.
- New 10 mgd tertiary filtration and UV disinfection.
- New solids handling facility including sludge mixing tank.
- North Plant Aeration Efficiency Improvements.
- Two new digesters, rehabilitation of two existing digesters, new digester control building.
- RAS/WAS Rehabilitation
- Digester gas fueling facility.

Atherton Booster Pump Station/Tank Design Build Project, City of Manteca - Construction manager for the construction of a 5 MGD booster pump station, 3.6 million steel tank, and related electrical, controls, instrumentation, piping, and site civil work.

Las Vegas Wastewater Treatment Plant, City of Las Vegas - Resident engineer for plant expansion of city's water pollution control facility expansion from 66 to 93 mgd. This $105 million expansion program involved 13 separate construction contracts, six separate contractors, and multiple contracts. Facilities involved in this expansion include secondary clarifiers, blower building, primary sedimentation, biological nutrient removal, chlorination/dichlorination, chemical feed facilities, filtration, anaerobic digesters, pumping stations, SCADA, headworks, mechanical dewatering, odor control, and O&M building. Approximately 10,000 lineal feet of pipeline was installed ranging in size from 8 to 120 inches in diameter.

WWTF Rehabilitation Project, City of Yuba City - Construction manager for this project which consisted of Digester fixed covers and gas system piping, Bar Screen replacement, structural steel canopy and sludge dewatering screw presses including conveyance system. Major electrical and control improvements included new Motor Control Centers, PLC's, 12KV transformers, electrical ductbanks, and SCADA integration of five process areas, plus modernization of facility network.

References

Chris Fisher, PE
Working Relationship:
Owner for Design Build Treatment Plant Project

Municipal Services Director
City of Turlock
156 S. Broadway
Turlock, CA 95380
cfisher@turlock.ca.us
209-688-5468

Phil Govea, PE
Working Relationship:
Owner for Design Build Project and numerous wastewater treatment plant projects

Civil Engineering
Department Manager
Turlock Irrigation District
333 East Canal Drive
Turlock, CA 95381
209-639-1701
pdgovea@tid.org

Liz Carrington, PE
Working Relationship:
Owner for numerous treatment plant, pump station, and pipeline projects

Engineering Manager
El Dorado Irrigation District
2890 Mosquito Road
Placerville, CA 95667
925-413-9164
lcarrington@eid.org

Peterson WTP Floc/Sed Rehabilitation Project, San Juan Water District - Resident Engineer and inspector for the rehabilitation of the WTP flocculation systems. The project consists of removal and replacement of five flocculation systems and four sludge collection systems, construction of settled water channel, baffle walls, launders, polymer pumps as well as new MCCs, fiber optics and SCADA upgrades.

Oak Avenue Wastewater Lift Station, City of Folsom - Performed resident engineering and inspection of the Oak Avenue Wastewater Pump Station. Station consisted of the construction vactor discharge location, piping, concrete ramp, manhole, and fencing. Mr. Inferrera was responsible for contract administration, inspection, change orders, resolution of contractor conflicts and of technical issues.

Lake Forest Lift Station, City of Folsom - Resident Engineer for the demolition of the existing pump station and the construction of a new pump station with wet well, electrical, instruments, pumps, piping, flow meter, associated equipment, and site improvements. Two 15 hp submersible pumps were set at the bottom of a wet well. The pumps discharged to 8inch ductile iron force main and flowed through a magnetic flowmeter. Mr. Inferrera was responsible for contract administration, change orders, resolution of contractor conflicts and of technical issues.

Jenny Lind Water Treatment Plant Filter & Solids Handling Project, Valley Springs, CA. - Resident Engineer for the WTP expansion upgrading the plant capacity from 5mgd to 6 mgd. The project consisted of adding a 700-gpm filter and 2,000 sq of floor area to an existing treatment building, installing solids thickener tank and sludge collector equipment, and upgrading instrumentation and controls.

Raw Water Pump Station Project, Stanislaus Regional Water District, Construction Manager for a 45,000 gpm (100 cfs) raw water pump station in the levee of the Tuolumne River, east of Modesto. This work included soil freeze excavation shoring and construction of a large pump station within a levee. Site civil work in the flood plain and discharge of high pump station flows in the river made this Project environmentally sensitive.

Lift Stations Rehabilitation Project, Delta Diablo - Construction Manager for this project which consisted of rehabilitation of five active and elderly pump stations. All trades were working including piping, pumps, electrical, instrumentation and controls, coatings, concrete, HVAC, and site civil plus critical shut downs and bypass pumping.

Ione Wastewater Treatment Plant Phase 1 and 2, City of Ione - Resident engineer and inspector for the Phase 1 improvements including new wastewater pipelines interconnecting the wastewater lagoons, new dual wastewater pump station, aeration pond modifications, new aerators, electrical, coatings, vaults, and valves. Phase 2 improvements included the lining of five ponds; 550,000 sq ft of liner.

St. Andrew's Lift Station Upgrade, El Dorado Irrigation District - Resident engineer for the $1 million upgrade of St. Andrew's Lift Station upgrade project. Construction work includes demolition of the existing electrical/mechanical dry pit, installation of five raw sewage pumps ranging from 3 to 150 hp, installation of a 500 kW generator, miscellaneous valves and piping, and a masonry electrical control building.

Matthew Livingston, ICC | Inspector

ICM

Mr. Livingston has over 20 years of experience as a construction inspector. His experience includes tunnelling, site civil work, pipelines, force mains, gravity lines, trenching, working in streets and working with the public. His inspector duties include ensuring work is installed per plans and specifications, documenting work with photographs and daily reports, completing as-built drawings, and coordinating with the design engineer, agencies, and public.

Qualifications

Certifications:
ICC Building Inspector, 5232456-10

ACI Level 1 01031459

Troxler Nuclear Gauge Certification 44154

Water Treatment Plant and Pipeline Project - Stanislaus Regional Water Agency. SRWA's $250 million Regional Surface Water Supply Project consisted in the construction of a new 15 MGD water treatment plant, 7 miles of potable water pipeline to the City of Turlock, 5 miles of potable water pipeline to the City of Ceres, and a 1 mile raw water pipeline from the Tuolumne River Water Intake Pump Station to the treatment plant. Matt was inspector on this 3-year project from start to finish. The pipelines consisted of two potable water force mains made of 30" MCML and 40" MCML steel pipe, and one 48" MCML raw water pipeline. There were six jack and bore tunnels including two under the Santa Fe Railroad and others under EID canals. The treatment plant consisted of rapid mix tanks, flocculation and sedimentation tanks, filter building, chemical building, backwash tank, sludge lagoons, administration building, laboratory, and maintenance building.

Arden Service Area Pipe and Meter Installation Project – Sacramento County Water Agency. These were three concurrent but separate pipeline projects. The projects included the installation of 6 inch to 12 inch ductile iron pipe and C900 pipe. Each project encompassed about 3 miles of water force main in Sacramento neighborhoods and installation of 100s of meters, plus valves and hydrants. This work also included disinfection inspection.

Raw Water Pump Station Project - Stanislaus Regional Water Agency. This was a separate project from the treatment plant and occurred two years prior to the treatment plant. Inspector for a 45,000 gpm (100 cfs) raw water pump station in the levee of the Tuolumne River, near Hughson. This work included soil freeze shoring to a depth of 75 feet that facilitated the excavation and construction of a large pump station within the levee. Site civil work in the flood plain and discharge of high pump station flows in the river made this Project environmentally sensitive.

North Trunk Sewer Project – Manteca, CA. This project involved the construction of two miles of 48-inch RCP sewer pipe and 12-inch C900 water force main. Matt was the inspector mostly for the micro tunnel portion of the Project. Two micro tunnels were constructed. The first micro tunnel consisted in a 230 foot long, and 30 foot deep, 80-inch micro tunnel under Airport Road. The second micro tunnel consisted in a 375 foot long, and 35 foot deep, 60-inch micro tunnel under Yosemite Boulevard.

FEZ South Trunk Sewer Project – Manteca, CA. This project involved the construction of two miles of 48-inch RCP sewer pipe and 12-inch C900 water force main. Matt was the inspector mostly for the micro tunnel portion of the Project. The micro tunnel consisted in a 500 foot long, and 30 foot deep, 80-inch micro tunnel under State Highway 120.

Matthew Livingston, ICC | Inspector

ICM

SFPUC San Joaquin Eastern Segment Water Pipeline. Civil QA Inspector on a 6.7-mile, 78-inch water pipeline project with a construction cost of $45,000,000. Responsible for QA inspection of rebar & concrete construction for three Valve Vault structures and the Oakdale Portal Protection structure.

SFPUC San Joaquin Western Segment Water Pipeline. Civil QA Inspector on an 11-mile, 78-inch water pipeline project with a construction cost of $48,000,000. Responsible for QA inspection of native soil cement placement in the pipe zone & trench backfill.

SFPUC Tesla Water Treatment Facility. Civil QA Inspector on design-build project with a construction cost of $84,000,000. Responsible for inspection of concrete, roofing, building inspection of the various building trades, AC paving, and punch list inspections.

WQCF Digester Project – Manteca, CA. lead inspector for the construction of two digesters, and rehabilitation of two existing digesters including grading, stone column soil densification, underground utilities (gas, electrical, process piping, storm water), reinforced concrete structures, CMU digester control building, 17kv power, instrumentation, controls, CMMS, and SCADA.

BART Intermodal Modernization Project - Union City CA. as a Quality Control Manager, provided all inspection work for civil, underground, concrete structures and building trades.

Presidio Monterey, General Instruction Building. Provided QC inspection of structural construction. Perform civil and building inspection of general civil works and the various building trades. This was a $42 million project.

Deuel Institute, Water Treatment Facility - Tracy CA. Performed civil inspection and testing.

Deuel Institute, Reverse Osmosis Facility - Tracy CA. Performed civil inspection and testing throughout entire project. Performed special inspections including epoxy anchors and pull testing. This was a $32 million facility.

Akil Barris, ICC | Construction Inspector

ICM

Mr. Barris has more than 16 years of experience in the construction industry. With one year of experience inspecting, under ICM's tutelage, Mr. Barris has become an outstanding public works inspector. His emphasis is in water and wastewater pipelines and services.

Qualifications

Certificates/ Registrations

ICC Mechanical Inspector
ICC Electrical Inspector

OSHA 10/20/40 hr Training
Confined Space Training

Arden Service Area Pipe & Meter Installation Phases 1B, 3, & 4,5,6 Project – Sacramento County Water Agency

Mr. Barris was the construction inspector for this potable water pipeline and meter project. The combined construction value of all three phases is $117 million. The three phases of the Project are as follows:

Phase 1B: 1/2 mile of 8" pipe, 4 miles of 10" pipe, 1/2 mile of 12" pipe, 1 mile of 16" pipe, and 299 meters.

Phase 3: 5 miles of 8" pipe, 1/2 mile of 10" pipe, 1 mile of 12" pipe and 618 meters.

Phase 4,5,6: 12 miles of 8" pipe, 1/2 mile of 10" pipe, 3 miles of 12" pipe and 1,423 meters.

The construction of the 35 miles of water mains and 2,919 meters installations included fire hydrants, backflow preventers, appurtenances, disinfection, and tie ins. Also included was inspection of pipe installation, lateral tie ins, bedding, backfill, shoring, and traffic control.

Prior Construction Project Experience

Mr. Barris has worked as a project manager and a tradesman on multiple water projects including pipeline installation, bore pit construction, water tank construction, valve installation, and construction of concrete vaults. His wastewater construction experience includes pipeline installation, manhole installation, manhole rehabilitation, CCTV and cleaning of sewer pipes.

Mr. De Lapp has more than 30 years of experience in construction and engineering with emphasis in field engineering, construction observation, and design. His experience includes pumps stations, water systems, wastewater treatment plants, and pipelines.

Qualifications

Education:
B.S., Architectural Engineering, California Polytechnic State University, San Luis Obispo, 1988

Pump Station Rehabilitation Project – Antioch, CA
Construction manager and inspector for Delta Diablo Sanitation District's project to rehabilitate five pump stations. Work included all trades including site civil work to protect facilities from floods, concrete rehabilitation, new piping, new pumps, new electrical and I&C, HVAC, building construction.

Digester Improvements Project – Manteca, CA
Construction manager and inspector for the construction of two digesters and rehabilitation of two digesters. Work included pumps, piping, concrete structures, welding, electrical, I&C.

PG&E Kings River Powerhouse PRV and Controls Rehabilitation–Fresno County, CA
Construction manager for the first ever rehabilitation and maintenance of the pressure reducing valve (PRV) for the 52-MW hydroelectric turbine in operation since 1962. The refurbishment included the following:

- PRV removal and transportation to machine shop
- Complete PRV disassembly and cleaning
- Recordation of all as-found measurements
- Refurbishment of numerous bushings, the plunger seat ring and the dash pot
- Replacement of pilot valve and plunger seats with custom machined parts
- PRV Reassembly and transportation to powerhouse
- PRV Installation and startup and testing

Mr. De Lapp coordinated all material procurement, prepared all RFI's and submittals, and provided on-site supervisorial oversight in the powerhouse and machine shop during critical activities resulting in the successful startup and testing prior to the client's scheduled return to service date.

Hyperion Wastewater Treatment Facility – Los Angeles, CA
Construction manager for the $2.7 million subcontract for the manufacture of 38,000-square feet of architectural precast concrete wall panels for the 5-story laboratory and adjacent power buildings. Project responsibilities included the following:

- Daily quality control inspection of epoxy coated reinforcement and 316L stainless steel connection embedment placement
- Production of shop drawings
- Procurement of all materials
- Transportation planning for precast concrete panels from Northern California plant to the project site
- Development of comprehensive rigging and erection plan utilizing a 165-ton conventional crane

Mr. De Lapp personally supervised all precast concrete panel erection activities, including welding.

Lighthouse Marina Pump Station–Sacramento County, CA
An underground open system concrete storm drain pump station featuring two 250 and two 350-horsepower pumps and gravity out-fall. Field engineer responsible for installation of subsurface drainage system developed to mitigate settlement of adjacent structures caused by construction dewatering.

Lakeside Pump Station – Sacramento County, CA
An underground closed system concrete storm drain pump station featuring three 125-horsepower pumps. Field engineer responsible for installation of subsurface drainage system developed to mitigate settlement of adjacent structures caused by construction dewatering.

Sump Pump 160 – Sacramento County, CA
An underground closed system concrete storm drain pump station featuring two400 and two 600-horsepower pumps. Field engineer responsible for installation of subsurface drainage system developed to mitigate settlement of adjacent structures caused by construction dewatering.

PG&E Spaulding Powerhouse #1–Nevada County, CA
Led the effort for this Engineer-Procure-Construct (EPC) project requiring the replacement of two 100-year old 48-inch diameter Butterfly Guard Valves and replacement of the pressure reducing valve (PRV) discharge horn liners. In addition to design, responsibilities included construction observation of activities which included extensive piping disassembly/reassembly, drill-and-bond anchoring and grouting of the replacement stainless steel discharge horn liners and monitoring of strain gage instrumentation deployed to monitor steel stresses in the 48-inch diameter 100-year old penstock flanges during torqueing of bolts.

NID Bowman Lake Dam Emergency Penstock Repair–Nevada County, CA
Led the effort to develop the emergency repair of a 78-inch diameter penstock bifurcated at the toe of the dam into two 42-inch diameter conduits terminating at a valve house serving as a low level outlet. The penstock was discovered to have cracked and was leaking due to a transient event caused by operational error of a butterfly valve. Repair included demolition of the existing bifurcation and valve house; grouting and anchoring a 66-inch diameter sleeve extending inside the existing 78-inch conduit 3 ½ diameters upstream of the tunnel portal; and design of a thrust block anchored with 8– 1 ⅜ -inch diameter rock anchors. In addition to design, responsibilities included construction observation during the entire five-month long construction period.

PG&E Lake Valley Pipeline Replacement–Nevada County, CA
Led the effort for this Engineer-Procure-Construct (EPC) project requiring the replacement of 1,150-feet of 15-inch diameter straight seam welded steel pipe on a 30-degree slope supported by concrete anchor blocks rock-bolted to available underlying rock. In addition to design, responsibilities included construction observation.

SFW&PA Miners Ranch Canal Condition Assessment – Butte County, CA
Led the effort for this "walkdown" inspection and condition assessment (CA) of the Miners Ranch Canal (MRC) which was constructed in 1967. The conveyance is comprised of a series of gunite canals, composite gunite bench flumes, two sections of metal flume, two under creek siphons, three sand traps and two sections of corrugated metal pipe conduit with an overall length (excluding siphons) of 33,981 feet. The results of the "walkdown" and CA identified that the vertical wall panel concrete is experiencing the effects of advanced Carbonation as evidenced by reduced pH values. FEM Analysis of the CBF was performed to determine the factor of safety associated with the design basis earthquake load case. Risks associated with CBF remaining life and panel replacement alternatives were presented.

Qualifications

Certifications:
ProCore
EADoc
P6
Confined Space Training
OSHA / 10 Hr

Ms. Inferrera provides project controls, document management, and numerous project support duties on all ICM projects.

Project Administration and Controls on the following projects:

- **Arden Phases 1B, 3, 4, 5, 6 – Sacramento County Water Agency**
- **Smyrna Park – City of Ceres**
- **River Bluff Pump Station and Tank – City of Ceres**
- **Hinkle Cover and Liner – San Juan Water District**
- **Sly Park Intertie Project - El Dorado Irrigation District**
- **Mother Lode Force Main Project - El Dorado Irrigation District**
- **Sewer Lift Stations Rehabilitation - Delta Diablo**
- **Yuba RAS WAS – City of Yuba City**
- **Roseville – City of Roseville**
- **Emergency Generators Project - El Dorado Irrigation District**
- **Motherlode - El Dorado Irrigation District**
- **Flume 47A - El Dorado Irrigation District**
- **SRWA WTP – Stanislaus Regional Water Authority**
- **Valley Vista – Tuolumne Utilities District**
- **Yuba WWTP – City of Yuba City**
- **Folsom WTP Backwash – City of Folsom**
- **Central San Tappan Terrace - Central Contra Costa Sanitary**
- **Central San Pleasant Hill - Central Contra Costa Sanitary**
- **Yuba Well No. 2 – City of Yuba City**
- **Project Nexus – Turlock Irrigation District**
- **Folsom Oak Ave – City of Folsom**
- **Reservoir 1 - El Dorado Irrigation District**
- **Delta Diablo Pump Station – Delta Diablo**
- **Reservoir A Valve Replacement Project - El Dorado Irrigation District**
- **Bacon Genset – San Juan Water District**
- **Ceres Pump Station – City of Ceres**
- **Ceres Local Faculties – City of Ceres**
- **Reservoir A Media Replace – El Dorado Irrigation District**
- **Arden Phase 2B - Sacramento County Water Agency**
- **Yuba Lift Station 2 – City of Yuba City**
- **Central San Martinez Phase 7 - Central Contra Costa Sanitary District**
- **Yuba WTP West Flow Meter – City of Yuba City**

AMERICAN RIVER ENVIRONMENTAL

Resume of

John R. Brenner

Education

American Public University, Internet Based
- Bachelors of Science, Environmental Management, 2012 to Current

Folsom Lake College, Folsom, CA
- Associate of Arts, General Education, 2007

Sacramento City College, Sacramento, CA
- Elementary Surveying, May 2008

Ponderosa High School, Shingle Springs, CA
- Diploma, May 2001

Certifications

Qualified SWPPP Developer/Practitioner #25335
Certified Professional in Erosion and Sediment Control #8056
Certified Erosion and Sediment Storm Water Inspector #3051
Trainer of Record (ToR) authorized by CASQA for QSD and QSP Training

Proficiencies

Adobe Acrobat, AutoCAD, Carlson Civil Suite, Excel, Word, Power Point, SMARTS, and SWIM

Employment History

President, American River Environmental, January 2025 – Present
- Conduct day-to-day business activities including client and agency coordination, scheduling, accounting, human relations, and general company operations.
- Train, schedule, and manage employees.
- Manage Sacramento and foothill area projects for SWPPP development and inspections.

Manager of Field/Inspection Personnel, BTConsulting, Inc., August 2010 – June 2025
- Coordinate day-to-day business activities including client and agency coordination, scheduling, information technology, and general company operations.
- Employee coordination, management, and training.
- Schedule and manage field crews, including Bay Area, Sacramento, and foothill areas.
- Prepare SWPPPs, WPCPs, Erosion and Sediment Control Drawings, and other related documents.
- Develop and maintain CAD standards.
- Present tailgate training and represent BTC at project pre-construction meetings.
- Manage SMARTS uploads and QA/QC for documents ready to be uploaded to the State.

Correctional Officer, State of Nevada, November 2010 – January 2012
- Monitor correctional facilities and ensure order and security through strict monitoring of inmate activities.
- Search prisons and other facilities for banned material, fire and safety hazards, and unsanitary conditions.
- Record daily activities, disturbances, and illegal activities.

Michael R. Kelley

Certifications

International Code Council (I.C.C.)
- Reinforced Concrete
- Structural Masonry
- Structural Steel and Bolting
- Structural Welding
- Master of Special Inspection

American Concrete Institute (A.C.I.)
- Concrete Field Testing Technician – Grade I
- Masonry Field Testing

American Welding Society (AWS)
- Certified Welding Inspector (CWI)

California Division of the State Architect (DSA)
- Masonry Special Inspector

Youngdahl Consulting Group
- Ultrasonic Testing (UT) – Level 1
- Floor Flatness (FF/FL)

Experience

Folsom Dam Auxiliary Spillway, U.S. Army Corps of Engineers, Folsom
Observed concrete, masonry, and aggregate placement, sampled material, conducted laboratory testing of soils, concrete, and aggregates, and provided construction quality assurance for the construction of an auxiliary spillway, including the installation of a submerged gates, a 3,000 foot long spillway, and a 1,000 foot long approach channel.

Central Valley Community Outpatient Clinic, Stockton
Provided services to the United State Army Corps of Engineers (USACE) for the 158,000 square foot Central Valley Community Outpatient Clinic (CBOC) in Stockton/French Camp. This new facility is part of the effort to relocate services before the decommissioning of the VA Livermore Campus. Services included concrete testing, welding inspection, non-destructive testing, and testing and inspection of the lightweight concrete used on the roof of the structure.

Beale AFB DCGS Operations Facility, Swinerton Builders, Yuba County
Performed the responsibilities of lead masonry special inspector, observed concrete, masonry, and anchor epoxy placement, shop and field welding, sampled material, performed torque testing of high strength bolts, and verified compliance of reinforcing steel for the new 85,000 sq ft concrete tilt-up building, equipment pads, a cooling tower, and site improvements including underground utility installations and pavement construction.

California Highway Patrol New Area Office, Department of General Services, Chico
Performed the responsibilities of lead masonry special inspector, observed concrete placement, shop and field welding, sampled material, performed special inspection of high strength bolts, rebar placement, load testing of post-installed anchors, and verified compliance of reinforcing steel of 5 acre law-enforcement facility including three single-story steel framed buildings of up to 31,000 sq ft, a 120 foot communication tower, an emergency generator, parking canopies with photovoltaic panels, a fueling station, and pavements.

Career Background

Youngdahl Consulting Group, Inc.
Field Supervisor
2020-Present

Youngdahl Consulting Group, Inc.
Senior Special Inspector
2003– 2020

Delta Drywall
Labor Supervisor
2000 – 2001

Figueroa Landscape Architects
Assistant
1999 – 2000

HomeBase
Customer Assistant
1999

BACC BAY AREA COATING CONSULTANTS INC.

Ed Darrimon
President

NACE No. 106

NACE Certified Level III

(40 years of Industry Experience)

CAREER SUMMARY

Ed formed *B.A.C.C.* in 1987 and has 42 years of experience in the Coatings & Linings Field. Ed has completed thousands of projects in the past 42 years.

Ed administers the daily operations and provides high performance technical coating and lining specifications, failure analysis, surveys, and technical consulting in the water and wastewater industry.

Ed Darrimon started his career (1976) with East Bay Municipal Utility District for eleven years in the Engineering & Maintenance Departments as supervising coating specialist. Mr. Darrimon designed and developed the District's physical coating and lining testing lab for accelerated testing and the Districts Rehabilitation program of 170 reservoirs, water treatment plants, and two hydroelectric plants including penstocks.

ACCOMPLISHMENTS

STEEL STRUCTURES PAINTING COUNCIL: (S.S.P.C.)

* National Board of Directors from 1988-92 (Pittsburg PA). Re-elected in 1992-96 to serve second four-year term.
* National award 1989 for Outstanding Chairman award.
* Past President and Founder of the first S.S.P.C. chapter in the U.S.A and which has won the most chapter awards since 1986.
* Member of numerous committees, Education, Lead Removal, Urethane, Zinc, Epoxy, and Inspection.

NATIONAL ASSOCIATION OF CORROSION ENGINEERS: (N.A.C.E).

*Past Chairperson / Bay Area Section
NACE Certified Level III Inspector #106

AMERICAN WATER WORKS ASSOCIATION: (A.W.W.A)

* Committee Member National D-100, 103, 104, 106, 108, & 102 Standards Committee approval (35+ Years -present)
* Cal/NV Corrosion Committee. * Cal/NV past Vice Chairman Maintenance Committee.

Mr. Darrimon has presented numerous talks to the following Organizations: A.W.W.A., N.A.C.E., & S.S.P.C. on the following topics: * Tank linings, 100% solids technology using epoxies and polyurethanes, Tank inspection, Specifications, Abrasive blasting, & Dehumidification use. Ed has published articles for the National Association of Corrosion Engineers on 100% solids usage, technology, and performance. Published author in Material Performance on tank linings.

Current Projects:

- **Zone 7 Water Agency (2021)**- Numerous new and rehabilitation projects over the past eighteen years, including specifications, inspection, and consulting on a 3.7 MG. interior and exterior of a carbon steel reservoir. A new 5.0 MG. carbon steel EQ tank.

- **East Bay Municipal Utility District** - Providing inspection, specification assistance, consulting the past ten years with a current annual contract. Presently working on two 12.0MG. potable water reservoirs. This includes the rehabilitation of the interiors and exteriors.

- **Santa Clara Valley Water District (2020)**
  Rehabilitation of a 4.0 MG. carbon steel back wash tank. Consulting, inspection, and

8.0 PROPOSAL DOCUMENTS

Construction Management Services	
PUR 25-037	
SUBMITTAL DUE: THURSDAY, May 29, 2025 AT 2:00 PM	
RFP Submittal Electronic Mail	city.clerk@stocktonca.gov
Proponent Business Name	Inferrera Construction Management Group, Inc.
Proponent Contact Name	Jeffrey Inferrera
Proponent Address	7040 Settlers Trail, Shingle Springs CA 95682
Proponent Phone Number	(916) 792-9871
Proponent Email Address	jinferrera@icmgroupusa.com
Department of Industrial Relations ID Number (if applicable)	1000036717

ATTACHMENT B- PROPONENT'S COVENANT

In submitting this proposal, as herein described, the Proponent agrees that:

1. They have carefully examined the Scope of Work and all other provisions of this document and understand the meaning, intent, and requirements of same.
2. They will enter into contract negotiations and furnish the services specified.
3. They have signed and notarized the attached Non-Collusion Affidavit form, whether individual, corporate or partnership. Must be 'A Jurat' notarization.
4. They have reviewed and signed all clarifications/questions/answers on the City's website at www.stocktonca.gov/mudbid.
5. Confidentiality: Successful Proponent hereby acknowledges that information provided by the City is personal and confidential and shall not be used for any purpose other than the original intent outlined in the Request for Proposal. Breach of confidentiality shall be just cause for immediate termination of contract agreement.

Inferrera Construction Management Group, Inc.

FIRM

7040 Settlers Trail Shingle Springs, CA 95682

ADDRESS

Jeffrey Inferrera 5/28/2025

SIGNED BY & DATE

President

TITLE OR AGENCY

(916) 792-9871

PHONE/FAX NUMBER

jinferrera@icmgroupusa.com

EMAIL

ATTACHMENT C - NON-COLLUSION AFFIDAVIT

No. 1 **AFFIDAVIT FOR INDIVIDUAL PROPONENT**

STATE OF _____, _____)**ss.**
County of _____)
(insert)

_____being first duly sworn, deposes and says: That on behalf of any person not named herein; that said Proponent has not colluded, conspired, connived or agreed, directly or indirectly with, or induced or solicited any other bid or person, firm or corporation to put in a sham bid, or that such other person, firm or corporation shall or should refrain from bidding; and has not in any manner sought by collusion to secure to themselves any advantage over or against the City, or any person interested in said improvement, or over any other Proponent.

_____
(Signature Individual Proponent)

Subscribed and sworn to (or affirmed) before me on this _ day of _____, 20___

by ____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Seal _____

Signature _____

No. 2 **AFFIDAVIT FOR CORPORATION PROPONENT**

STATE OF California, _____)**ss.**
County of Sacramento)
(insert)

Jeffrey Inferrera being first duly sworn, deposes and says: That they are the President of ICM Group, Inc. a corporation, which corporation is the party making the foregoing bid, that such bid is genuine and not sham or collusive, or made in the interest or behalf of any person not named herein; that said Proponent has not colluded, conspired, connived or agreed, directly or indirectly with, or induced or solicited any other bid or person, firm or corporation to put in a sham bid, or that such other person, firm or corporation shall or should refrain from bidding; and has not in any manner sought by collusion to secure to themselves any advantage over or against the City, or any person interested in said improvement, or over any other Proponent.

_____
(Signature Corporation Proponent)

Subscribed and sworn to (or affirmed) before me on this 29 day of May, 2025 by Jeffrey Inferrera, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Seal _____

Signature _____

NICK EICHENLAUB
Notary Public - California
Sacramento County
Commission # 2490106
My Comm. Expires May 14, 2028

ATTACHMENT D – AGENCY REFERENCE FORM
PUR 25-037

Supply Three (3) References of Government Agencies and/or Firms for whom Bidder has provided similar Services during the last three (3) years:

LIST OF REFERENCES

1. Agency or Firm Name:	Stanislaus Regional Water Authority
Location of the Project:	Hughson, CA
Contact Person and Title:	Mr. Chris Fisher PE, Director
Telephone:	(209) 205-8799
Email Address:	cfisher@turlock.ca.us
Description of Service:	Construction Management and Inspection
Date(s) of the Project:	2020 - 2024
2. Agency or Firm Name:	Turlock Irrigation District
Location of the Project:	Manteca, CA
Contact Person and Title:	Mr. Phil Govea, Department Manager
Telephone:	(209) 883-3447
Email Address:	pdgovea@tid.org
Description of Service:	Construction Management and Inspection
Date(s) of the Project:	2005-2015
3. Agency or Firm Name:	Central Contra Costa Sanitary District
Location of the Project:	Manteca, CA
Contact Person and Title:	Mr. Jason DeGroot PE, Senior Engineer
Telephone:	(925) 229-7209
Email Address:	jdegroot@centralsan.org
Description of Service:	Construction Management and Inspection
Date(s) of the Project:	2015 - 2022

Signature and acknowledgment by signing below, I certify that I am authorized by the company named above to respond to this request.

Company/Firm Name	Inferrera Construction Management Group, Inc.				
Address	7040 Settlers Trail Shingle Springs, CA			Zip:	95682
Contact Name	Jeffrey Inferrera				
Email	jinferrera@icmgroupusa.com		Phone	(916) 792-9871	
Fax		Signature			

ATTACHMENT E – CERTIFICATION OF FINANCIAL CONDITION

Solicitation #: PUR 25-037

Vendor Name: Inferrera Construction Management Group, Inc.

The undersigned hereby certifies that: [check all applicable boxes]

☒ The Vendor is in sound financial condition and, if applicable, has received an unqualified audit opinion for the latest audit of its financial statements.
Date of latest audit: N. A. (If no audit within past 18 months, explain reason below.)

☒ The Vendor has no outstanding liabilities, including tax and judgment liens, to the Internal Revenue Service or any other government entity.

☒ The Vendor is current in all amounts due for payments of federal and state taxes and required employment-related contributions and withholdings.

☒ The Vendor is not the subject of any current litigation or findings of noncompliance under federal or state law.

☒ The Vendor has not been the subject of any past or current litigation, findings in any past litigation, or findings of noncompliance under federal or state law that may impact in any way its ability to fulfill the requirements of this Contract.

☒ He or she is authorized to make the foregoing statements on behalf of the Vendor.
Note: This shall constitute a continuing certification and Vendor shall notify the Contract Lead within 30 days of any material change to any of the representations made herein.

If any one or more of the foregoing boxes is NOT checked, Vendor shall explain the reason(s) in the space below. Failure to include an explanation may result in Vendor being deemed non-responsive and its submission rejected in its entirety.

Signature: _____ Date: 5/29/2025

Printed Name: Jeffrey Inferrera Title: President

ATTACHMENT G - SUBCONTRACTOR LIST
PUR 25-037

PLEASE LIST BELOW ALL SUBCONTRACTORS CONTRIBUTING TO THIS WORK

Each bidder shall give the name, business address, license number, description of the work, and the dollar amount to be PAID the subcontractor, for each subcontractor that will be used on the project, if the Bidder is awarded the contract. Only subcontractors with work in excess of one-half of one percent (0.5%) or $10,000 (whichever is greater) of the Bidder's total bid need to be listed. All work in excess of one-half of one percent (0.5%) or $10,000 (whichever is greater) of the Bidder's total bid, for which a subcontractor is not listed on this form, shall be performed by the Bidder's own organization. Additional numbered pages listing proposed subcontractors may be attached to this page. Each page shall be headed "Proposed Subcontractors" and shall be signed by the Bidder.

PRINT LEGIBLY OR TYPE

BUSINESS NAME/ADDRESS	CONTACT	PHONE NUMBER	LICENSE NUMBER & LICENSE CLASSIFICATION	TYPE OF WORK	AMOUNT
Youngdahl Consulting Group, Inc.	Scott Youngdahl	(916) 933-0633	N.A.	Material Testing	$10,000
Bay Area Coating Consultants, Inc.	Austin Darrimon	(661) 873-3601	N.A.	Coating Inspection	$5,000
American River Environmental	John Brenner	(530) 391-0853	N.A.	SWPPP Inspection	$5,000

ATTACHMENT H - EXCEPTIONS

ICM takes exception to the indemnity clause in the Sample Contract Paragraph 13 which states (emphasis added).

13. Indemnity and Hold Harmless. To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of **every nature arising out of or in connection with Contractor's performance of work** hereunder or its failure to comply with any of its obligations contained in this agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City of Stockton.

Maybe this paragraph is meant for Contractors and not appropriate for professional services (consultants). The issue with the highlighted text is that ICM will be involved in so many aspects of the Construction but we do not control the design, materials, means, methods, schedule, quality or safety which is the Contractor's responsibility. Having ICM indemnify “all liability” of “every nature” in connection with the Project makes our liability almost unlimited and dependent on the actions of others which appears that it could create an unfair liability due to the Contractor's failures.

Our other clients have the following language in their consultant agreements (emphasis added) as follows:

El Dorado Irrigation District - A current Agreement

To the fullest extent permitted by law (including, without limitation, California Civil Code Section 2782), Consultant shall indemnify and hold harmless District and its officers, and employees (collectively “Indemnitees”) from and against all claims, loss, cost, damage, injury expense and liability (including court costs, reasonable attorneys' fees, litigation expenses and fees of expert consultants and/or expert witnesses incurred in connection therewith and costs of investigation) **but only to the extent that any of the above are actually caused by, any negligent or reckless act or omission, or willful misconduct, of Consultant**, any sub-consultant, anyone directly or indirectly employed by them, or anyone that they control (collectively “Liabilities”).

Sacramento County Water Agency - A current Agreement

To the fullest extent permitted by law, for work or services provided under this Agreement, CONSULTANT shall indemnify, defend, and hold harmless AGENCY, its governing Board, officers, directors, officials, and employees (collectively “Indemnified Parties”), from and against any and all claims, demands, actions, losses, liabilities, damages, and all expenses and costs incidental thereto(collectively “Claims”), including cost of defense, settlement, arbitration, expert fees, and reasonable attorneys' fees, resulting from injuries to or death of any person, including employees of either party hereto, and damage to or destruction of property, or loss of use or reduction in value thereof, including the property of either party hereto, and recovery of monetary losses incurred by AGENCY directly attributable to the performance of CONSULTANT, but **only to the extent actually caused by the negligence, recklessness, or willful misconduct of CONSULTANT**, its employees, CONSULTANT's sub-consultants or subcontractors at any tier, or any other party for which CONSULTANT is legally liable under law.

City of Roseville - A current Agreement

Indemnification. To the fullest extent allowed by law, CONSULTANT shall defend, indemnify, and save and hold harmless CITY, its officers, agents, employees and volunteers from any claims, suits or actions of every name, kind and description brought forth, or on account of, injuries to or death of any person (including but not limited to workers and the public), or damage to property, resulting from or arising out of CONSULTANT's **willful misconduct or negligent act or omission** while engaged in the performance of obligations or exercise of rights created by this Agreement, except those matters arising from CITY's sole negligence or willful misconduct. The parties intend that this provision shall be broadly construed.

The same type of indemnification language used by El Dorado Irrigation District, Sacramento County Water Agency, and Roseville, is in our Contract's with the City of Ceres and City of Yuba City. We request your kind consideration to use the language provided by these other cities and agencies for the indemnification clause.

REQUEST FOR PROPOSAL (RFP)
CONSTRUCTION MANAGEMENT SERVICES
FOR THE CITY OF STOCKTON, CALIFORNIA
PUR 25-037

ADDENDUM No. 1 DATE: May 21, 2025

To All Potential Proponents:

A. This Addendum shall be considered part of the proposal documents for the above-mentioned project as though it had been issued at the same time and shall be incorporated integrally therewith. Where provisions of the following supplementary data differ from those of the original proposal documents, this Addendum shall govern and take precedence. PROPONENTS MUST SIGN THE ADDENDUM AND SUBMIT IT WITH THEIR PROPOSALS.

B. Proponents are hereby notified that they shall make any necessary adjustments in their estimates as a result of this Addendum. It will be construed that each Proponent's Proposal is submitted with full knowledge of all modifications and supplemental data specified herein.

ADDENDUM NUMBER:

I. SOLICITATION CHANGES/ QUESTIONS AND ANSWERS: THE CITY'S RESPONSES TO CHANGES ARE SUBMITTED IN BLUE.

QUESTIONS AND ANSWERS

1. Who issues the permit? The City of Stockton or County? If a permit is needed, the City of Stockton will issue it.
2. What company is the design engineer? Nexgen is the design engineer.
3. Is the design team using program software? Ex: Sharepoint, one drive, Microsoft teams? Yes, they are using programs such as Sharepoint and Microsoft Teams.
4. Are you looking for a prevailing wage inspector and CM project engineer? A full time CM and an inspector as needed. The City does have inspectors on staff, but will not be available full time.
5. Who is in charge of material testing? Is the consultant(us) required to hire a third party to perform material testing? The contractor, Gateway Pacific, is responsible.
6. How many different fundings are available for this project? The Water Utility is paying for the project. There are grants that have been approved for use for this project. The grants are funded by the State and Federal government.
7. Who takes care of grant reporting? The City of Stockton? The City of Stockton and their consultants will take care of the grant reporting.
8. Is there a timeline for the grants to be used? Yes, grants must be used by 2027.

9. It is challenging to provide a proposal for the construction management services without understanding the whole scope. Per our job walk meeting on 05-08-2025 at 9:00am. It is paramount that the following documentation is provided:

- Environmental Impact Report (EIR) Please see Exhibit 5A, 5B and 5C.
- CEQA (California Environmental Quality Act) Mitigation Measures Please see Exhibit 5A, 5B and 5C.
- Civil drawings that show the cut and fill of the 3 basins and 3 forebay Not available.
- The feasibility study done on the basis of design Please see Exhibit 6A, 6B and 6C.
- The scope of the Design Build contractor (Gateway Pacific Contractors) Please see Exhibit 1 – Validation Memo.
- As-Built Drawings on how we are to connect to the 54" raw Delta water and 48" Pixley pipeline and how deep underground the pipe is located. Not available.
- 30 percent design drawings and specification Not complete.

Without these documentations, proponents can make assumptions that can be erroneous. Please provide information above.

10. 2.0 SCOPE OF SERVICES-page 6 of 29

Supervisory Control and Data Acquisition (SCADA) integration

- Does the City of Stockton Municipal Utility Department have an in-house SCADA programmer or do they sub-out the programing to a consultant? The City has a SCADA Programmer.
- Who will be writing the program and sequence of operation to integrate the controls for the valves, flow meters, pressure transducers, etc. The City's programming contractor.
- Will there be a third-party commissioning agent separate from the Design Build Contractor that will commission and ensure that the SCADA programming and Ground Water Recharge Basin is commissioned properly per feasibility study? Please advise. No, there will not be a third-party.

11. 2.0 SCOPE OF SERVICES-page 6 of 29

Site grading and earthwork for recharge basins. (Exhibit 1).

- Exhibit 1 only shows Civil Drawing C010 for one of the basins. Please provide full civil drawings to show calculations of the cut and fill for the project? Not available.
- Without doing any civil calculations, there will definitely be more cut than fill. Does the City of Stockton plan to stockpile the dirt and keep it in on the property? Or stock pile the dirt and eventually find a home for the dirt for folks that need the dirt? Or send the stock pile to the nearest landfill? Stock pile the dirt, try to find a home for the dirt for folks that need the dirt, if unsuccessful in finding a home, send the stock pile to the nearest landfill.
- Will the City of Stockton do a soil analysis if the dirt is clean of chemicals for disposal to a landfill? Please advise. Yes, and the City would be responsible for that.

12. 2.0 SCOPE OF SERVICES-page 6 of 29

"Helix Environmental Planning" Paragraph 3.

• What is Helix Environmental Planning role? Did they write the CEQA, EIR, or biological studies? Please advise. Helix Environmental is writing the addendum to the EIR and are doing the biological studies.

13. 2.0 SCOPE OF SERVICES-page 6 of 29

"Other subconsultants as needed" Paragraph 3.

• Per Bid Walk on 05-08-25; will the City of Stockton hold contract for special inspection or will the special inspection be under Gateway Pacific Contractors? It depends on what specific inspection is being referred to. It's possible that the Construction Manager may be needed to provide inspections. I recommend for the proposal to add an allowance for inspections.

• Nexgen Utility Management. Is Nexgen a consultant of the City of Stockton or Gateway Pacific? What is Nexgen's role? Nexgen is a sub to Gateway Pacific and they are the design engineers.

• Will there be a third-party commissioning agent (subconsultant) separate from Gateway Pacific Contractors that will commission the project per feasibility study standards? Please advise. There isn't a third-party agent.

14. 2.1.1 Pre-Construction Phase-page 6 of 29

Assist in the development of work zone safety and traffic plans

• Will the CM (construction manager) submit easement permits for the traffic plans to San Joaquin County public works or will this be the responsibility of Gateway Pacific Contractors and the CM review prior to submitting the traffic plan to San Joaquin County? Please advise. If permits are needed to be submitted, Gateway Pacific will be responsible with creating and submitting. The Construction manager will review it.

15. 2.1.2 Construction Phase-page 7 of 29

Monitor safety, Disadvantage Business Enterprise (DBE) compliance, and certified payroll

• Is this project funded from U.S. Department of Transportation and Caltrans? Per City of Stockton BidFlash "Disadvantage Business Enterprise website "To receive federal funds from the US Department of Transportation, Caltrans requires the City of Stockton to adopt and maintain a DBE program". If this project is not funded by the US Department of Transportation and/or Caltrans, why is the CM required to "monitor" DBE compliance? Please advise. The Contractor will not be required to do DBE compliance. Thank you for catching this error.

• Monitor certified payroll. Does the City of Stockton register public works project with Division of Industrial Relations (DIR) and get a "Project DIR number"? The contractors and sub-contractors register with DIR to pay the fees to DIR and get their DIR number and submit their certified payroll to ensure they are in labor compliance with DIR (Certified Payroll Reporting). Does the CM still need to collect the Design Build Contractor certified payroll and their sub-contractor certified payroll? The labor compliance responsibility has now been transferred to DIR. City of Stockton just need to verify that all contractors and subcontractors are registered with the DIR in conjunction with City of Stockton "Project DIR number" and ensure the DIR numbers are current. Please advise. The City will verify that the contractor is registered and the project is registered. The Construction Manager will be used to double check payroll if DIR requires the owner to check payroll.

16. 2.1.2 Construction Phase-page 7 of 29

Provide lab test results and Quality Assurance (QA)/Quality Control (QC) documentation.

• PMs are not equipped with a lab and equipment to do compaction test or compression test for concrete cylinder breaks or pull test for anchors. This is the responsibility of a third-party special inspection consultants that do testing. Please advise if this is still the PM's scope of work and we will solicit pricing to include third party QA/QC inspection. We will need plans and spec from the Civil Engineer and Structural engineer & Mechanical Engineer on what special inspection is required on the soil compaction, concrete work, welding on the 52-inch and 48-inch pipes if welding is required. Please advise. Please solicit pricing or provide estimates to include third party QA/QC inspection.This can be added as a line item or as an allowance for general QA/QC inspections that the Construction Manager cannot perform themselves

17. 2.1.2 Construction Phase-page 7 of 29

Conduct biweekly status and coordination meetings

• "biweekly" is a little ambiguous. Do we mean 2 time a week? Or 1 time every two weeks? Please clarify. I think the City of Stockton means 1 time every two weeks. Meeting 2 times a week is a little much just to have meetings. Please advise. At least, one meeting every two weeks. The City may require meetings up to one or twice a week potentially as well. Currently there are two to three meetings a week for this current design stage of the project.

• Does Gateway Pacific Contractors have a PM that runs their meetings with the City of Stockton Stakeholders and their consultants and sub-contractors? Is it necessary to have a separate meeting from the Design Build Contractor (Gateway Pacific) construction stakeholders? If so, why not combine both meetings? Please advise. Nexgen is currently running the meetings for Gateway Pacific Contractors with the appropriate stake holders. Yes, it is necessary to have internal meetings that do not include the Gateway Pacific. These internal meetings are not in any schedule. They are as needed.

• Who is the City of Stockton Stakeholders? Municipal Utility Department? Special Counsel Members? City Manager? Advisory Group? Please advise. In essence, it is the City of Stockton water customers. The City of Stockton is the owner of the Municipal Utilities Department (MUD). The MUD owns and operates the Water Utility.

• Can these coordination meetings be in TEAMS, ZOOM, or Google Meets? Please advise. Most meetings right now are on Microsoft Teams. There are in person meetings roughly once a month.

18. 2.1.2 Construction Phase-page 7 of 29

Coordinates SCADA installation and integration support

To coordinate SCADA installation and integration support we will need the following from the Desing Build Team and City of Stockton:

o What pumps, valves, transducers, flow meters, etc. equipment does SCADA need to monitor? This information isn't available yet or hasn't been developed yet.

o What input and output points do we need flow, temperature, pressure, water level, etc. (sensor control relays). This information isn't available yet or hasn't been developed yet.

o What graphics output does the City of Stockton want on the SCADA screen? This information isn't available yet or hasn't been developed yet.

o Are we going to piggy back to the existing SCADA master unit or do we need a separate Master Unit that integrates to the existing SCADA unit? This hasn't been determined yet.

o Do we need remote terminal units (RTU), program logic controllers (PLC) or human machine interface (HMI)? The Construction Manager does not need to provide these devices. These devices will be provided by the City or the Gateway Pacific.

o What network are we using? Ethernet, Modbus, PROFIBUS, or other? This information isn't available yet or hasn't been developed yet.

o Who will be writing the commissioning plan? Gateway Pacific.

o Will the City of Stockton have a separate third-party consultant to verify the commissioning plan? Yes.

o Who will be writing the "sequence of operation" for the pumps, valves, flow meters, transducers, etc... that controls the water going in and out of the basins. This is totally separate from the standard operating procedures. This information isn't available yet or hasn't been determined yet.

o Who will create the network architecture diagram to integrate the existing SCADA to the new equipment being installed for the basin? This information isn't available yet or hasn't been determined yet.

o Does the City of Stockton have their own internal facilities person that programs the SCADA or does the City of Stockton sub out the programing to a consultant for SCADA programing? Please advise. The City of Stockton subs out the programming.

• Besides the Design Build Team, who are the key stakeholder form the City of Stockton that will help verify and review equipment that needs to be monitored by SCADA and review the sequence of operation and commissioning plan to ensure installation and integration runs smoothly during commissioning? The Water Utilities' operations and maintenance team.

19. 2.1.3 Post-Construction Phase-page 7 of 29

Manage punch list completion and final inspection

• Per our site visit 5-8-25. The project will not be needing a permit form the City of Stockton or San Joaquin County. If the project does not have jurisdiction from the city or county; who will be signing off the fire life and safety or the final inspection for the project? There needs to be entity from the City of Stockton or the County of San Jaquin that will sign of the project i.e. City of Stockton Building & Life Safety Deputy Building Official or San Jaquin County Community Development Department Building Official. For fire life and safety, that will be done by the City of Stockton's Fire Department.

• Since the Delta Water Supply Project provides high quality water source for the community; will this project need a final inspection from San Juaquin County Environmental Health Department which inspects ponds and surface water inspections? Will this project also need a final inspection from California State Water Resource Control Board who ensures clean water for public health? The City of Stockton needs to ask these questions from the County and the State if their buy off and approval is required for this project in writing. Please advise. Gateway Pacific is responsible for completing and complying with any inspections by other agencies.

20. 2.1.3 Post-Construction Phase-page 7 of 29

Confirm compliance with CEQA mitigation comments

• We need a copy of the CEQA mitigation comments. Sometimes the mitigation plan needs a certified biologist to confirm that the mitigation plans are followed not a CM. Will the City of Stockton consult with a biologist for mitigation compliance? Please advise. The EIR will be uploaded. Gateway Pacific will be providing the biologist.

21. 2.1.3 Post-Construction Phase-page 7 of 29

Final Environmental Mitigation Report

• The Final Environmental Report is typically written by Environmental Consultant or the Project Developer that wrote the mitigation efforts for the project. Are the CMs verifying that the Final Environmental Report is completed by Environmental Consultant? Please advise. No, the CMs are not verifying the final environmental report.

22. 2.1.3 Post-Construction Phase-page 7 of 29

Notice of Completion

• Is the CM supposed to submit and file the notice of completion to San Joaquin County Recorders Office after the City Council approves the Notice of Completion? Please advise. **No.**

23. 6.4 TERM-page 11 of 29

The City intends to award an initial three (3) year contract with no option to renew.

• ATTACHEMENT F- COST/PRICE PROPOSAL PUR 25-037 (DOCUMENT)

o The project start date is August 01, 2025 and project end date of July 31, 2026.

This is contrary to the terms of 3 years. Which is correct 1 year or 3 years? Please advise. The contract term will be for three years. The goal is not to end the construction manager's contract on the exact same day the project is complete.

24. 7.9 LICENSING REQUIREMENTS-page 16 of 29

A City of Stockton Business license may be required for this project.

• We contacted the City of Stockton Business License Division and informed us that the proponent does not need a City of Stockton Business license until a fully executed contract in signed by the proponent and the City of Stockton. Please advise. When the contract is being routed for approval, the construction manager who is being awarded the project will need to have a business license. This requirement will only be disregarded if the Business License Division does not require a business license because the construction manager will be working outside the limits of the City of Stockton.

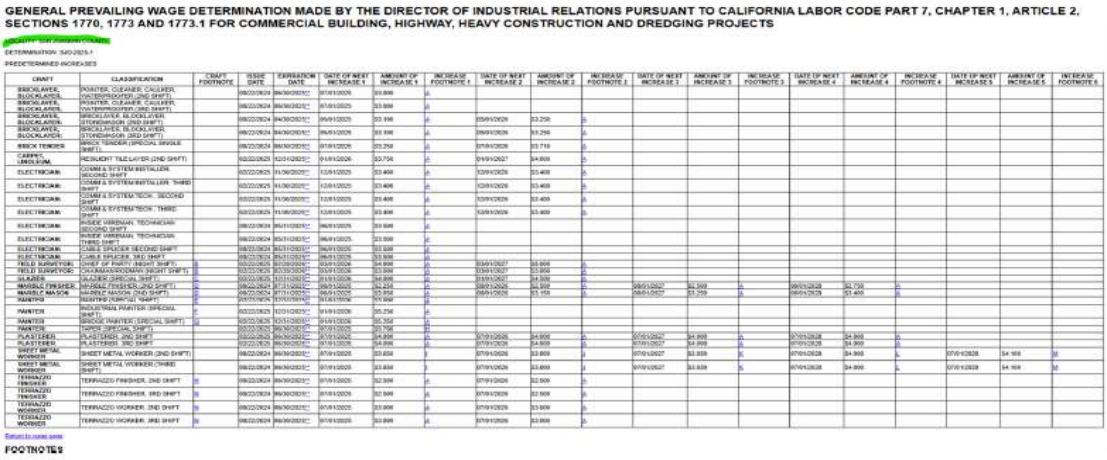
25. 7.10 PREVAILING WAGE-page 16 of 29

• Prevailing wage rates may be required for this project according to State and Federal Labor Laws. The Proponent is a proprietor consultant with no employees. DIR does not have a prevailing wage for a consultant on their website for San Juaquin County see below. To properly fil out ATTACHEMT F-COST/PRICE PROPOSAL PUR 25-037 (DOCUMENT) that requires hourly rate breakdown, it is paramount to have the correct craft that matches the DIR information. Are consultants and A&E firms exempt from registering with DIR? I did not find civil engineers or Geotech engineers on the list below. Please advise so proponent

can properly fill out Attachment F with the correct hourly rate to match the DIR labor hourly rate. Or advise if proprietor consultants and A&E firms are exempt. These questions should be directed to DIR.

DIR LIST OF CRAFT:

GENERAL PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773 AND 1773.1 FOR COMMERCIAL BUILDING, HIGHWAY, HEAVY CONSTRUCTION AND DREDGING PROJECTS



FOOTNOTES

PRELIMINARY SCOPE VALIDATION MEMO PROJECT NO. UH21005 (DOCUMENT)

26.1 Overview-page 03 of 19

• Second paragraph “involves the permitting”. Please clarify what is to be permitted? Basin? Equipment? Please advise. Gateway Pacific will determine what needs to be permitted.
• What government entity will be reviewing and approving the permit? City of Stockton Building & Life Safety? San Joaquin County Community Development Department? Please advise. This will need to be discussed in a future meeting with Gateway Pacific to determine. The City of Stockton Fire Department may do their own inspection.
• Will there be special permits from California State Water Resource Control Board? Or special permits from San Joaquin County Environmental Health Department? Please advise. This will need to be discussed in a future meeting with Gateway Pacific to determine. The City of Stockton Fire Department may do their own inspection.

27.1 Overview-page 03 of 19

• Paragraph 3. Please provide a copy of Geosyntech Consultants Preliminary Design Report (PDR) dated December 2023. Please see Exhibit 6A, 6B and 6C.

28.1 Overview-page 03 of 19

• Paragraph 3. Who will be verifying the “raw water diversion flow rates, groundwater recharge rates”? Geosyntech Consultants? Gateway Pacific Contractors? Nexgen Utility Management? Third party commissioning agent? Please advise. The City of Stockton.

29. 2 Approved Scope of Work-page 05 of 19

• Paragraph 3. Preparation of SCADA system design. Will there be a detailed sequence of operation and network architecture that will integrate the existing SCADA system to the new Rechard Basins for CMs to review? And who will be providing this documentation for CM review? Please advise Yes and provided by Gateway Pacific.

30. 2 Approved Scope of Work-page 05 of 19

• Paragraph 5. “City will sign permit application” Please confirm that the building permit will be through the City of Stockton. Per our job walk on 05-08-2025, the permitting agency was unknown. Confirm that the building permit approval is through the City of Stockton. Please advise. If a building permit is needed, it will go through the City of Stockton. At this time, a building permit is not considered to be needed.

31. 2 Approved Scope of Work-page 05 of 19

• Paragraph 10. “Develop of a startup, commissioning and testing plans that will demonstrate facility compliance”. Will the City of Stockton hire Geosyntec Consultant to verify facility compliance and commissioning? Or will the City of Stockton hire a third-party commissioning agent to verify facility compliance and commissioning? The Construction Manager will help with verifying the demonstration of compliance, but Gateway Pacific is ultimately responsible with developing a startup, doing the commissioning, and verifying that it all works. The Water Utility Operations and Maintenance team will also be there for the commissioning to confirm the system is working as intended.

32. 2 Approved Scope of Work-page 06 of 19

• Paragraph 5. “Results of the initial Acceptance Test”. What if the initial Acceptance Test fails? Does the City of Stockton have a plan B? Does Gateway Pacific Contractor have a mitigation plan if we don’t get the designed raw water diversion flow rates and groundwater recharge rates? Please advise. This hasn’t been determined or discussed yet.

• If Gateway Pacific Contractors built the basins per Geosyntech Consultants PDR dated December 2023, will Geosyntech Consultants provide new design to mitigate the design failure free of charge to City of Stockton?They should have professional service insurance being registered professionals for errors and omissions. Please advise. No.

33. 3 Feasibility Studies and Preliminary Design Report-page 06 of 19

• Paragraph 4.

Pond 1 (16.6 acres)- Kv of 0.57 ft/day

Pond 2-(15.4 acres) Kv of 0.44 ft/day

Pond 3-(13.5 acres) Kv of 1.57 ft/day.

• The bottom of the basin is 3 feet below grade and this is why the three ponds are calculated with removal of 3 feet of top material. Why not at 1-feet or 2-feet? The reason I ask is that at 3 feet below grade and a 5 foot above grade berm levy we will probably have dirt stockpile or off haul which can be very expensive. A 5-feet to 15-feet tall stockpile will be an eye sore

to the community neighbors. With out civil drawings my rough order calculation for stock pile is over 100,000 cubic yards of stockpile. Does the City of Stockton have room to stockpile? Please advise. Yes, the City has room to stockpile.

• I recognize that the preliminary design has already been done and the consultants probably did boring and ground testing. I am not a registered geologist or civil engineer. Can the City of Stockton reduce the basin dept, increase the berm levy's height or widen the berm levy and increase the number of drywells to increase percolation and still meet the original design criteria so that we have a balance site with no stock pile? Please advise. The City will not focus the design efforts to mitigate all stock pile.

34. 4 Design Criteria-page 07 of 19

• Paragraph 1. What are the acronyms "WID" and "MICUP"? Woodbridge Irrigation District and Mokelumne River Integrated Conjunctive Use Program.

35. 4 Design Criteria-page 07 of 19

• Paragraph 1. "The actual infiltration rate through the dry wells would be determined after the project is operational". Wouldn't the City of Stockton need to know the drywell infiltration rate is meeting the Geosyntech Consultants PDR dated December 2023 prior to project operational? **No.** Why build basins, drywells, and pumps if actual infiltration rate does not meet the design infiltration rate after the project is operational? Please advise. The basins, drywells, and pumps are expected to meet the design infiltration rates.

36. 5 Project Design Features-page 10 of 19

• Paragraph 2. "Dual-Wall high density polyethylene (HDPE). Is the dual-wall HDPE pipe pressurized or is it use for drainage purpose with no pressure? Please advise. Pressurized.

37. 5 Project Design Features-page 10 of 19

• Recharge Basin Features Paragraph 1. What is CCP? Please advise. Steel cement mortar lined and coated pipe

38. 5 Project Design Features-page 10 of 19

• Recharge Basin Features Paragraph 1. "A welded saddle connection". Will this be a hot tap
connection to the 54-inch line? This is not determined yet. If not where are the isolation valves to shut off the water for the 54-inch line? The pumps at the Intake Pump Station would need to be turned off. This will require a lock out tag out procedure for the energized existing 54-inch line and off hours work to do the welding of the saddle to reduce the impact to the City of Stockton. Will this work be fully coordinated with City of Stockton Municipal Utility Department? Please advise. Yes.

39. 5 Project Design Features-page 12 of 19

• Project Amenities paragraph 1. These gates will need power and data for the card readers and camera. Where is the nearest power and data? Who is the software/hardware provider for the card readers? Honeywell? Siemens? Or other? Please advise. Multiple circuits will need to be run to the gates and visitor center. Bay Alarm is the contractor who provides the hardware such as card readers and cameras.

40. 5 Project Design Features-page 12 of 19

• Project Amenities paragraph 2. “A premanufactured bathroom will be located within the parking area”? Yes, in the visitor center. Is the bathroom self-contained and will require weekly water tank refill and weekly cleaning of the restrooms sanitary waste? It is a waterless bathroom. If not, the restroom will need power, sewer and water utility? Possibly power. It will not connect to the existing sewer system. Where are the nearest utilities for the premanufactured bathroom? This distance from each utility hasn’t been measured. Please advise.

41. 5 Project Design Features-page 12 of 19

•Project Amenities paragraph 3. Have the permits been filed to San Juaquin County Environmental Health Department been filed for the five nested groundwater monitoring wells? Please advise. Gateway Pacific is responsible for completing any permits that are needed.

42. 5 Project Design Features-page 12 of 19

•Project Amenities paragraph 3. Will the single pressure transducer be integrated to the SCADA system? Please advise. Yes.

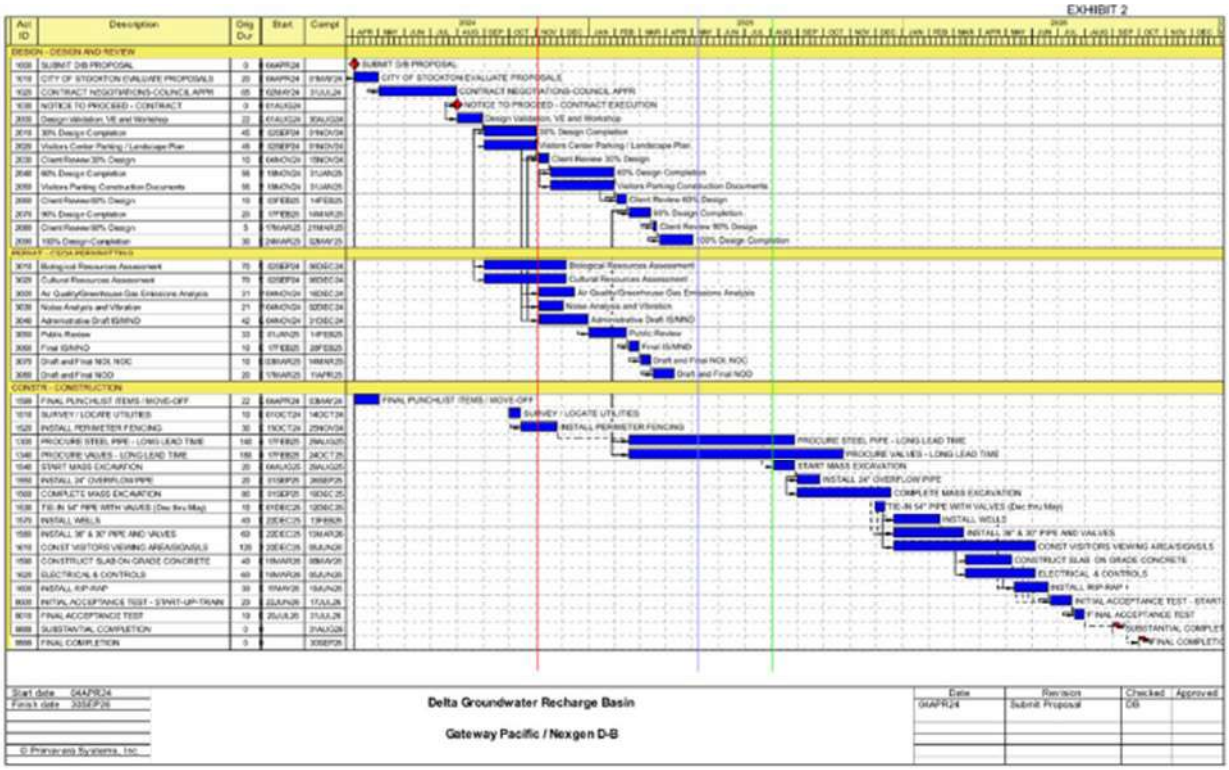
43. 5 Project Design Features-page 12 of 19

•New 500 HP VFD Installation paragraph 1. Will this VFD coupled to an existing 500 HP pump and replace the soft start? Yes. Will this VFD be integrated to SCADA or stand alone to slowly ramp up and ramp down the pump? Please advise. Integrated to SCADA.

44. Exhibit 2 Schedule-page 01 of 01

• During our job walk on 05-08-2025, we were informed that the project is currently at 30 percent design and spec. Exhibit 2 schedule shows 30 percent design completion November 2024. We are now May 2025. This schedule is 5 months behind schedule. Will the City of Stockton receive a recovery schedule from Gateway Pacific Contractors that maintains the contractual completion date of September 30 2026? Yes. If not, will the City of Stockton get a revised schedule no cost time extension from Gateway Pacific Contractors? N/A Will this push back Exhibit 2 Schedule 5 months? Please advise. This hasn’t been determined yet.

• ATTACHEMENT F – COST/PRICE PROPOSAL PUR 25-037 (DOCUMENT) shows Project Start Date of August 01, 2025 and Project End Date July 31, 2026. Will this attachment be amended? Please advise.The construction management contract is going to be three years to ensure that the construction management contract does not end before the project is complete. In addition, the construction manager will have valuable institutional knowledge of the project. We want to ensure we can tap into that information even after the project is complete.



45. Exhibit 3 Insurance Requirements-page 01 of 04

• Minimum Scope and Limit of Insurance. 3. Worker's Compensation.

• As a proponent sole proprietor with no employees; 2024 California Code Business and Professions Code Article 7.5 – Workers' Compensation Insurance Reports Section 7125 para (b) (1) exempts sole proprietor with no employees from requiring Workers' Compensation insurance. Please advise if Sole proprietor will need workers' compensation insurance? Please advise. The City of Stockton follows the laws for insurance requirements, but at times may ask for additional insurance to ensure the City is protected.

2024 California Code Business and Professions Code - BBC Article 7.5 Workers' Compensation Insurance Reports Section 7125 paragraph (b) (1).

2024 California Code
Business and Professions Code - BPC
DIVISION 3 - PROFESSIONS AND VOCATIONS GENERALLY
CHAPTER 9 - Contractors
ARTICLE 7.5 - Workers' Compensation Insurance Reports
Section 7125.

Universal Citation: CA Bus & Prof Code § 7125 (2024)

Next >

7125. (a) Except as provided in subdivision (b), the board shall require as a condition precedent to the issuance, reinstatement, reactivation, renewal, or continued maintenance of a license, that the applicant or licensee have on file at all times a current and valid Certificate of Workers' Compensation Insurance or Certification of Self-Insurance in the applicant's or licensee's business name. A Certificate of Workers' Compensation Insurance shall be issued and filed, electronically or otherwise, by an insurer duly licensed to write workers' compensation insurance in this state. A Certification of Self-Insurance shall be issued and filed by the Director of Industrial Relations. If reciprocity conditions exist, as provided in Section 3600.5 of the Labor Code, the registrar shall require the information deemed necessary to ensure compliance with this section.

(b) This section does not apply to an applicant or licensee who meets both of the following conditions:

(1) Has no employees provided that the applicant or licensee files a statement with the board on a form prescribed by the registrar before the issuance, reinstatement, reactivation, or continued maintenance of a license, certifying that the applicant or licensee does not employ any person in any manner so as to become subject to the workers' compensation laws of California or is not otherwise required to provide for workers' compensation insurance coverage under California law.

46. Exhibit 3 Insurance Requirements-page 03 of 04

• "Claims Made Policies (Professional & Pollution only)". "2. Insurance must be maintained and evidence for at least five (5) years after completion of the contract work". Why is this necessary? This is a requirement by the City of Stockton. As PMs for the City of Stockton we are not registered engineers designing anything or polluting anything. Please provide an example of why the 5 years after completion of the contract work insurance requirement is required doing PM work. I will include the additional 5 years insurance requirement if the insurance is really needed. Please advise. The proponent is required to comply with the City of Stockton's insurance requirements. The City of Stockton follows the laws for insurance requirements, but at times may ask for additional insurance to ensure the City is protected.

47. Exhibit 3 Insurance Requirements-page 03 of 04

• "Duration of Coverage". "GL & Excess liability policies", must be provided for at least five (5) years

after completion of the contract of work. Again, why is this insurance necessary when we will not be physically be on site on the premises of City of Stockton to do work? You will be on City property. Please provide an example because PMs will need GL and Excess liability policies 5 years after contract of work. Please advise. The City of Stockton follows the laws for insurance requirements, but at times may ask for additional insurance to ensure the City is protected.

48. May we have the City's RFP for design/build services for this project? Please see PUR 24-016 on our Bid Flash website.
49. May we have Gateway Pacific's proposal and negotiated scope of work? This is available online as Agenda Item 12.7: September 10, 2024 - City Council/Successor Agency to the Redevelopment Agency/Public Financing Authority/Parking Authority Concurrent
50. Who will provide labor compliance services? The City and the Construction Contractor.
51. What specific state or federal grants will be utilized? The WEEG and Integrated Regional Water Management grants.
52. Who prepared the plans for the design/build procurement? I am not sure what is meant by design/build procurement. Nexgen, the sub contractor to Gateway Pacific, is preparing the design/build plans.
53. Who will be tasked with verifying design intent on completed submittals from design/build team? Ultimately it will be the owner.
54. Who will be the engineer of record? Nexgen? Nexgen is the engineer of record.
55. Will the City provide an office space for the construction manager? A cubicle will be available.
56. Who will be responsible for SWPPP? (it's usually the contractor) Prevention of pollution of stormwater runoff will be the responsibility of the Gateway Pacific.
57. Who will provide biological monitoring? Gateway Pacific's sub-contractor.
58. Are there any DBE requirements form this portion (CM) of work? If the fee schedule is more than $1,000,000, then CWTA needs to be complied with.

PROPONENT MUST ACKNOWLEDGE THIS ADDENDUM BY SIGNING BELOW AND ATTACHING THE SIGNED ADDENDUM TO THE PROPOSAL:

Company Name Inferrera Construction Management Group Inc.

Contact Person Jeffrey Inferrera

Signature _____

Date May 29, 2025

Proposals Due – Promptly by 2:00 P.M., Thursday, Opening Date (May 29, 2025) at city.clerk@stocktonca.gov

----------City of Stockton Use Only below this line----------

Addendum acknowledged and signed?_____(Procurement Specialist's initials)

REV 2024-03-25

Exhibit B:
Insurance Requirements
(Professional Services)

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **$1,000,000** per accident for bodily injury and property damage.

3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.
(Not required if consultant provides written verification it has no employees)

4. Professional Liability (Errors and Omissions) Insurance appropriates to the Consultant's profession, with limit no less than **$3,000,000** per occurrence or claim, **$3,000,000** aggregate.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Stockton, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 if a later edition is used). Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

Primary Coverage

For any claims related to this contract, the **Contractor's insurance coverage shall be primary and non-contributory** and at least as broad as ISO CG 20 01 04 13 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies. The City of Stockton does not accept endorsements limiting the Contractor's insurance coverage to the sole negligence of the Named Insured.

Umbrella or Excess Policy

The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess liability policies are exhausted.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City of Stockton.

Waiver of Subrogation

Contractor hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any

endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Stockton has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured retention (SIR) or deductible that exceeds $25,000 unless approved in writing by City of Stockton. Any and all deductibles and SIRs shall be the sole responsibility of Contractor or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. City of Stockton may deduct from any amounts otherwise due Contractor to fund the SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. City of Stockton reserves the right to obtain a copy of any policies and endorsements for verification.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Stockton.

Claims Made Policies (Professional & Pollution only)

If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained and evidence of insurance must be provided *for at least five (5) years after completion of the contract of work*.

3. If coverage is canceled or non-renewed, and not replaced *with another claims-made policy form with a Retroactive Date prior to* the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of *five (5)* years after completion of work.

Verification of Coverage

Contractor shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause **and a copy of the Declarations and Endorsements Pages of the CGL and any Excess policies listing all policy endorsements**. All certificates and endorsements and copies of the Declarations & Endorsements pages are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Subcontractors

Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City of Stockton is an additional insured on insurance required from subcontractors.

Duration of Coverage

CGL & Excess liability policies **for any construction related work, including, but not limited to, maintenance, service, or repair work**, shall continue coverage for a minimum of 5 years for Completed Operations liability coverage. Such Insurance must be maintained and evidence of insurance must be provided *for at least five (5) years after completion of the contract of work*.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees, and Volunteers
400 E Main St, 3rd Floor – HR
Stockton, CA 95202

EXHIBIT C

GENERAL TERMS AND CONDITIONS

1. **Goods, Equipment and Services.** Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to City the services described in Exhibit A of the Agreement. Contractor shall provide said services at the time, place and in the manner specified in Exhibit A of the Agreement.

2. **City Assistance, Facilities, Equipment and Clerical Support.** Except as set forth in Exhibit A, Contractor shall, at its sole cost and expense, furnish and maintain all facilities and equipment that may be required for furnishing services pursuant to this Agreement. If applicable, City shall furnish to Contractor only the facilities and equipment listed in Exhibit A to the Agreement.

3. **Compensation**. City shall pay Contractor for services rendered pursuant to this Agreement as described more particularly in Exhibit A and Exhibit E to the Agreement.

3.1 Invoices submitted by Contractor to City must contain a brief description of work performed, time spent and City reference number. Within thirty (30) days of receipt of Contractor's invoice, City will review invoice, and if acceptable make payment on approved invoice.

3.2 Upon completion of work and acceptance by City, Contractor shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Contractor fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.

4. **Sufficiency of Contractor's Work**. All Contractor services, work, and deliverables shall be performed in a good and workmanlike manner with due diligence in accordance with the degree of skill normally exercised by similar contractors supplying services and work of a similar nature, and in conformance with applicable laws, codes and professional standards. Contractor's work shall be adequate and sufficient to meet the purposes of this Agreement.

5. **Ownership of Work**. All reports, work product, all other documents completed or partially completed by Contractor or its approved subcontractors, in performance of this Agreement, and if applicable, drawings, designs, and plan review comments shall become the property of the City. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Contractor and its approved subcontractors agree

to execute any additional documents that may be necessary to evidence such assignment. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Contractor shall replace them at its own expense. Contractor and its approved subcontractors shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent.

6. Timeliness. Time is of the essence in this Agreement. Further, Contractor acknowledges that the failure of Contractor to comply with the time limits described in Exhibit A and Exhibit F may result in economic or other losses to the City.

7. Changes. Both parties to this Agreement understand that it may become desirable or necessary during the term of this Agreement for City to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work. Until the amendment is so executed, City will not be responsible to pay any charges Contractor may incur in performing such additional services, and Contractor shall not be required to perform any such additional services.

8. Amendment. No variation of the terms of this Agreement shall be valid unless an amendment is made in writing and signed by both parties.

9. Contractor's Status.

9. 1 In performing the obligations set forth in this Agreement, Contractor shall have the status of an independent contractor and Contractor shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Contractor are its agents and employees and are not agents or employees of City. Contractor by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Except as expressly provided in Exhibit A, Contractor has no authority or responsibility to exercise any rights or power vested in the City. No agent, officer or employee of the City is to be considered an employee of the Contractor. It is understood by both Contractor and City that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

9.2 Contractor shall determine the method, details and means of performing the work and services to be provided by Contractor under this Agreement. Contractor shall be responsible to City only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to City's

control with respect to the physical action or activities of Contractor in fulfillment of this Agreement. Contractor has control over the manner and means of performing the services under this Agreement. If necessary, Contractor has the responsibility for employing other persons or firms to assist Contractor in fulfilling the terms and obligations under this Agreement.

9.3 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Contractor.

9.4 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor's assigned personnel under the terms and conditions of this Agreement.

10. Subcontractor.

10.1 Subcontractors shall not be recognized as having any direct or contractual relationship with City. Contractor shall be responsible for the work of subcontractors, which shall be subject to the provisions of this Agreement. Subcontractors will be provided with a copy of the Agreement and be bound by its terms. Contractor is responsible to City for the acts and omissions of its subcontractors and persons directly or indirectly employed by them.

10.2 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by Contractor.

10.3 It is further understood and agreed that all Subcontractors must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Subcontractors personnel.

11. Termination.

11.1 Termination for Convenience of City. The City may terminate this Agreement at any time by mailing a notice in writing to Contractor. The Agreement shall then be deemed terminated, and no further work shall be performed by Contractor. If the Agreement is so terminated, the Contractor shall be paid for the work actually completed at the time the notice of termination is received.

11. 2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party.

11.3 Funding- Non-Appropriation. It is mutually understood between the Parties that payment to the Contractor for performance shall be dependent upon the availability of appropriations by the City Council for the purposes of this Agreement. No legal liability on the part of the City for any payment may arise under this Agreement until funds are made available and until the Contractor has received funding availability, which will be confirmed in writing. If funding for any fiscal year is reduced or deleted, or if the City loses funding for any reason, the City, in its sole discretion, shall have the option to either (a) cause this Agreement to be canceled or terminated pursuant to applicable provisions of the Agreement; or (b) offer to amend the Agreement to reflect the reduced funding for this Agreement.

12. Non-Assignability. The Contractor shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written consent of the City, and then only upon such terms and conditions as City may set forth in writing. Contractor shall be solely responsible for reimbursing subcontractors.

13. Indemnity and Hold Harmless. To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) resulting from or arising out of Contractor's willful misconduct or negligent or reckless act or omission while engaged in the performance of obligations or exercise of rights created by this Agreement or by its failure to comply with any of its obligations contained in this agreement, except those matters arising from City's sole negligence or willful misconduct. The parties intend that this provision shall be broadly construed.

14. Insurance. During the term of this Agreement, Contractor shall maintain in full force and effect at its own cost and expense the insurance coverage as set forth in the attached Exhibit B to this Agreement and shall otherwise comply with the other provisions of Exhibit B to this Agreement.

15. Notices. All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed in Exhibit A to this Agreement.

16. Conformance to Applicable Laws. Contractor shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Contractor shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

17. **Licenses, Certifications and Permits**. Prior to the City's execution of this Agreement and prior to the Contractor's engaging in any operation or activity set forth in this Agreement, Contractor shall obtain a City of Stockton business license, which must be kept in effect during the term of this Agreement. Contractor covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement. Such licenses, certificates and permits shall be maintained in full force and effect during the term of this Agreement.

18. **Records and Audits**. Contractor shall maintain all records regarding this Agreement and the services performed for a period of three (3) years from the date that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit. To the extent Contractor renders services on a time and materials basis, Contractor shall maintain complete and accurate accounting records, in a form prescribed by City or, if not prescribed by City, in accordance with generally accepted accounting principles, such records to include, but not be limited to, payroll records, attendance cards, time sheets, and job summaries.

19. **Confidentiality**. Contractor shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.

20. **Conflicts of Interest**. Contractor covenants that other than this Agreement, Contractor has no financial interest with any official, employee or other representative of the City. Contractor and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Contractor's services under this Agreement. If such an interest arises, Contractor shall immediately notify the City.

21. **Waiver**. In the event either City or Contractor at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation. No payment, partial payment, acceptance, or partial acceptance by City shall operate as a waiver on the part of City of any of its rights under this Agreement.

22. **Governing Law**. California law shall govern any legal action pursuant to this Agreement with venue for all claims in the Superior Court of the County of San Joaquin, Stockton Branch or, where applicable, in the Federal District Court of California, Eastern District, Sacramento Division.

23. **No Personal Liability**. No official or employee of City shall be personally liable to Contractor in the event of any default or breach by the City or for any amount due Contractor.

24. Severability. If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or city statue, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

25. Non-Discrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state, or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition (including genetic characteristics), marital status, age, political affiliation, gender identity, gender expression, sex or sexual orientation, family and medical care leave, pregnancy leave, or disability leave. Contractor and its officers, employees, agents, representative or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the City's nondiscrimination policy; the Fair Employment and Housing Act (Government Code sections 12990 (et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulation or Code of Federal Regulations. Title VI of the Civil Rights Act of 1964 requires that "no person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." (42 USC Section 2000d). http://www.dol.gov/oasam/regs/statutes/titlevi.htm. The City requires compliance with the requirements of Title VI in all of its programs and activities regardless of funding source.

26. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts of God, acts of civil or military authority, terrorism, fire, flood, strikes, war, epidemics, pandemics, shortage of power or other acts or causes reasonably beyond the control of that party. The party experiencing the force majeure event agrees to give the other party notice promptly following the occurrence of a force majeure event, and to use diligent efforts to re-commence performance as promptly as commercially practicable.

27. Taxes and Charges. Contractor shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of the Contractor's business.

28. Cumulative Rights. Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative of all other rights and remedies to which may be legally entitled.

29. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

30. Heading Not Controlling. Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

31. Entire Agreement, Integration, and Modification.

31.1 This Agreement represents the entire integrated agreement between Contractor and the City; supersedes all prior negotiations, representations, or agreements, either written or oral between the parties and may be amended only by a written Amendment signed by the Contractor and City Manager.

31.2 All Exhibits to this Agreement and this Agreement are intended to be construed as a single document.

32. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

33. Authority. The individual(s) executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

EXHIBIT D

PROFESSIONAL SERVICES SPECIAL TERMS AND CONDITIONS

1. Definitions. The following words and phrases have the following meanings for purposes of this Agreement:

1.1 "Services" means, collectively, the services, duties and responsibilities described in Exhibit A of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

1.2 “Deliverable” means quantifiable goods or services that will be provided upon completion of a project. A deliverable is any tangible material, work or thing delivered by one party to the other, including associated technical documentation. A deliverable can be tangible or intangible parts of the development process, and often are specified functions or characteristics of the project.

2. General. The following terms and conditions are applicable for the Professional Services only. The special conditions shall be read in conjunction with the Standard Agreement, General Terms and Conditions (“GTC”) Exhibit C, and all other Exhibits identified in the Standard Agreement.

2.1 Where any portion of the GTC is in conflict to or at variance with any provisions of the Special Conditions of the Agreement, then unless a different intention stated, the provision(s) of the Special Conditions of the Agreement shall be deemed to override the provision(s) of GTC only to the extent that such conflict or variations in the Special Conditions of the Agreement are not possible of being reconciled with the provisions of the GTC.

2.2 In the case of modification of a part or provision of the GTC, the unaltered part or provision, or both shall remain in effect. The Special Conditions shall relate to a particular project and be peculiar to that project but shall not weaken the character or intent of the GTC.

3. Time for Performance.

3.1 Contractor shall perform the services according to the schedule contained in Exhibit F.

3.2 Timeliness of Performance i) Contractor shall provide the Services, and Deliverables within the term and within the time limits required under this Agreement, pursuant to the provisions of Exhibit A and Exhibit F. ii) Neither Contractor nor Contractor’s agents, employees nor subcontractors are entitled to any damages from the City, nor is any party entitled to be reimbursed by the City, for damages, charges or other

losses or expenses incurred by Contractor by reason of delays or hindrances in the performance of the Services, whether or not caused by the City.

4. Standard of Performance

In addition to Exhibit C, Section 4 and 17, Contractor agrees as follows:

4.1 Contractor's Services shall be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of Contractor's profession currently practicing under similar conditions. Contractor shall comply with the profession's standard of performance, applicable laws, regulations, and industry standards. By delivery of completed work, Contractor certifies that the work conforms to the requirements of this Agreement and all applicable federal, state and local laws. If Contractor is retained to perform services requiring a license, certification, registration or other similar requirement under California law, Contractor shall maintain that license, certification, registration or other similar requirement throughout the term of this Agreement.

4.2 Contractor acknowledges that it is entrusted with or has access to valuable and confidential information and records of the City and with respect to that information, Contractor agrees to be held to the standard of care of a fiduciary. Contractor shall assure that all services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. Contractor must provide copies of any such licenses. Contractor remains responsible for the professional and technical accuracy of all Services or Deliverables furnished, whether by Contractor or its subcontractors or others on its behalf. All Deliverables must be prepared in a form and content satisfactory to the Using Agency and delivered in a timely manner consistent with the requirements of this Agreement.

4.3 If Contractor fails to comply with the foregoing standards, Contractor must perform again, at its own expense, all Services required to be re-performed as a direct or indirect result of that failure. Any review, approval, acceptance or payment for any of the Services by the City does not relieve Contractor of its responsibility for the professional skill and care and technical accuracy of its Services and Deliverables. This provision in no way limits the City's rights against Contractor either under this Agreement, at law or in equity.

5. Compensation

5.1 In addition to Section 3 Compensation in Exhibit C – GTC, the Contractor shall be compensated for the services provided under this Agreement as follows:

5.1.1 Contractor shall be compensated for services rendered and accepted under this Agreement and shall be paid monthly, in arrears on a not to exceed

basis, based upon the rates set forth in Exhibit E attached hereto and made a part of this Agreement. Contractor may vary the compensation for each task in Exhibit E provided that the total project compensation listed in Exhibit E and the Standard Agreement is not exceeded.

6. Personnel

6.1 None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the City. Any work or services subcontracted hereunder shall be specified by written agreement and shall be subject to each provision of this Agreement. Contractor shall provide subcontractor a copy of this fully executed Agreement.

6.2 Contractor agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services under this Agreement. Failure to assign such competent personnel shall constitute grounds for termination of this Agreement. The payment made to Contractor pursuant to this Agreement shall be the full and complete compensation to which Contractor and Contractor's officers, employees, agents, and subcontractors are entitled for performance of any work under this Agreement. Neither Contractor nor Contractor's officers or employees are entitled to any salary or wages, or retirement, health, leave or other fringe benefits applicable to employees of the City. The City will not make any federal or state tax withholdings on behalf of Contractor. The City shall not be required to pay any workers' compensation insurance on behalf of Contractor. Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide City with proof of such payments upon request.

6.3 Key Personnel: Because of the special skills required to satisfy the requirements of this Agreement, Contractor shall not reassign or replace key personnel without the written consent of the City, which consent the City will not unreasonably withhold. "key personnel" means those job titles and the persons assigned to those positions in accordance with the provisions of this Agreement. The City may at any time in writing notify Contractor that the City will no longer accept performance of Services under this Agreement by one or more Key Personnel listed. Upon that notice Contractor shall immediately suspend the services of the key person or persons and must replace him or them in accordance with the terms of this Agreement. A list of key personnel is found in Exhibit A, Scope of Services.

7. Reports and Information

Contractor shall at such times and in such forms as the City may require furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred in connection therewith, and any other matters are covered by this Agreement as specified in Exhibit A and Exhibit E.

8. Findings Confidential

All of the reports, information, data, et cetera, prepared or assembled by the Contractor under this Agreement are confidential and the Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the City. Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is required by applicable law or by proper legal or governmental authority, is already rightfully in the Contractor's possession without obligation of confidentiality, is independently developed by Contractor outside the scope of this Agreement or is rightfully obtained from third parties. Contractor shall give City prompt notice of any such legal or governmental demand and reasonably cooperate with City in any effort to seek a protective order or otherwise to contest such required disclosure.

9. Copyright

No materials, including but not limited to reports, maps, or documents produced as a result of this Agreement, in whole or in part, shall be available to Contractor for copyright purposes. Any such materials produced as a result of this Agreement that might be subject to copyright shall be the property of the City and all such rights shall belong to the City, and the City shall be sole and exclusive entity who may exercise such rights.

10. Deliverables

Contractor shall prepare or provide to the City various Deliverables. "Deliverables" include work product, such as written reviews, recommendations, reports and analyses, produced by Contractor for the City. The City may reject Deliverables that do not include relevant information or data, or do not include all documents or other materials specified in this Agreement or reasonably necessary for the purpose for which the City made this Agreement or for which the City intends to use the Deliverables. If the City determines that Contractor has failed to comply with the foregoing standards, it has 30 days from the discovery to notify Contractor of its failure. If Contractor does not correct the failure, or if it is possible to do so, within 30 days after receipt of notice from the City specifying the failure, then the City, by written notice, may treat the failure as a default of this Agreement. Partial or incomplete Deliverables may be accepted for review only when required for a specific and well-defined purpose and when consented to in advance by the City. Such Deliverables will not be considered as satisfying the requirements of this Agreement and partial or incomplete Deliverables in no way relieve Contractor of its commitments under this Agreement.

11. Applicable Laws

Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

EXHIBIT E

COMPENSATION SCHEDULE

The Contractor shall be compensated for the services identified in Exhibit A, Exhibit C, and Exhibit D to this Agreement as follows:

1. Project Price

1.1 The maximum the Contractor shall be paid on this Agreement is $728,760.00 (hereafter the "not to exceed" amount). The "not to exceed" amount includes all payments to be made pursuant to this Agreement, including City approved reimbursable expenses, if any. Nothing in this Agreement requires the City to pay for work that does not meet the Standard of Performance identified in Exhibit D section 4 or other requirements of this Agreement.

1.2 Standard Reimbursable Items: Only the reimbursable items identified in Exhibit A, C, and D (Compensation), shall be compensated to the Contractor. Reimbursable expenses will be reimbursed without markup. Fees plus reimbursable expenses shall not exceed the amount set forth in section 1.1 of this Exhibit and a copy of the original invoice for the items listed in i, ii or iii below shall be attached to the invoice submitted to the City for reimbursement. Payments shall be based upon work documents submitted by the Contractor to the City and accepted by the City as being satisfactory to City's needs. The City shall not pay a markup on any of the items listed in i, ii or iii. Additionally, items such a telephone, fax, postage or freight are already included in the billable hourly rate. Contractor shall be reimbursed the direct expenses, which are the actual cost of the following items that are reasonable, necessary and actually incurred, by the Contractor in connection with the services:

i. Expenses, fees or charges for printing, reproduction or binding of documents at actual costs with no markup added to the actual cost.

ii. Any filing fees, permit fees, or other fees paid or advanced by the Contractor at actual costs with no markup added to the actual cost.

iii. Travel expenses shall be reimbursed in accordance with the City's travel policy, which is incorporated herein by reference. Reimbursement shall be made at actual costs with no markup added to the actual cost.

1.3 The Contractor shall be entitled to receive payments for its work performed pursuant to the Agreement. The City will pay Contractor based on invoices for acceptable work performed and approved until the "not to exceed" amount is reached. Thereafter, Contractor must complete services based on the Agreement without additional compensation unless there is a material change to the Statement of Work and Scope by a written Amendment.

1.4 If work is completed before the "not to exceed" amount is reached, the Contractor's compensation will be based on the Contractor's invoices previously submitted for acceptable work performed and approved.

1.5 Subcontractor Costs: Compensation for subcontractors shall be limited to the same restrictions imposed on the Contractor. Maximum markup Contractor may apply to subcontractor fees, minus reimbursable expenses, shall not exceed 15%.

2. **Task Price**. Below is the price for the services and reimbursable expenses as described in Exhibit A of this Agreement.

See Attachment A (Cost Proposal – ICM)

3. Hourly Rates. The following is a list of hourly billable rates that Contractor shall apply for additional services requested of the Contractor. Contractor shall be compensated based on the hourly rates set forth below, on a time and material basis for those services that are within the general scope of services of this Agreement, but beyond the description of services required under Exhibit A, and all services are reasonably necessary to complete the standards of performance required by this Agreement. Any changes and related fees shall be mutually agreed upon between the parties by a written amendment to this Agreement.

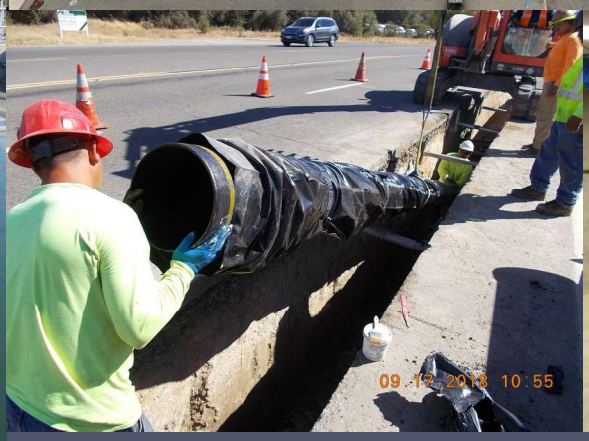
See Attachment A (Cost Proposal – ICM)

5. Invoice to Address. Each invoice submitted shall identify the specific task(s) listed in Exhibit A and this Exhibit, and the completed work product/deliverable for the agreed upon price listed in this Exhibit. Invoices shall be submitted to the below address:

MUDFinance@StocktonCA.gov

CITY OF STOCKTON

City of Stockton



Cost/Price Proposal for:

Construction Management Services Stockton Groundwater Recharge Basin Project

Part 2 Cost/Price

May 29, 2025

ICM

ICM

May 29, 2025

City of Stockton
Attn: Orlathai Chanachai-Chum
425 N. El Dorado St.
Stockton, CA 95202
city.clerk@stocktonca.gov

RE: **RFP PUR 25-037 Construction Management Services Part 2 Cost Proposal**
Groundwater Recharge Basin Project

Dear Ms. Chanachai-Chum:

Enclosed please find our cost proposal for the referenced project. Our cost proposal provides a schedule of hourly rates proposal for our staff. Assumptions related to cost are included. Our costs, those of ICM and our subconsultants Youngdahl, Bay Area Coatings, and American River Environmental, are good through December 31, 2026; thereafter there will be a 5% yearly increase.

ICM complies with the Department of Industrial Relations (DIR) Prevailing Wage requirements. Our DIR number is: 1000036717. Our subconsultants also comply with DIR requirements.

Thank you for reviewing our cost proposal. If you have questions or comments, please call me at 916-792-9871.

Sincerely,
Inferrera Construction Management Group, Inc.

Jeffrey Inferrera, PE
President

Attachment F – Cost/Price Proposal

Inferrera Construction Management Group, Inc. (ICM) provides the attached Budget Table that provides a breakdown of hours and costs per labor and expense. We also provide the attached Fee Schedule that is good through December 31, 2026. After December 31, 2026, there will be a 5 percent increase per year to our rates, fees and costs.

ICM's subconsultants provide their attached Fee Schedules that are good through July 31, 2026. After July 31, 2026, there will be a 5% increase per year to their rates, fees and costs.

Attached are the following Cost/Price Proposal documents:

1. Attachment F Form
2. Budget Table
3. ICM Fee Schedule
4. Youngdahl Fee Schedule
5. BACC Fee Schedule
6. ARE Fee Schedule

Notes:

Our cost proposal is based on the following:

1. Agreement with RFP Scope of Services with comments in our Proposal.
2. Construction management services starting about August 1, 2025 per Addendum 1.
3. Final Completion Date and end of our services on July 31, 2026 per Addendum 1.
4. Construction management services ending July 31, 2026.
5. District provides office space for one person at Plant, including use of Plant bathroom.
6. We assume Contractor and subcontractors will work 8-hour days during the same start and stop time. We assume 0 hours overtime inspection after hour work, weekends, holiday and second shift work.
7. This proposal is based on a time and materials contract. This cost proposal is only an estimate; actual labor effort will be dependent on the contractor's schedule. Budgeted hours and cost proposal may change based on the actual project schedule. ICM reserves the right to transfer budgeted hours between tasks and subtasks.
8. This proposal excludes hiring of an inspector apprentice which can be required by the State Department of Industrial Relations although we have not seen it done to date and have not included hours for an apprentice.

Proprietary Information

Inferrera Construction Management Group, Inc. (ICM) is not claiming any material in this proposal to be proprietary.

ATTACHMENT F – COST/PRICE PROPOSAL
PUR 25-037

(NOTE: PLEASE PROVIDE A DETAILED BREAKDOWN PER THE HOURLY RATE AND NUMBER OF HOURS FOR EACH EMPLOYEE)

Proposal Submitted By: Inferrera Construction Management Group, Inc. Company Name: Inferrera Construction Management Group, Inc. Contact Name: Jeffrey Inferrera Contact Email: jinferrera@icmgroupusa.com Contact Phone: (916) 792-9871 Signature: Jeff Inferrera Title: President Date: 5/29/25	
Project Overview: Stockton Groundwater Recharge Basin Project Description of Services: Construction Management and Inspection	
Project Start Date: AUGUST 01, 2025 Project End Date: JULY 31, 2026	
Total Estimated Cost:	$ 728,760.00

Stockton Groundwater Recharge Basin Project

ICM's Estimated Budget for CM and Inspection Services

Role	Team Member	Aug-25 Hours	Sep-25 Hours	Oct-25 Hours	Nov-25 Hours	Dec-25 Hours	Jan-26 Hours	Feb-26 Hours	Mar-26 Hours	Apr-26 Hours	May-26 Hours	Jun-26 Hours	Jul-26 Hours	Total Hours	Rate	Total Budget
Construction Manager QA	Jeff Inferrera	140	140	80	80	80	80	80	80	80	80	80	80	1080	$ 250	$ 270,000
Construction Inspector QA	Matt Livingston	176	168	160	184	176	168	176	168	176	168	160	160	2040	$ 180	$ 367,200
Electrical Inspector QA	Akil Barris						8		8		8		8	32	$ 195	$ 6,240
Office Engineer	Roman Gary	16	16	8	8	8	8	8	8	8	8	16	16	128	$ 150	$ 19,200
Document Manager/Admin	Elena Inferrera	12	12	6	6	6	6	6	6	6	6	12	12	96	$ 95	$ 9,120
Coatings Inspector QA	BACC															$ 5,000
Material Testing QA	Youngdahl															$ 10,000
SWPPP Inspector QA	ARE															$ 5,000
Adminstrative Fee, 5%																$ 1,000
Expenses																
	Vehicle, Monthly	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	18	$ 1,800	$ 32,400
	Vehicle, Daily														$ 80	$ -
	Computer	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	18	$ 50	$ 900
	Phone/Internet	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	18	$ 150	$ 2,700

Grand Total Budget $ 728,760

Inferrera Construction Management Group, Inc.
Fee Schedule
For the City of Stockton
Construction Management Services
Groundwater Basin Recharge Project – PUR 25-037

Labor Hourly Rates by Position

Construction Manager	$250
Resident Engineer	$210
Construction Inspector	$180
Electrical Special Inspector	$195
Mechanical Special Inspector	$195
Structural Special Inspector	$195
Office Engineer	$150
Administrator	$95

Expense Rates

Vehicle per month	See Note 6
Field Computer, per month	$50
Field Phone/Internet, per month	$150
Other ODCs billed separately	

Administrative Fees

Expenses	0%
Subconsultants	5%

Notes:

1. Minimum 4-hour onsite charge per site or off-site visits.
2. Overtime for work performed on Monday thru Friday will be charged 1.5 times the hourly rate for time worked over eight hours a day up to 12 hours, and 2 times the hourly rate for time worked over twelve hours.
3. Work on Saturday will be charged the 1.5 times overtime rate for the first eight hours and 2 times the hourly rate for time worked over 8 hours.
4. Work on Sunday and Holidays will be charged at the 2 times overtime rate.
5. Second shift work performed commencing after 2 p.m. or before 4 a.m. will be charged an additional $20 per hour.
6. Vehicles will be charged per Prevailing Wage Requirements plus minimum $40 per day; not to exceed $1,800 per month.
7. This Rate Schedule is valid until December 31, 2026. Rates increase 5% per year thereafter.

PREVAILING WAGE FEE SCHEDULE FOR PROFESSIONAL SERVICES (2025)			
PERSONNEL	**STANDARD RATE**		
Principal Engineer	$	230.00	/hr
Senior Engineer/Geologist/Scientist	$	185.00	/hr
Project Engineer/Geologist/Environmental Scientist	$	173.00	/hr
Staff Engineer/Geologist/Scientist	$	163.00	/hr
Field Supervisor	$	163.00	/hr
NDT Special Inspector/Floor Flatness	$	163.00	/hr
ICC Lead Special Inspector, DSA Masonry – Group 1 (excluding NDT)	$	154.00	/hr
For Non-Prevailing Wage Tasks	$	135.00	/hr
ICC/AWS/CWI Certified Special Inspector – Group 2	$	143.00	/hr
For Non-Prevailing Wage Tasks	$	132.00	/hr
Soils Engineering Technician ; ACI Groups 3 & 4	$	138.00	/hr
For Non-Prevailing Wage Tasks	$	107.00	/hr
Environmental Technician	$	116.00	/hr
QSD-Qualified SWPPP Developer	$	156.00	/hr
QSP-Qualified SWPPP Practitioner	$	116.00	/hr
Laboratory Manager	$	162.00	/hr
Senior Laboratory Technician	$	126.00	/hr
Laboratory Technician	$	102.00	/hr
Draftsperson	$	112.00	/hr
Clerical	$	106.00	/hr

BASIS OF CHARGES

Equipment Charges:
All of the above rates are inclusive of routine test equipment.
Exceptions:

- Coring Machine - $200/day
- Generator - $75/day
- High Precision GPS Receiver - $150/day
- Photo-Ionization Detector - $100/day
- Skidmore - $100/day
- Fireproofing Adhesion - $25/test

Hours are billed portal to portal in accordance with the following minimum charges:

- Times are rounded up to the nearest ½ hour.
- 2-hour minimum on-site charge for each site visit.
- 4-hour minimum on-site charge for weekend work.
- 2-hour minimum charge for work scheduled that was not cancelled by 5pm the day before.

Overtime:

- Over eight (8) hours a day - 1.5 x hourly rate
- Saturdays - 1.5 x hourly rate
- Over eight (8) hours on Saturdays - 2.0 x hourly rate
- Sundays and Holidays - 2.0 x hourly rate
- Over twelve (12) hours a day - 2.0 x hourly rate
- Night Work 5:00 pm – 5:00 am - $10+ hourly rate

Mobilization Charge:
A mobilization charge of $ 80.00/site visit will be added for all projects requiring site visits within 40 miles of our corporate yard. For projects beyond 40 miles, a mileage fee will be assessed at $0.95/mile portal to portal per visit from our corporate headquarters address to the project site. Distance will be determined by Google Maps quickest calculated distance.

BASIS OF CHARGES (Cont.)

Expert Witness Services: Mediation, arbitration, deposition, expert witness testimony and public hearing attendance will be billed at 2 times normal hourly rates in 4-hour incremental blocks.	
Rush Charges: Field:	An additional 1 hour of field time at the appropriate personnel rate may be charged to expedite work which requires dispatching after 4:30 pm of the previous day, or the same day, as requested by the contractor or client.
Large Format Plotting: • Color or Black & White - $12 minimum setup + 0.65 per sq. foot	
Miscellaneous Charges: • Supplies and outside services are billed at cost +15% • Airfare, rental vehicles, lodging, and meals for authorized out-of-town travel, will be charged per person per day using the current IRS per diem rate applicable to the area. • Subcontracted work will be billed at cost +15% • Projects with specialized accounting protocol required to be filled out for the client will be charged an additional 4% of the project budget • Copying and distribution for project reporting includes 4 reports. If additional report copying is necessary, a $25.00 charge will be billed for each additional report • Projects requiring Level C PPE will be charged at 1.5 x normal hourly rate • $10.00 surcharge may be applied to normal rates for projects where naturally occurring asbestos (NOA) is present.	

TERMS AND CONDITIONS:
Youngdahl Consulting Group, Inc. shall perform professional services in accordance with the generally accepted professional practice of its profession within the area where the work is performed on behalf of the client. Upon entering into this agreement many risks potentially affect Youngdahl Consulting Group, Inc. The principal risk is the potential for human error by Youngdahl Consulting Group, Inc. Client agrees to limit our liability to Client and to all other parties for damages arising from any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs shall be limited to $25,000.00 and Client further agrees to indemnify and hold harmless Youngdahl Consulting Group, Inc. from and against all liabilities in excess of monetary limit established above.

(Prevailing Wage Fee Schedule for Professional Services on Front of Sheet)

FEE SCHEDULE FOR LABORATORY SERVICES (2025)

The following contains the soils and material testing prices for services rendered by Youngdahl Consulting Group, Inc. Prices are valid for 2025. Unless noted, test prices include routine sample preparation, test set-up, performance of test, calculations, and reporting of results. Please call us at (916) 933-0633 for further information.

TEST	TEST METHOD(S)[1]	UNIT PRICE ($)	
SOILS TESTS			
Classification and Index Properties			
Sieve Analysis, Fine with No. 200 Wash	D422, D6913, CTM 202, T88	$ 145.00	Each
Sieve Analysis, Coarse and Fine Combined	D422, D6913, CTM 202, T88	$ 230.00	Each
Percent Passing No. 200 Sieve, Soil	D1140	$ 105.00	Each
Percent Passing No. 200 Sieve, Rocky Sample	D1140	$ 200.00	Each
Hydrometer Analysis	D422, D7928	$ 300.00	Each
Atterberg Limits	D4318, T89, T90	$ 230.00	Each
Moisture Content	D2216, D4643	$ 25.00	Each
Moisture Content & Dry Density	D7263	$ 50.00	Each
Specific Gravity	D854	$ 260.00	Each
Soil pH	D4972	$ 50.00	Each
Pinhole Dispersion	D4647	$ 775.00	Each
Organic Content	D2974	$ 155.00	Each
Soil Corrosion Properties* (*Includes Soil pH, Minimum Resistivity, Chlorides, and Sulfates)	CTM 417, 422, 643	$ 275.00	Each
Moisture Density Relations-Compaction			
Proctor – 4”	D698, D1557, T99, T180	$ 325.00	Each
Proctor – 6”	D698, D1557, T99, T180	$ 325.00	Each
California Impact	CTM 216	$ 325.00	Each
Check Point		$ 205.00	Each
Strength			
Unconfined Compression	D2166	$ 200.00	Each
Unconfined Compression, Chemically-Treated	D1633 (Mod), CTM373 (Mod)	$ 620.00	Each
Quicklime Saturation (Eades and Grim)	C977, D6276	$ 205.00	Each
Direct Shear, 3 Points	D3080	$ 515.00	Each
Triaxial Shear, UU	D2850	$ 250.00	Each
Triaxial Shear, CU (3 Points)	D4767	$ 1,700.00	Set
Resistance “R-Value”	CTM 301, D2844	$ 360.00	Each
Sample Preparation		$ 100.00	Hour
Hydraulic Conductivity			
Flexible Wall Permeability	D5084	$ 385.00	Each
Permeability (>10^{-3})	D2434	$ 450.00	Each
Consolidation/Swell			
Consolidation	D2435	$ 600.00	Each
One-Dimension Swell or Collapse	D4546, Method A	$ 500.00	Each
One-Dimension Swell or Collapse	D4546, Method B	$ 200.00	Each
One-Dimension Swell or Collapse	D4546, Method C	$ 600.00	Each
Expansion Index	D4829	$ 250.00	Each

NOTES

1 Test methods listed are as follows:
- Those beginning with a C, D, or E are ASTM International methods
- CTM – California Test Method, California Department of Transportation
- Those beginning with a T are AASHTO methods
- Those beginning with an MS are Asphalt Institute methods

2 Any testing where lime or cement is required to be added, cost of test may be increased by 20%

3 Rush Fee: 150% of standard unit price

TEST	TEST METHOD(S)[1]	UNIT PRICE ($)	
AGGREGATE TESTS			
Sieve Analysis – Coarse (without wash)	C136, CTM 202, T27	$ 125.00	Each
Sieve Analysis – Fine (including wash)	C136, CTM 202, T27	$ 145.00	Each
Sieve Analysis – Coarse and Fine Combined	C136, CTM 202, T27	$ 230.00	Each
Percent Passing No. 200 Sieve	C117, T11	$ 105.00	Each
Specific Gravity and Absorption, Coarse	C127	$ 150.00	Each
Specific Gravity and Absorption, Fine	C128	$ 175.00	Each
Organic Impurities in Sand	C40	$ 100.00	Each
Unit Weight, Loose or Rodded	C29	$ 100.00	Each
Sand Equivalent	CTM 217, D2419	$ 180.00	Each
Crushed Particles (fractured faces) (*per sieve size*)	CTM 205, D5821	$ 105.00	Each
Flat and Elongated Particles (*per sieve size*)	D4791	$ 105.00	Each
Clay Lumps and Friable Particles	C142	$ 200.00	Each
Los Angeles Abrasion Test	C131, C535	$ 260.00	Each
Durability Index	CTM 229, D3744	$ 290.00	Each
Durability, Coarse or Fine	CTM 229, D3744	$ 145.00	Each
Cleanness Value	CTM 227	$ 145.00	Each
Mortar Sand Strength	CTM 515, C87	$ 775.00	Each
CONCRETE/MASONRY TESTS			
Concrete Compression (including mold)	C39	$ 50.00	Each
Mortar Compression (including mold)	C780	$ 50.00	Each
Grout Compression (including mold)	C1019	$ 100.00	Each
CLSM Compression (including mold)	D4832	$ 70.00	Each
Concrete Core Compression	C42	$ 70.00	Each
Shotcrete Core Compression (including coring)	C1604	$ 125.00	Each
Core Height (Length/Thickness)	C1542	$ 15.00	Each
Modulus of Elasticity	C469	$ 350.00	Each
Flexural Strength, Beam	C78	$ 105.00	Each
Laboratory Trial Batch (incl. 9 compression tests)	C192	$ 2,060.00	Each
Concrete Drying Shrinkage (set of 3)	C157 (Mod)	$ 515.00	Each
Sample Cutting and Trimming (1/4 hour minimum)		$ 100.00	Hour
CMU Dimension Verification	C140	$ 75.00	Each
CMU Moisture Absorption/Unit Weight/Moisture	C140	$ 75.00	Each
CMU Block Compression	C140	$ 110.00	Each
CMU Composite Prism Compression	C1314	$ 200.00	Each
CMU Core Shear	CBC 2105A.4/5	60.00	Each
ASPHALT CONCRETE TESTS			
Solvent Extraction, % Asphalt	D2172, T164	$ 300.00	Each
Gradation of Extracted Aggregate	D5444, T30	$ 180.00	Each
Unit Weight of Core or Briquette	CTM 308, D2726, D1188, T166, T275	$ 75.00	Each
Thickness of Core	D3549	$ 15.00	Each
Theoretical Maximum Specific Gravity (Rice Method)	D2041, CTM 309, T209	$ 180.00	Each
AC Moisture Content	CTM 370, T329	$ 55.00	Each
AC Air Void Determination	D3203, T269	$ 55.00	Each
AC VFA Determination	MS-2	$ 55.00	Each
AC VMA Determination	MS-2	$ 55.00	Each
MISCELLANEOUS			
Fireproofing Density Test	E605	$ 125.00	Each
Non-Masonry Mortar/Grout Compression Test	C579	$ 50.00	Each
Bend and Tensile Test (up to #11 bar)		$ 225.00	Each

BACC BAY AREA COATING CONSULTANTS INC. Integrity Since 1987

Celebrating Thirty-Eight Years of Experience & Integrity

May 6, 2025

Jeff Inferrrera
ICM Group, Inc.
21 E. Natomas St. #150
Folsom, Ca 95630

Bay Area Coating Consultants, Inc. will provide AMPP Certified Specialty Inspectors for Coating and Concrete Inspections as well as NACE certified inspections. The Inspector will be tasked to ensure the surface preparation meets the contract specifications and the linings are applied as per the manufacture's recommendations. BACC will provide an AMPP Certified inspector to observe the mixing, surface preparation, application of the coating system, and final required testing. BACC will provide daily reports on the surface preparation, testing, and coating operations. BACC will follow all SSPC, NACE, AMPP, ICRI, AWWA, and ASTM current guidelines and standards. All reports will be e-mailed to you for your review. All BACC employees are confined space certified and lead awareness trained, scaffolding trained, and fit tested. The Contractor shall be responsible for safe entry into confined spaces.

Building/Construction Inspector Tester – Group 4			
DIR Public Works Contractor (PWC) Registration No 1000005228 Expiries 6/30/2026			
State of California Small Business (Micro) Public works Certification No. 61256 Expires 11/30/2026			
State of California Small Business Public Works Certification No. 2005005 Expires 3/31/2026			
SSPC QP-5 Certified Inspection Firm Certification 3/31/2026			
Regular rate	**Overtime**	**Double time**	**Truck/equipment**
$134.85 per hour	$202.27 per hour	$269.70 per hour	$10.20 per hour
**Four hour minimum*			
**24 Hour call out notification*			
** Yearly 5% price escalation*			

Rates good through July 31, 2026 Rates subject to change thereafter.

Please call if you have any questions or if you want to further discuss the information contained inside this rate sheet.

Respectfully Submitted,

Austin Darrimon
Vice President
Bay Area Coating Consultant Inc.
www.bayareacoating.com

SSPC QP5 Certified

American River Environmental

Schedule of Rates

Classification	Hourly Rate
Principal	$165
Water Compliance Specialist	$144
Training Instructor	$144
Qualified SWPPP Developer / Inspection Auditor	$134
Qualified SWPPP Practitioner / Construction Inspector	$105
Drafting Technician	$80
Clerical	$61
2-Person Meeting Rate	$181

Other Charges	Rate
SWPPP – Risk Level/Type 1	$2,700 each
SWPPP – Risk Level/Type 2	$2,900 each
SWPPP – Risk Level/Type 3 and LUP prices are based on the project.	
NOI Preparation	$350 each
WPCP – (site visit cost is additional based on location)	$1,800 each
QSP Services* – Risk Level/Type 1 (within service area)	$1,600/mo.
QSP Services* – Risk Level /Type 2 (within service area)	$1,700/mo.
Overtime (after 8 hours but less than 12)	1.5 x rate
Overtime (after 12 hours)	2.0 x rate
Mileage	$0.65/mile
Per Diem	$184/day
Printing	$0.28/s.f.
Additional SWPPP Copies (2 binder copies included in SWPPP cost)	$55 each

Rates good through July 31, 2026 Rates subject to change thereafter.

EXHIBIT F

TIMELINE

1. Contractor shall complete the requested services identified in Exhibit A as follows:

1.1 TIMELINE FOR COMPLETION OF WORK

The Contractor is not assigned specific completion dates for the tasks outlined in Exhibit A. Instead, the Contractor is required to provide inspection and construction management services in accordance with the construction schedule established by the City or the Design-Build contractor, Gateway Pacific.

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION AUTHORIZING CONTRACT CHANGE ORDER NO. 1 FOR $5,714,565 WITH GATEWAY PACIFIC CONTRACTORS, INC. FOR EFFICIENCY AND CAPACITY IMPROVEMENTS TO THE GROUNDWATER RECHARGE BASINS

In 2012, the Municipal Utilities Department (MUD) dedicated the Delta Water Supply Project (DWSP) to provide a supplemental surface water supply to the City of Stockton and protect the groundwater basin through conjunctive management; and

A groundwater recharge project will make use of available water under the City's Water Right Permit 21176, contract supply from Woodbridge Irrigation District, and potentially other water sources; and

On September 10, 2024, the City awarded a design-build contract to Gateway Pacific Contractors, Inc. to design and construct the recharge basins; and

Contract Change Order No. 1 includes design enhancements to the groundwater recharge basins to improve operational flexibility, reliability, and overall recharge capacity, along with enhancements to the visitor center to showcase the regional importance of the City's investment in groundwater recharge, long-term water sustainability, and habitat conservation; and

MUD staff recommends the approval of Contract Change Order No. 1 with Gateway Pacific Contractors, Inc., in the amount of $5,714,565, for a total not to exceed $17,197,813; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. Contract Change Order No. 1 with Gateway Pacific Contractors, Inc., for $5,714,565, is hereby approved, and the City Manager is authorized and directed to execute same, a copy of which is attached as Exhibit 1 and incorporated by this reference.

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2. The City Manager or designee is hereby authorized to take appropriate and necessary actions to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED August 12, 2025.

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

CITY OF STOCKTON
STANDARD AGREEMENT AMENDMENT

Agreement Number:	Amendment Number:
425000193	1

This Amendment Number 1 to the above referenced Agreement is entered into on August 1, 2025: between the City of Stockton "City" and Gateway Pacific Contractors, Inc. "Contractor".

RECITALS

Exhibit C General Terms and Conditions, Paragraph 7 Changes, states the City may modify the scope of services and any material extension or change in the scope shall be memorialized in a written amendment prior to the performance of additional work; and

Exhibit C General Terms and Conditions, Paragraph 8 Amendment, states no variation of the terms of this Agreement shall be valid unless an Amendment is made in writing and signed by both parties; and

The City needs to increase the Compensation, Not to Exceed amount in Paragraph 3 of the Standard Agreement and Exhibit E, Section 1.1, by $5,714,565 to pay for the Contractor to increase the capacity and efficiency of the groundwater recharge project and to enhance the visitor center in accordance to Attachment A; and

Now therefore, the City and the Contractor mutually agree as follows:

The maximum not to exceed amount in Paragraph 3 of the Standard Agreement and Exhibit E, Section 1.1, is amended to: $17,197,813.

All other terms and conditions of the Agreement shall remain unchanged and remain in full force and effect unless modified by a written amendment signed by both parties.

IN WITNESS WHEREOF, the authorized parties have executed this Agreement.

CONTRACTOR

Gateway Pacific Contractors, Inc.

Contractor's Name (if other than an individual, state whether a corporation, partnership, etc.):

Authorized Signature — Date: 7/16/2025

Evan Lundin, President — 07/16/2025

Printed Name and Title of Person Signing

8055 Freeport Blvd, Sacramento CA 95832

Address

CITY OF STOCKTON

Steve Colangelo, Interim City Manager — Date

ATTEST:

Katherine Roland, CMC, CPMC, City Clerk

APPROVED AS TO FORM:
Lori M. Asuncion, City Attorney

BY:

Delta Groundwater Project
Change Order #1

EXHIBIT 1

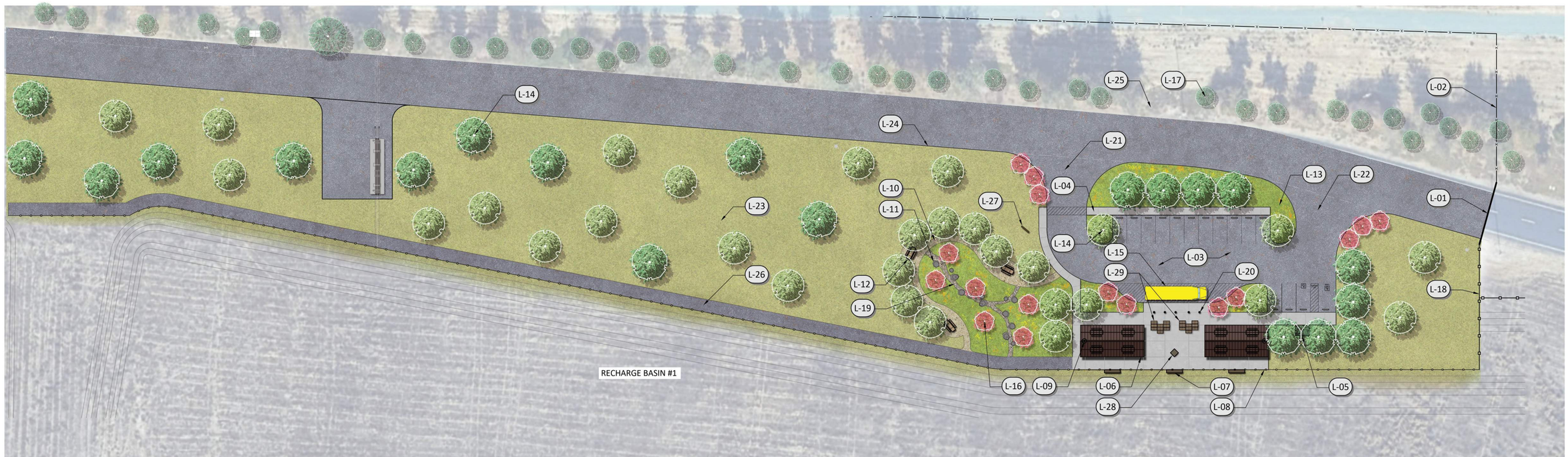
No.	Description	Quantity	Unit	Cost Per	Subtotal	Total Cost
1	**Cost Expended to develop electrical scope expansion Pixley pipeline and Landscape Scope**					$ 148,000.00
2	**Pixley Pipeline**					$ 1,332,000.00
	30" WSP	400	lf	$ 700	$ 280,000	
	30" Manual Butterfly Valve	1	ea	$ 40,000	$ 40,000	
	30" Act Butterfly Valve	1	ea	$ 55,000	$ 55,000	
	3" Aire Release Valve	1	ea	$ 3,500	$ 3,500	
	30" HDPE	2,000	lf	$ 350	$ 700,000	
	24" Act Butterfly Valve	3	ea	$ 45,000	$ 135,000	
	9' x 9' Vault	3	ea	$ 35,000	$ 105,000	
	60" Water Fall Manhole	3	ea	$ 4,500	$ 13,500	
3	**Additional Dry Wells**	3	ea			$ 180,000.00
4	**Pond Equalizaton Crossings**	2	ea			$ 230,000.00
5	**Additional Fencing Cost**					$ 225,000.00
6	**Modifications to RW line: Added ARV & Vaults**					$ 160,000.00
7	**Increase in Electrical Scope**					$ 1,921,000.00
	Addition of 30" Pixley Flowmeter & Electrical				$ 85,000	
	Additional Valves Connections for Pixley & Delta Pipelines				$ 296,000	
	Electrical at South Gate				$ 200,000	
	PLC & Fiber Patch Panels				$ 375,000	
	5kVA Mini Power Centers				$ 70,000	
	Fiber Optic Cable, Terminations, and Testing				$ 350,000	
	Additional Signal Raceways & Cable				$ 40,000	
	Additional Startup & NETA Testing				$ 40,000	
	Underground				$ 375,000	
	VFD Package Changes & Escalation				$ 45,000	
	Tariff Allowance				$ 45,000	
8	**Additional Increase in Engineering cost due to increased scope**					$ 363,000.00
9	**SCADA Costs (Budget)**					$ 50,000.00
10	**Credits from Original Contract**					$ (934,390.00)
	Cost for Bonds & Insurance & Fee					$ 239,955.00
	Project Functionality Expansion					$ 3,914,565.00
	Landscape Budget ***					$ 1,800,000.00

Original Contract	$ 11,438,248.00
Project functionality Expansion	$ 3,914,565.00
Landscape budget	$ 1,800,000.00
New Contract Amount	$ 17,152,813.00

Delta Groundwater Project
Change Order #1

*** Landscape Budget to Include

Paving/Hardscape					
A. Plaza Concrete Paving	5,968	SF	$ 28.00	$	167,104
B. Cobble (within Arroyo)	260	SF	$ 15.00	$	3,900
C. Decomposed Granite Paving with Binder and Edging (within Arroyo area)	1,074	SF	$ 20.00	$	21,480
D. Asphalt Paving/Trail (north side of basin only)	5,433	SF	$ 24.00	$	130,392
E. Landscape Design	1	LS	$ 60,000	$	60,000
Site Furnishings & Equipment					
A. 20' x 40' Pre-engineered Shade Structure	2	EA	$ 186,182	$	372,364
B. Pre-fabricated Single Stall Vault Restroom	1	EA	$ 146,003	$	146,003
C. Tiered Seating Feature	2	EA	$ 38,440	$	76,880
D. 8' Picnic Table	8	EA	$ 9,900	$	79,200
E. 8' ADA-compliant Picnic Table	3	EA	$ 9,800	$	29,400
F. Educational Signage	1	LS	$ 15,000	$	15,000
G. 3D Printed Educational Signage/Map	1	LS	$ 15,000	$	15,000
H. Trash Receptacle	2	EA	$ 3,700	$	7,400
I. 4' tall Tubular Steel View Fence	934	LF	$ 120	$	112,080
J. 42" Fold Down Metal Bollard	5	EA	$ 975	$	4,875
K. Aurora Ship Anchor/Feature (placement only)	1	LS	$ 3,500	$	3,500
L. Boulders (in Arroyo)	1	LS	$ 5,500	$	5,500
Irrigation					
***Includes irrigation equipment and installation**					
A. Drip Irrigation (shrub/groundcover planting areas)	8,400	SF	$ 5.00	$	42,000
B. Spray Irrigation (hydroseeded areas only)	66,682	SF	$ 3.75	$	250,058
				$	-
Landscape				$	-
A. Fine Grading, Soil Prep and Amendments	8,400	SF	$ 1.25	$	10,500
B. Shrubs/Groundcover Plantings	8,400	SF	$ 8.50	$	71,400
C. Hydroseed	66,682	SF	$ 0.95	$	63,348
D. 15 gallon Tree	49	EA	$ 350.00	$	17,150
E. 24" Accent Tree	16	EA	$ 475.00	$	7,600
F. Tree Root Barrier	1	LS	$ 5,500.00	$	5,500
G. Bark Mulch (3" depth in shrub/groundcover planting areas only)	8,400	SF	$ 8.00	$	67,200
H. 90-Day Maintenance Period	15,167	SF	$ 1.00	$	15,167
				$	1,800,000



PROJECT ELEMENTS LEGEND

CODE	DESCRIPTION
L-01	VEHICULAR ENTRY/SWING GATE
L-02	CHAINLINK FENCE, TYP.
L-03	ASPHALT PAVED PARKING LOT (13 STANDARD AND 2 ADA COMPLIANT STALLS) WITH CURBSTOPS
L-04	5' WIDE CONCRETE WALKWAY, TYP.
L-05	PRE-ENGINEERED SINGLE STALL RESTROOM
L-06	TWO (20'X40') PRE-ENGINEERED SHADE STRUCTURES
L-07	EDUCATIONAL SIGNAGE, TYP.
L-08	4' TALL TUBULAR STEEL VIEW FENCE, TYP.
L-09	TRASH RECEPTACLE, TYP.
L-10	5' WIDE DECOMPOSED GRANITE PATHWAY, TYP.
L-11	BOULDERS, TYP.
L-12	8' ADA COMPLIANT PICNIC TABLE ON DECOMPOSED GRANITE, TYP.
L-13	DROUGHT TOLERANT PLANTING AREA, TYP
L-14	LARGE SHADE TREE, TYP.
L-15	BUS DROP-OFF/PARKING AREA ONLY
L-16	ACCENT TREE, TYP.
L-17	EXISTING TREE TO REMAIN - RETAIN, AND PROTECT, TYP.
L-18	TUBULAR STEEL FENCE, TYP.
L-19	COBBLE DRY ARROYO WITH NATIVE PLANTING
L-20	FOLD-DOWN METAL BOLLARD, TYP.
L-21	PARKING LOT ENTRY ONLY
L-22	PARKING LOT EXIT ONLY
L-23	NATIVE AND/OR LOW WATER-USE HYDROSEED, TYP.
L-24	EDGE OF EXISTING ROAD
L-25	EXISTING LIGHT FIXTURES/SITE UTILITIES
L-26	8' WIDE ADA COMPLIANT ASPHALT PATHWAY, TYP.
L-27	AURORA SHIP ANCHOR
L-28	3D PRINTED EDUCATIONAL SIGNAGE/MAP
L-29	WOOD-GRAIN RECYCLED PLASTIC AND STEEL MODULAR SEATING, TYP.

HELIX Environmental Planning
1180 IRON POINT RD. SUITE 130
FOLSOM, CALIFORNIA 95630
(916) 365-8700
© 2025

STOCKTON DELTA WATER TREATMENT PLANT GW

CITY OF STOCKTON, CALIFORNIA

CONCEPTUAL LANDSCAPE PLAN

ENLARGEMENT (NORTH ENTRY)
AND DESIGN INSPIRATION IMAGES

0' 20' 40'
1"=20'-0"

NORTH

DATE: 05/19/2025

NEXGEN

L-1.0

File #: 25-0806, **Version:** 2

APPROVE FINDINGS AND AWARD A PROFESSIONAL SERVICES AGREEMENT TO HDR ENGINEERING, INC. TO DEVELOP A WATER RATE STUDY

RECOMMENDATION

It is recommended that the City Council adopt a resolution to:

1. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process.

2. Award a Professional Services Agreement to HDR Engineering, Inc. of Folsom, CA, in the not-to-exceed amount of $209,957 for the Municipal Utilities Department Water Rate Study.

It is also recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Summary

The Municipal Utilities Department (MUD) is comprised of three enterprise funds including Water, Wastewater and Stormwater Utilities. The Water Utility provides drinking water service to the northern and southern regions of the Stockton Metropolitan Area, with the California Water Service Company and San Joaquin County serving the central region. The Delta Water Treatment Plant (DWTP) began operation in May 2012, providing up to 30 million gallons per day of treated surface water from the San Joaquin Delta and Mokelumne River.

It is a best practice to review rates for water utility charges every five years to confirm that rates reflect changes in the cost of providing water service, and that the utility maintains adequate financial resources to provide an essential public health service to the community. The most recent water rate study was adopted by the City Council in 2021, and it is timely to perform another comprehensive rate study to determine adequate revenue for the next five years.

If approved, this action will retain HDR Engineering, Inc. to develop a new water rate study for the utility.

DISCUSSION

Background

The Water Utility treats and distributes high-quality drinking water that meets all State and Federal regulations to properties in north and south Stockton through an extensive water production system and distribution infrastructure. The objective of the Water Rate Study is to review the Water Utility

costs related to administration, production, distribution, maintenance, and future capital improvement needs. The Study also considers the Water Utility debt service coverage, depreciation, and purchased water costs. Rate studies are necessary to maintain a sound fiscal base and provide a framework for responsible utility management. In addition, Water Utility activities are supported by ratepayers, and the rates charged to provide water services must reflect the cost of operating the utility.

Water rates are distinct from water service connection fees; the first funds the operating and capital needs of the Water Utility, while the latter funds the expansion of the water production and distribution system.

The comprehensive Water Rate Study must meet the requirements of California Constitution article XIII D, Section 6, commonly referred to as Proposition 218, and will evaluate whether a rate adjustment is necessary based on the most recent actual costs and future budget projections.

Present Situation

On April 3, 2025, the City issued a Request for Proposals (RFP) to conduct a Water Rate Study.

On May 1, 2025, the City received the following two proposals:

Company	Location	Cost
Raftelis	Charlotte, NC	$117,435
HDR Engineering Inc.	Folsom, CA	$209,957

A committee comprised of MUD staff evaluated both proposals based on each firm's understanding of the scope of work, project approach, relevant experience, team qualifications, and cost. HDR Engineering Inc. met or exceeded all requirements and was determined to be the most qualified firm. The firm is familiar with the City's processes and procedures and will bring industry subject-matter experts in utility operations and management to conduct a water rate study.

The water rate study process and the proposed contract award to HDR Engineering, Inc. were reviewed and discussed by the Water Advisory Group (WAG) on July 3, 2025, and with the Council Water Committee (CWC) on July 10, 2025.

Staff recommend that the City Council adopt a resolution to award a Professional Services Agreement to HDR Engineering, Inc. for $209,957 to conduct a comprehensive Water Rate Study (Exhibit 1 to the resolution).

Findings

Pursuant to the Stockton Municipal Code section 3.68.070, the City Council may approve findings which support and justify an exception to the competitive bidding process.

The following findings support and justify an exception:

1. Water Utility activities are supported by ratepayers, and the rates must reflect the cost of operating the utility.

2. State statute and Proposition 218 define requirements for conducting rate studies, including the amount of the fee or charge proposed for each parcel, and how the amount is calculated.

3. The City does not have the technical expertise to prepare the study in a timely and cost-effective manner for completion in 2026.

4. Use of the RFP process is appropriate for this Professional Services Agreement because it relies on the evaluation of professional qualifications and performance as the basis for selection of a vendor. Use of these criteria helps ensure selection of a vendor that will provide the highest quality professional service, which is in the public interest.

5. It is also in the public interest to have well established rates to ensure proper funding for the operation of the water utility and that ratepayers are paying appropriate rates for the service provided.

The recommended resolution will award a Professional Services Agreement to HDR Engineering, Inc., in the not-to-exceed amount of $209,957, to conduct a comprehensive Water Rate Study.

FINANCIAL SUMMARY

There are sufficient funds in the Water Administration professional services account (6511-504-630006-600-000-00-65-000-000) to award this contract for $209,957.

This action has no impact on the General Fund or any other unrestricted funds.

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION APPROVING FINDINGS AND AWARDING A PROFESSIONAL SERVICES AGREEMENT TO HDR ENGINEERING, INC. TO DEVELOP A WATER RATE STUDY

The Municipal Utilities Department (MUD) provides potable water to more than 50,000 residential and commercial connections in north and south Stockton; and

The cost to provide high-quality drinking water that meets all State and Federal regulations is paid for by water utility customers in accordance with rates adopted by the City Council; and

Water rates fund costs to operate and maintain the production and the distribution infrastructure of the Water Utility; and

It is considered a best practice and an industry standard to conduct a water rate study every five years to ensure rates remain sufficient to cover the projected costs of operating and maintaining the Water Utility; and

Water rates must comply with the requirements of California Constitution article XIII D, Section 6, commonly referred to as Proposition 218; and

HDR Engineering, Inc. was evaluated and recommended by staff to be the most qualified proposer; and

City staff negotiated a fee in an amount not-to-exceed $209,957 for the professional services agreement; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Council approves the following findings pursuant to Stockton Municipal Code section 3.68.070 to support and justify an exception to the competitive bidding process:

   a. Water Enterprise activities are supported by ratepayers, and rates must reflect the cost of operating the utility.

   b. State statute and Proposition 218 define requirements for conducting rate studies, including the amount of the fee or charged proposed to be imposed upon each parcel, and how the amount is calculated.

c. The City does not have the technical expertise to prepare the study in a timely and cost-effective manner for completion in 2026.

d. Use of the RFP process is appropriate for this Professional Services Contract because it relies on the evaluation of professional qualifications and performance as the basis for selection of a vendor. Use of the noted criteria helps ensure selection of a vendor that will provide the highest quality professional service, which is in the interest of the public.

e. It is also in the public interest to have well established rates to ensure proper funding for the operation of the water utility and that ratepayers are paying appropriate rates for the service provided.

2. The Professional Services Agreement for the Water Rate Study, in the not-to-exceed amount of $209,957, between the City of Stockton and HDR Engineering, Inc. is hereby awarded, and the City Manager is authorized and directed to execute same, a copy of which is attached as Exhibit 1 and incorporated by this reference.

3. The City Manager is hereby authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED August 12, 2025.

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

CITY OF STOCKTON
STANDARD AGREEMENT

Agreement Number:

1. This Agreement is entered into between the City of Stockton ("City") and HDR Engineering, Inc. ("Contractor") to provide services to conduct a water rate study as set forth in Exhibit A to this Agreement.

2. The term of this Agreement is as follows, unless amended as described in Exhibit A and Exhibit C section 8:
Commences on: 10/1/2025 Terminates on: June 30, 2029

3. The maximum not to exceed amount to be paid to Contractor for the term of this Agreement, including if authorized, reimbursement of expenses, is: $ 209,957

4. The complete Agreement consists of all the following Agreement documents which by reference are incorporated and made a part of this Agreement. The parties agree to comply with the terms and conditions of this Agreement.

(a) Exhibit A – Statement of Work
(b) Exhibit B – Insurance
(c) Exhibit C – General Terms & Conditions
(d) Exhibit D – Professional Services Special Terms & Conditions
(e) Exhibit E – Compensation Schedule
(f) Exhibit F – Timeline

IN WITNESS WHEREOF, the authorized parties have executed this Agreement.

CONTRACTOR

HDR Engineering, Inc.
Contractor's Name (if other than an individual, state whether a corporation, partnership, etc.):

Authorized Signature July 16, 2025
Date

J. David Zuber, Vice President
Printed Name and Title of Person Signing

2365 Iron Point Road, Suite 300, Folsom, CA 95630
Address

CITY OF STOCKTON

Steve Colangelo, Interim City Manager Date

ATTEST:

Katherine Roland, CMC, CPMC, City Clerk

APPROVED AS TO FORM:
Lori M. Asuncion, City Attorney

BY:

EXHIBIT A

STATEMENT OF WORK

1. Project Objectives

The City has requested a water rate study, utilizing industry recognized water rate setting principles and methodologies which will provide the basis for adopting and implementing water rates that are cost-based, proportional, and defensible to the City's customers. The Study is designed to evaluate the adequacy of the existing water rates to prudently fund current operating and capital expenses and, more importantly, maintain required debt service coverage (DSC) ratios in accordance with the long-term debt requirements (covenants).

2. Major Deliverables

Task 1: Project Management and Quality Control
Task 2: Data Collection and Review of Customer Billing
Task 3: Initial Project (Kick-Off) Meeting
Task 4: Review of Rate/Financial Policies
Task 5: Revenue Requirement Analysis (Financial Plan)
Task 6: Cost of Service Analysis
Task 7: Rate Design Analysis
Task 8: Miscellaneous Fee
Task 9: Study Documentation
Task 10: Public Meetings/ Presentations
Task 11: Proposition 218 Assistance
Task 12: Public Outreach
Task 13: Ongoing Rate Study Support

See Attachment A (Proposal for Water Rate Study PUR 25-035) for details of each task.

3. Internal and External Standards and Guidelines

In reviewing and evaluating the City's water rates, contractor will rely on generally accepted principles and methodologies. These generally accepted principles and methodologies are best defined by the AWWA M-1 Manual, Principles of Water Rates, Fees and Charges.

4. Notices

Pursuant to Exhibit C – General Terms and Conditions, Paragraph 15 – Notices, the mailing address for all required notices is as follows:

Contractor: HDR Engineering, Inc. Attn: Shawn Koorn 6701 Koll Center Parkway, Suite 250 Pleasanton, CA 94566	**City**: City of Stockton Attn: City Manager 425 N. El Dorado Street Stockton, CA 95202

5. Key Personnel

Danny Trejo – Program Manager III

Delta Water Treatment Plant

11373 N Lower Sacramento Rd

Stockton, Ca 95242

10. Option to Renew.

n/a

EXHIBIT 1

ATTACHMENT A

CITY OF STOCKTON

PROPOSAL FOR

Water Rate Study

PUR 25-035

City of Stockton

May 1, 2025

HDR

May 1, 2025

Rajvir Sahota
c/o City Clerk
City of Stockton
Municipal Utilities Department
425 North El Dorado Street
Stockton, California 95202-1997

RE: Water Rate Study (PUR 25-035)

POINT OF CONTACT

Shawn Koorn
Associate Vice President

555 110th Ave NE, Suite 1200
Bellevue, WA 98004

425.633.4596
Shawn.Koorn@hdrinc.com

SIGNATORY

Holly Kennedy, PE
Senior Vice President

2365 Iron Point Road, Suite 300
Folsom, CA 95630

925.465.2717
Holly.Kennedy@hdrinc.com

Dear Rajvir,

The City of Stockton (City) Municipal Utilities Department (MUD) has requested a proposal to conduct a water rate study (Study). HDR Engineering, Inc., (HDR) has a long and successful history of working with the City on their water, as well as wastewater and stormwater, rate studies. Additionally, HDR has qualifications and a long history of experience, including an extensive knowledge of the adoption of utility rates in California under Proposition 218 with experience in public outreach.

HDR has previously performed water rate studies for the City in 2009, 2015, and 2020. We worked closely with you to develop the funding/financial plan and water rates to support significant capital improvement projects (e.g., Delta Water Supply Project), a detailed review of the City's water rate structures, and the implementation of conservation-oriented (i.e., tiered) water rate structures. Key to these prior studies was the review of changing consumption patterns, developing a projection of future rate revenues, and the ability of the proposed rates to adequately fund operating and capital expenses. The prior studies also established and updated the City's drought surcharges and hydrant fees and charges.

The results of the Study require effective communication by our team, along with productive work study sessions, City Council meetings, and public outreach. **HDR has an extensive knowledge and understanding of the City's water rates, and we have clearly demonstrated our ability to work successfully with the City to achieve the Study goals and objectives.**

The City has stated several objectives for the Study, including to "Develop a Long-Range Financial Plan for the Water Fund, incorporating it into the cost-of-service rate study." Establishing cost-based water rates is critical in that the Study must be developed and documented so that it meets the requirements of California Constitution Article XIII D, Section 6 (i.e., Proposition 218). **To meet the intent of Proposition 218, the Study will develop water rates that are cost-based, proportional, and based on the City's specific costs and customer characteristics.** The Study must provide clear documentation of the cost-basis and proportionality for the proposed water rates, which not only includes both the amount of revenue collected from the rates, but also the cost-basis for the fixed monthly service charges and each consumption tier or charge. This will help address another key component that City identifies in the RFP noting the Study should, "Determine an equitable monthly service charge that fully supports operations and maintenance, asset replacement, capital improvements, and potential debt service costs."

HDR is nationally recognized for its experience in financial planning and rate studies. We have successfully developed financial plans and performed water rate studies for hundreds of utilities around the U.S. **We are highly experienced working with the City and utilities in California, and we understand the complexities of meeting the requirements of Proposition 218.**

The proposed project manager for the Study will be Shawn Koorn, an Associate Vice President with HDR. Shawn was the project manager for the City's prior water rate studies and led the public meetings for these efforts. Most recently, Shawn was the project manager for the City's wastewater and stormwater rate studies. Shawn is nationally recognized as an expert in financial planning and rates and is a co-instructor for the American Water Works Association (AWWA) three-day rate setting essentials seminar, and a contributing author to the AWWA M-1 and M-54 Manuals.

Shawn will be supported by Josiah Close as assistant project manager and Kevin Lorentzen as quality assurance/quality control (QA/QC) lead; they both have worked with the City on the previous studies. Tom Hoffman will be providing engineering assistance, Sara Anderson and Jack Adams will assist with rate analysis, and Heleana Galvin and Julian Hernandez will be responsible for public outreach. They all have previously worked with the City. In addition, HDR has teamed with Kim Floyd Communications and West Yost to provide additional public outreach knowledge and engineering assistance staff for the study. Kim Floyd Communications has assisted the City in outreach efforts on prior rate studies with HDR. West Yost has provided planning and engineering for the City's water utility for master planning, which will provide input in the Study for the development of the capital funding plan and cost of service.

We appreciate the opportunity to provide this proposal to the City and we look forward to discussing our proposal with you. At the time of submittal of the proposal, no addendums have been received or reviewed. The proposal is signed by Holly Kennedy, who is an officer of the firm authorized to bind the firm to the comments made in the proposal. The proposal and its contents, including fee proposal, are valid for a period of 120 days. If you have questions about our approach to this important project or the information contained herein, please do not hesitate to contact us.

Sincerely,
HDR Engineering, Inc.

Holly L.L. Kennedy, PE (CA #74682)
Senior Vice President

Shawn Koorn
Associate Vice President

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- Client References 06
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B. Method of Approach 11

C. Price Sheet (see separate file)

Appendix A: Resumes A-01

Appendix B: Forms B-01

01 Qualifications and Experience

Firm Description, Team Qualifications, and Team Organization

HDR Introduction and Structure

HDR is a 100% employee-owned professional services firm. Founded over a century ago to bring electricity to a changing world, we are now a global company specializing in architecture, engineering, environmental, and construction services.

Our Utility Rates and Finance Group, established more than 40 years ago, has provided services to water, wastewater, recycled water, storm drain, solid waste, and electric utilities. The group consists of financial planners, accountants, and economists, who have attained a national reputation in water and wastewater utility financial planning, cost of service, and rates and fees.

The Study for the City will be performed by HDR Engineering, Inc, which is a subsidiary of HDR, Inc. Figure 1-1 shows the subsidiaries of HDR, Inc. and Figure 1-2 depicts the management structure of HDR, Inc.

Team Qualifications

Led by recognized technical staff, HDR has attained a national reputation in the area of financial planning, utility rates, and connection fee studies. This is why we can make this claim:

- **Excellent Communication Skills**
  Ultimately, the success of a rate study hinges on the ability to convey complex and detailed information to the governing body to gain support for the study's recommendations. A study with a strong technical analysis may fail if the consultant cannot explain the study's findings, conclusions, and recommendations in a clear and understandable manner. HDR believes communication is one of the key attributes that sets us apart, and our prior presentations for the City's studies are proof of our experience.

- **Practical Work Experience within Utilities**
  HDR personnel have been involved in every facet of utility operations. Prior to consulting, many of our employees have spent considerable time working for a utility. This understanding of the day-to-day workings of a utility is invaluable in helping HDR work effectively and successfully manage projects. We understand the challenges of limited time and budgets. HDR works closely with clients to provide efficient and cost-effective solutions. We understand that our studies must be comprehensive in nature and defendable.

FIGURE 1-1: Subsidiaries of HDR, Inc.

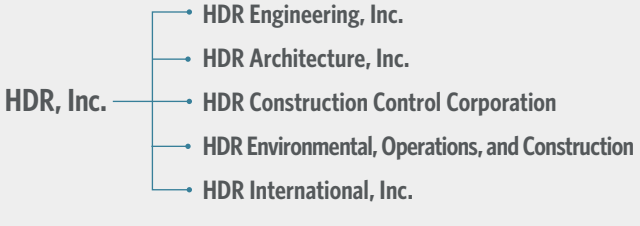
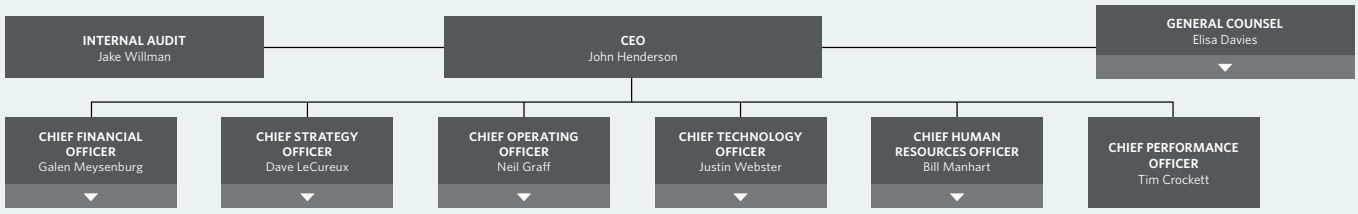
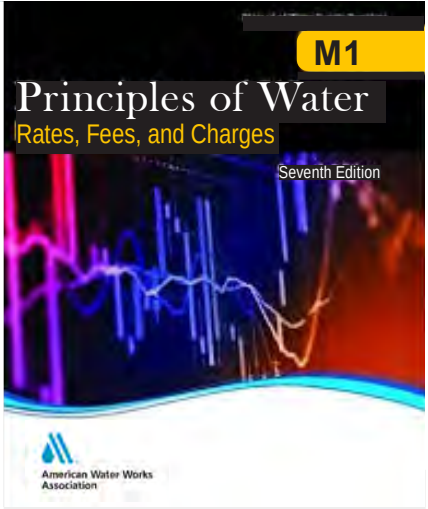


FIGURE 1-2: Management Structure of HDR, Inc.





HDR has been active in developing publications, such as the AWWA M-1 manual.

- **Breadth of Consulting Services Provided by the Project Team**
  As a multidisciplinary engineering and consulting firm, HDR has a number of individuals with highly specialized knowledge, such as financial planning and rates. While HDR specializes in financial planning, cost of service, and rates/connection fees, HDR does not lose sight of the overall need for prudent and informed policy decisions, along with good utility management and engineering practices. When necessary, HDR can draw on the other areas of experienced staff throughout the firm.

- **Depth of Experience in Rate Studies**
  HDR personnel have performed hundreds of water rate studies throughout the U.S. and Canada. Working with a wide variety of utilities (large and small) and in a variety of locations, we have an extensive understanding of the trends and practices occurring in the industry. Our experience and knowledge of the industry and current best management practices bring great creditability to our analyses and resulting recommendations.

- **Teaching Experience**
  HDR project team members teach a number of courses and workshops on the subjects of financial planning, revenue requirements, cost of service, rate design, and connection fees. In particular, Shawn Koorn, HDR's project manager for the City's Study, is a co-instructor for the three-day AWWA Rate Setting Seminar, which covers the theory and methodologies associated with utility financial planning, cost of service, rates, and connection fees.

- **Public Outreach**
  HDR's in-house strategic communication and public engagement professionals have developed and implemented hundreds of programs on behalf of our clients across the U.S. Our team blends national best practices with local community knowledge and relationships to implement strategic and effective public communications, engagement, and education solutions. Our communication professionals work side-by-side with our technical staff to clearly understand technical challenges allowing for clear messaging to target audiences. In addition to our in-house public outreach professionals, our proposed team includes Kim Floyd Communications, who have assisted the City in outreach efforts on prior rate studies with HDR.

Team Organization

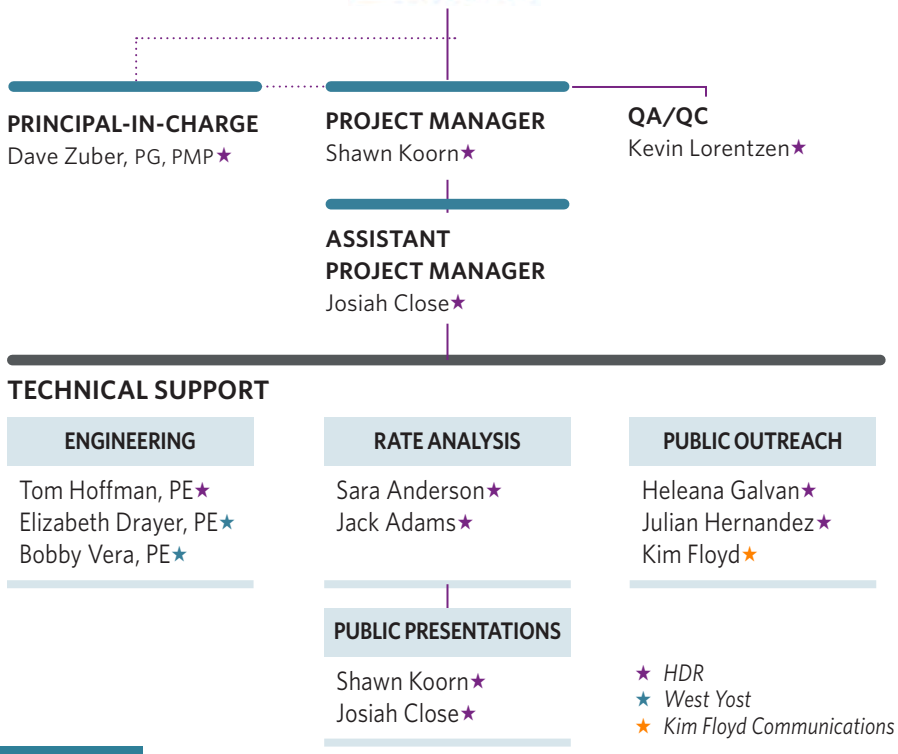
To provide a successful study, our project teams are led by an experienced project manager and staffed with dedicated utility financial/rate analysts. Moreover, we leverage our engineering and planning staff to our study, given that financial/rate studies are a blend of financial/rate and engineering / planning knowledge.

Our established and experienced Utility Rates and Finance Group is capable of providing the technical knowledge needed for the City's water rate study. Our proposed key project team members are nationally recognized for water rate studies, and they focus 100% of their time and effort on this specialized area. An overview of HDR's proposed project team is provided in the organizational chart below (Figure 1-3).

A brief discussion of our key team members, including their roles and relevant experience are provided on the following pages. Resumes for key project team individuals are included in Appendix B.

Our combination of knowledge and experience make us highly qualified to assist the City in the development of the water rate study. However, HDR believes that to understand the quality of services provided by HDR is to talk to our project references included later in this proposal.

FIGURE 1-3:
Organizational Chart



Shawn Koorn—PROJECT MANAGER

- 25 years of experience in water rate setting
- Project manager for the City of Stockton's rate studies since 2009; experienced working with the City's staff and external financial advisors
- Project manager for numerous water rate studies conducted across the U.S. and Canada
- Worked with numerous California utilities on rate studies and the requirements of Proposition 218
- Co-instructor for the AWWA Rate Setting Essentials Seminar
- Provides effective presentations to City Councils, the public, and industry conferences (e.g., WEF, AWWA)

Dave Zuber, PE—PRINCIPAL-IN-CHARGE

- Northern California Water Business Group Manager
- 41 years of experience in project and program management quality implementation
- Experience includes wastewater treatment plant upgrades, environmental compliance, and planning
- Highly experienced with monitoring compliance with contract terms, assigning and coordinating staff, and overseeing quality of deliverables

OUR SUBCONSULTANTS

Kim Floyd Communications

Kim Floyd Communications is a small, woman-owned public outreach practice headquartered near Galt, CA. Principal Kim Floyd opened her practice in 2009 after recognizing a need within the public sector for affordable, effective approaches to public outreach. The practice has a strong track record in the successful design and implementation of public outreach programs. With specialized experience in developing public outreach programs for Proposition 218 activities, the firm has a 100 percent success rate with property-owner approved benefit assessments.

West Yost

For over 20 years, West Yost has been a trusted partner of the City of Stockton, providing planning and design for water system improvements. In 2021, West Yost prepared the City's Water Master Plan Update, which laid the foundation for an updated capital improvement plan for the City's North Stockton and South Stockton water systems. This plan informed the development of the City's 2021 Water Rate Study. Looking ahead to the 2026 Water Rate Study, West Yost will collaborate with HDR to provide updated information on the scope and timing of necessary capital improvements, making sure that the new water rates accurately reflect the required system improvements.

HDR

Josiah Close—ASSISTANT PROJECT MANAGER & PUBLIC PRESENTATIONS

- More than 12 years of experience in developing cost of service and rate design models for water and sewer systems
- Works extensively with California water and sewer utilities on rate studies
- Assistant project manager for the City of Stockton's recent rate studies
- Highly experienced in reviewing/assimilating customer consumption data
- Conducted similar water rate studies for the cities of San Luis Obispo, Santa Maria, and Santa Barbara, and Otay Water District

HDR

Kevin Lorentzen—QA/QC

- 19 years of experience in utility financial planning, cost of service, and rate design
- Exceptional knowledge of Excel rate modeling and financial planning models
- Previously worked in the Finance Department of the City of Bellevue as the lead forecaster
- Extensive work with California water/sewer utilities on water and sewer rate studies
- Water rate study projects in California include South Tahoe PUD, Truckee Donner PUD, and Tahoe City PUD, and cities of Pleasanton, Stockton, and Folsom

HDR

Sara Anderson—RATE ANALYSIS

- Over three years of industry experience in developing water rate studies
- Developed the technical analyses for multiple rate studies across the U.S.
- Water rate study projects in California include Tahoe City PUD, Olympic Valley Public Service District, and the cities of Stockton, Santa Maria, Santa Barbara, and Solvang
- National rate studies for Saint Charles (MO), Foxborough (MA), Mitchell (SD), Ashland (OR), and South Salt Lake (UT)

HDR

Jack Adams—RATE ANALYSIS

- More than three years of financial analysis experience
- Has been developing rate and fee models for approximately one year
- Developed financial models for multiple utility rate and fee studies
- Rate study projects in California include McKinney Water District, Santa Barbara County, and Los Angeles County Department of Public Works
- National rate studies for Medford Water (OR), King County (WA), and Anchorage Water and Wastewater Utilities (AK)

HDR

Tom Hoffman, PE—ENGINEERING

- More than 11 years of experience in providing engineering and design services for public works projects and water and wastewater pipeline design and condition assessment
- Provided design and engineering services during construction of improvements to the City's Delta Water Supply Project
- Registered professional engineer located in HDR's Folsom office

WEST YOST

Elizabeth Drayer, PE—ENGINEERING

- Experienced in leading water resources planning studies and design project and specializes in water supply and infrastructure master planning
- Prepared 24 water and utility master plans, more than 20 water supply assessments, and more than 50 urban water management plans
- Project manager for the City's Water Master Plan update
- Project manager for the 2020 Urban Water Management Plan

WEST YOST

Bobby Vera, PE—ENGINEERING

- Specializes in water resources, water supply and facilities planning, and wastewater collection system master planning
- Proficient in a variety of hydraulic modeling (pressure and gravity systems) and GIS software
- Project engineer and technical lead for the City's Water Master Plan update, responsible for updating the City's Water System Master Plan in a fast tracked, 8-month schedule

HDR

Heleana Galvan—PUBLIC OUTREACH

- Senior strategic communications manager with over 25 years of experience working for a variety of public agencies and the private sector
- Extensive experience working within highly technical environments to bridge communications with the public, understand their issues, and work collaboratively to address concerns and solve problems to help projects stays on track
- Provided public outreach support for the City's Stormwater Rate Study and was strategic communications manager for the Port of Stockton's On-call Public Relations Support

HDR

Julian Hernandez—PUBLIC OUTREACH

- Four years of experience in public engagement to bring positive outcomes to public infrastructure projects
- Has supported several clients on projects in Northern California, with a focus on public engagement throughout the CEQA and NEPA process
- Supporting the outreach and equity components of the City of West Sacramento's Enterprise Corridor and Bridge Crossing Project, and the San Joaquin Regional Rail Commission's Stockton Diamond Grade Separation Project.

KIM FLOYD COMMUNICATIONS

Kim Floyd—PUBLIC OUTREACH

- Principal of Kim Floyd Communications and leading practitioner in meaningful public outreach for integrated flood management, water resources, and land use issues
- Developed unmatched knowledge in public outreach programs for Proposition 218 processes for benefit assessments and utility rate adjustments
- Has assisted the City in outreach efforts on prior rate studies with HDR

Client References

While no two studies are the same, provided below is a summary of projects completed by HDR in the local region that are similar in nature. First is a summary of the studies completed by HDR for the City, followed by three examples as requested in the City's RFP. Contact information for each of the references is provided in Attachment D.

Water and Sewer Rate Studies

City of Stockton | Stockton, California

DATES

- 2024 (wastewater and stormwater)
- 2020 (water)
- 2018 (wastewater)
- 2015 (water)
- 2011 (wastewater and stormwater)
- 2009 (water)

Since 2008, HDR has been assisting the City of Stockton in the development of rate studies to support the Municipal Utilities Department. This includes the development of proposed rates and fees to fund the annual operating and capital costs.

Over the years, HDR has completed water rate studies in 2009, 2015, and 2020 and sewer rate studies in 2011, 2018, and 2024. The most recent comprehensive water rate study focused on two key issues. The prior drought impacted overall usage levels, and meeting the rate covenants associated with minimum debt service coverage had become an issue. As a part of the study, HDR worked with the City to develop an internal and external outreach and education plan to gain acceptance and adoption of the proposed water and sewer rates.

The water rate study also developed drought rates which can be implemented in times of drought to maintain the adequacy of water utility revenues during times of voluntary and/or mandatory reductions in consumption. The key aspect of the 2018 wastewater study was the development of a financing plan for treatment plant upgrades to meet regulatory requirements. This resulted in a collaborative approach with City staff, outside financing community, and HDR. HDR has annually assisted the City in the review and update of the financial plan (revenue requirement), as the City issues or refinances long-term debt.

Water and Wastewater Rate and Capacity Connection Fee Study

City of Santa Barbara | Santa Barbara, California

DATES

- 2024 (water and wastewater)
- 2021 (wastewater)
- 2019 (water)
- 2018 (wastewater)

HDR has been assisting the City in the development of utility rates and fees since 2018. Rate and fee studies were completed for the wastewater utility in 2018, water utility in 2021, wastewater update in 2022, and a water and wastewater update in 2024.

For each of these studies, a 10-year Financial Plan (revenue requirement) was developed and used to establish rates for the next three to four year period. Once the overall revenue needs were developed, a cost of service analysis was undertaken. This provided the cost-basis and proportionality for the proposed rates under Proposition 218. As part of the water and wastewater rate studies, the customer classes of service and rate structures were reviewed and recommendations made to transition to structures. This review was in collaboration with City staff and the Water Commission to gain input and insight into the study.

At the conclusion of the rate structure discussions, several rate structure revisions were made to reflect both current industry standards as well as the City's unique customer characteristics, specifically for the multi-family customer class of service. HDR participated in project meetings with City staff, Water Commission presentations, large customer meetings, and presentations to the City Council.

Comprehensive Water and Sewer Rate Study

City of San Luis Obispo | San Luis Obispo, California

DATES

Water and wastewater:

- 2025
- 2023
- 2021
- 2019
- 2017
- 2015
- 2012
- 2008
- 2005

Winter water average calc:

- 2012-2019

Since 2005, HDR has worked extensively with the City of San Luis Obispo to review their water and sewer rates. Over the years, HDR has effectively worked with utility staff and management along with the City Council to identify their rate design priorities and provide public presentations to support their policy direction.

Over the last 20 years, the City's water rate design goals and objectives have changed. In the City's 2015 study, due to declining consumption and mandated conservation, revenue stability was identified as the City's highest rate structure priority. In the most recent studies (2017, 2019, 2021, and 2023), HDR provided the cost-basis for higher fixed monthly charges as required under Proposition 218.

HDR also assisted the City in the review and update of the water and sewer impact fees (i.e., capacity connection fees). This included evaluating the methodology and approach and then updating the fees to cost-based levels. HDR has provided updates that reflect the changing utility conditions and customer characteristics to meet the requirements of Proposition 218.

Water and Sewer Rate Study

City of Woodland | Woodland, California

DATES
- 2021
- 2018 (wastewater)
- 2016 (water)
- 2011 (water and sewer)
- 2008 (water)

HDR has been assisting the City of Woodland with their water and sewer rates for almost 20 years. Initially, HDR assisted the City in the establishment of metered water rates given the requirement to install and bill on metered consumption. For the subsequent studies, HDR assisted the City in refining the water rate structure to reflect consumption patterns and meet the requirements of Proposition 218.

For the wastewater studies, the key was establishing customer classes of service and proposed rates to reflect the specific impacts to the system given different characteristics, such as strength of the wastewater.

In 2025, HDR is scheduled to again update the City's water and sewer rate study. The focus of the study will include the funding and financing of capital projects, along with the needed revenue stability to support the needed long-term debt funding.

Financial Capacity

As an employee-owned firm, our assets are managed and invested with exceptional care. We have established strong risk controls and are committed to managing our company with an eye toward long-term financial health and stability. This commitment has enabled us to thrive for more than 100 years in every economic environment and allows us to be a reliable partner for our clients.

Our financial statements are prepared and audited annually by Ernst & Young LLC. We are financially sound with gross revenues of $3.8 billion, a current working capital ratio of 2.37, and stockholders' equity of $0.93 billion (2024).

As requested, the completed Attachment E – Certification of Financial Condition is provided in Appendix A—Forms. If selected, HDR will be prepared to submit the most current annual report should be submitted.

Insurance Requirements

As a major engineering and consulting firm, HDR maintains proper insurance coverage. HDR has always met the insurance requirements of past studies/contracts with the City. If selected, HDR will provide proof of insurance to the City and comply with the requirement in Exhibit 1.

City Business License Requirements

HDR has worked extensively with the City in the past and has always met the business license requirements of the City. If selected, HDR will again meet the City's stipulated business license requirements for this project.

Whether a project challenge is large or small, complicated or straightforward, **we have the depth of resources and expertise to help you achieve results.**

02 Method of Approach

Introduction

HDR provided professional and technical services to the City's Municipal Utilities Department in the development of the water rate studies in 2009, 2015, and 2020. These studies resulted in the adoption of water rates and fees to adequately fund the operating and capital improvements to the water system.

The City has requested a water rate study, utilizing industry recognized water rate setting principles and methodologies which will provide the basis for adopting and implementing water rates that are cost-based, proportional, and defensible to the City's customers. The Study is designed to evaluate the adequacy of the existing water rates to prudently fund current operating and capital expenses and, more importantly, maintain required debt service coverage (DSC) ratios in accordance with the long-term debt requirements (covenants). HDR has developed a detailed approach and scope of services to meet the City's goals and objectives in conducting this study.

Overview of General Methodology

In reviewing and evaluating the City's water rates, HDR relies on generally accepted principles and methodologies. These generally accepted principles and methodologies are best defined by the AWWA M-1 Manual, *Principles of Water Rates, Fees and Charges*. A comprehensive water rate study is comprised of three interrelated analyses as shown below (Figure 2-1).

The City's water rate study will be developed around these three interrelated analyses to comply with Proposition 218. It is important to understand that these methodologies and technical analyses will be tailored to the City's specific and unique facilities and customer characteristics.

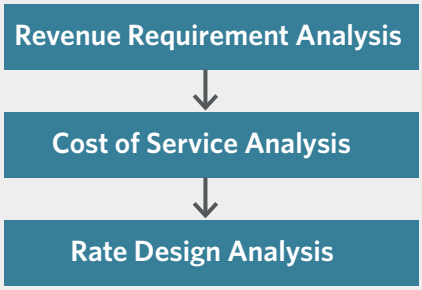
Scope of Services

HDR has developed a proposed scope of services based upon our understanding of the City's needs. HDR's proposed scope is based on generally accepted financial planning and rate setting methods, HDR's understanding of the City's past water rate setting practices, and current industry best practices to comply with Proposition 218.

Task 1: Project Management and Quality Control

Project management is a continuous task and will occur over the entire Study time period, which is estimated to be one year for this project. The HDR project manager will provide monthly progress reports, which will be included with the monthly invoices. The progress report will summarize the

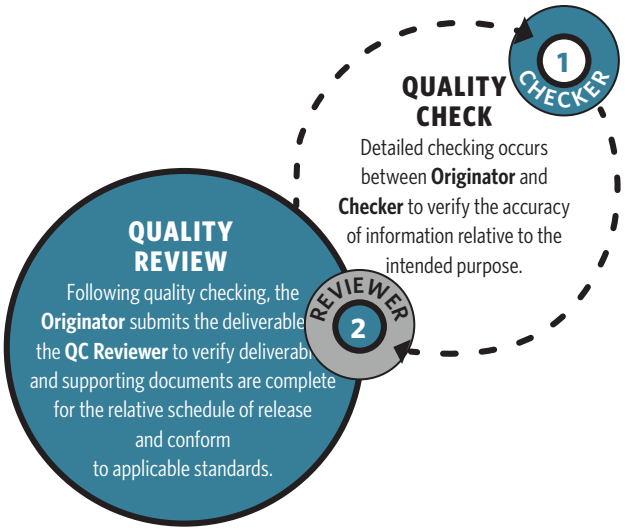
FIGURE 2-1: Interrelated Analyses



Compares the revenues to the expenses of the water utility to determine the overall adjustment to rates

Proportionally distributes the total revenue requirement to the customer classes of service

Design rates to meet the overall revenue needs of the water utility and cost of service distributed costs



work completed during the invoicing period, the overall status of the project, issues identified during the invoicing period, and HDR's assessment of the overall project in relation to deliverables, time schedule, and budget.

Additionally, HDR has a very specific quality control (QC) process for our projects. The QC processes and reviews are internally documented. HDR's QC process focuses on prevention rather than detection and being proactive rather than reactive. QA/QC will be provided by Kevin Lorentzen. Kevin has almost 20 years of experience in financial planning and rate studies. Kevin has been a team member on the prior rate studies completed for the City and is familiar with the models and approach to establishing cost-based and proportional rates for utilities in California to comply with Proposition 218.

As requested in the RFP, recurring meetings, every two weeks, will be set up to review the Study progress and activities.

Activities for Task 1:

- Overall project management to provide adequate resources and leadership to complete the Study on time and within budget
- Adhere to HDR's quality control approach and meeting standards
- Biweekly one-hour meeting to review the project status and progress

Results/Deliverables from Task 1:

- Monthly progress reports and invoices

Task 2: Data Collection and Review of Customer Billing

The initial written data request will detail the data and information required to conduct the Study. Given HDR's familiarity with the City's data, and the City's past experience in collecting the necessary data for previous rate studies, this aspect of the Study should be expedited.

A key element of the data review will be the customer billing characteristics necessary to develop the revenue projection, distribution factors, and rate structure alternatives. This is critical to the development of the Study, and HDR will collaborate with the City to determine the final customer characteristics. In addition, as requested by the City, a workshop will be held with City staff to define the rate classifications as outlined in the City's municipal code, and recommendations on proposed customer classes of service will be provided. At the completion of this review the customer classes will be identified for cost of service and rate design purposes.

Activities for Task 2:

- An initial written data request provided to the City electronically
- A review of the City's data to develop the technical analysis
- Identification of data constraints or additional data needs
- Identification of the customer billing characteristics
- Two-hour workshop to review rate classifications

Expected City Support for Task 2:

- Gather the requested data to complete the study
- Collaborate and coordinate the workshop with City staff

Results/Deliverables from Task 2:

- Identification of outstanding or additional data needs
- Technical memorandum summarizing the recommended rate classifications and customer classes of service

Task 3: Initial Project (Kick-Off) Meeting

Bringing the HDR project team and the City's management and staff together at the start of the project will allow the parties to have a mutual understanding of the goals, objectives, issues, and concerns related to the Study. The initial project (kick-off) meeting allows us to discuss the overall goals and objectives, schedule, approach, and issues or concerns that either party may have for the Study. A written data request will be provided (Task 2) to the City prior to the kick-off meeting to allow for the gathering of data and discussion during the meeting. It is proposed that this meeting be held at the City's office and be approximately two hours in length.

Activities for Task 3:

- Identification of objectives, issues, and concerns
- Review and confirm scope of work, general approach, and project schedule

Expected City Support for Task 3:

- Have key management/project team members attend a two-hour in person kick-off meeting attended by up to two HDR staff

Results/Deliverables from Task 3:

- Kick-off meeting agenda

Task 4: Review of Rate/Financial Policies

The City has requested a review and evaluation of the City's current policies. This review is critical to the Study as it provides the policy basis for certain financial planning targets (e.g., minimum reserves, debt service coverage). HDR emphasizes written financial/rate setting policies for two reasons. First, HDR believes that utilities should be run in a business-like manner, and therefore, should be managed in a financially prudent manner. The other reason for emphasizing this aspect of the process is that by developing written financial (rate-setting) policies, the City is taking a step towards stability in the decision-making process. That is, the policies are adopted based on prudent financial management of the utilities (industry best practices), and decisions should not necessarily be driven by politics or timing of the process. The development of written financial policies to establish rates and fees is an industry best management practice. Given that, HDR will review the City's existing financial and rate setting policies and practices in order to comply with those policies during the study. HDR will develop and recommend, as appropriate, additional financial/rate policies for consideration by the City for possible adoption.

Activities for Task 4:

- Review the current written financial/rate setting policies of the City

Expected City Support for Task 4:

- Provide current financial policies and needed clarification of current practices

Results/Deliverables from Task 4:

- As appropriate, recommend changes/additions to the current financial/rate setting policies

Task 5: Revenue Requirement Analysis (Financial Plan)

Using industry standard (e.g., AWWA) financial planning methodologies, HDR will develop the water revenue requirement analysis (financial plan) for a projected 10-year period. The revenue requirement analysis or financial plan will establish the cost-based level of revenue to be collected from customers to prudently fund the water utility operating and capital expenses. As necessary, HDR will develop a rate transition plan to move toward cost-based levels.

The development of the revenue requirement analysis is the first major analytical portion of the water rate study process. This portion of the Study entails reviewing the various sources of funds (revenues) and comparing them to the applications of funds (expenses) for the utility. This task considers the prudent and proper funding for operation and maintenance (O&M) and capital expenditures and determines the need for rate adjustments over the time period selected. A more detailed discussion of the various steps involved in developing the revenue requirements is provided below.

Step 1—Selection of a Test Period

The first step in the development of the revenue requirements is the selection of a "test period." In this case, a 10-year review period is proposed, which is what the prior rate studies completed for

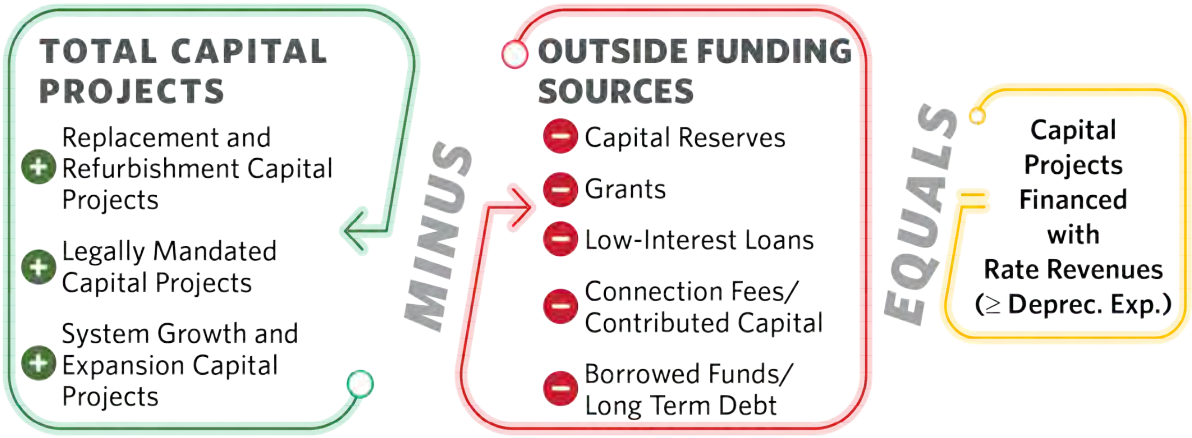


FIGURE 2-2: Overview of General Methodology for Reviewing the Financing of Capital Project Expenses

the City have developed. By reviewing costs over this extended time frame, the City can determine when major rate adjustments may be required and potentially take steps today to help limit future impacts (e.g., rate adjustment transition, accumulation of capital reserves). However, the focus of the Study will be the next five-year period for rate setting in order to align with the requirements of Proposition 218.

Step 2—Method of Accumulating Costs

The City has historically used the cash basis methodology. Under this methodology, the City's revenue requirements are composed of O&M expenses, taxes/transfers, annual debt service, and capital projects funded from rates.

Step 3—Accumulation of Revenues and Expenses

Once the test period and method of accumulating costs has been determined, HDR, in conjunction with City management and staff, will develop the test period revenue requirements for the water utility.

Revenue requirements are composed of two major types of costs: operational and capital expenses. The operational costs are generally projected from historical or budgeted costs, using assumed escalation factors, and adjusted for known changes in operations (e.g., additional personnel, growth/ expansion, regulatory). While the projection of the operational costs is fairly straightforward, the capital cost projections are generally the focus of the analysis and require more thought and planning.

Within the Study, the starting point for projecting capital costs (expenditures) will be the water utility five-year capital improvement plan (CIP), 2020 Urban Water Management Plan, and the current Water Master Plan. In the financial planning process, consideration must be given to maximizing the capital improvements (expenditures) for the system, while minimizing rates for its customers. However, the important aspect of this discussion is that there are multiple methods of financing capital expenditures, and it is through this process that rates can be minimized. An overview of the general approach that is used to develop a capital funding plan within the revenue requirement analysis is shown in the table on the following page.

The basic framework (Figure 2-2) is developed on a year-by-year basis for each of the projected 10 years. In summary form, the general approach is to list capital projects in each year and then determine the various outside funding sources for each of the projects. These outside funding sources may include capital reserves, grants, and capital contributions. The balance of projects not funded by these other sources must be financed from a combination of long-term debt and rates. It is the balancing of the use of long-term debt to the impact upon rates, which is critical to the analysis.

In balancing the use of debt[1] to equity (rate) financing of capital projects, several financial planning aspects are taken into consideration. Initially, the utility's debt service coverage ratio is an important financial measure or indication of the utility's ability to repay

[1] *Within this study, HDR is not acting as a municipal (financial) advisor regarding the issuance of long-term debt. The City has a financial advisor to fulfill this municipal advisory role as it relates to the size, timing, and structuring of any proposed debt issues.*

debt, and a key component of the rate study update. The strength of the debt service coverage ratio is the direct function of the amount of capital projects that are financed from rate revenues. A simple financial test that HDR utilizes is that a utility should fund, at a minimum, an amount equal to or greater than the utility's annual depreciation expense for renewal and replacement capital projects. By following this simple financial rule, the utility is not only establishing a potentially strong debt service coverage ratio, but also helping to provide consistent funding to maintain existing infrastructure at acceptable service levels, with minimal or no long-term debt financing.

In summary, given a better understanding of the overall magnitude of the needed capital projects, a final financing plan can be developed that meets the City's goals and objectives, while attempting to minimize rates and costs over time. At the same time, if a rate transition plan is needed to smooth out potential rate adjustments, it will be developed.

Activities for Task 5:

- A baseline water revenue requirement analysis for a projected 10-year period that evaluates funding options and considers the necessary operating and capital needs of the utility (i.e., long-range financial plan)
- A capital financing plan within the revenue requirement analysis, utilizing the water CIP, Water Master Plan, 2020 Urban Water Management Plan, or other relevant capital planning documents
- A transition plan to "phase in" rate adjustments as needed
- Provide as-needed data refinements or additional data needs as determined during the process of developing the revenue requirements

Expected City Support for Task 5:

- Provide data refinements or additional data needs as determined during the process of developing the revenue requirement
- Attend a half-day in-person project meeting attended by up to two HDR staff to review the draft revenue requirement analysis and review the overall methodology and confirm model assumptions and key inputs

Results/Deliverables from Task 5:

- Recommendations provided in the written report (Task 7)
- Project meeting at the City's location to discuss the development of the revenue requirement and recommendations

Task 6: Cost of Service Analysis

Using generally accepted methodologies, HDR will develop a cost of service analysis to proportionally distribute the revenue requirements of the water utility. Average unit costs (cost-based rate designs) will be developed to comply with the requirements of Proposition 218. A cost of service analysis proportionally distributes the revenue requirement between the customer classes of service as identified in Task 2. The basis for establishing water rates that are proportional, cost-based, and defendable has traditionally been cost of service principles and methodologies[2].

The State of California has certain well-established legal constraints regarding utility ratemaking, of which Proposition 218 (California Constitution Article XIII D) is at the forefront. In short, Proposition 218 requires the utility to establish cost-based rates for the services provided. Although Proposition 218 provided a certain direction, it lacked clarity and definition in some areas. Recent rate challenges have had a direct impact on the need to provide clear documentation regarding the cost-basis for the City's proposed water rates. This includes both the amount of revenue collected from the rates, and also the cost-basis for the fixed and consumption charges. This task is designed to specifically address this legal requirement to provide a cost basis for each rate schedule and each rate component. A brief discussion of the major steps associated with the water cost of service analysis is provided below.

Step 1—Selection of a Test Period

A cost of service analysis typically reviews a one-year period to establish cost-based water rates. For cost of service purposes, distributing the FY 2026/27 revenue requirements would be appropriate.

[2] *Generally accepted cost of service principles and methodologies are best defined and discussed within the AWWA M-1 Manual, Principles of Water Rates, Fees and Charges.*

Step 2—Selection of the Method to Accumulate Costs

The cash basis revenue requirement developed in Task 5 will be equitably distributed within the cost of service analysis.

Step 3—Functionalization and Allocation of Expenses

Functionalization refers to the arrangement of cost data into its basic cost categories. For a water utility, it is generally source of supply, treatment, transmission, and distribution. Given functionalized costs, the costs are then allocated to their various cost components based on the reason why the cost was incurred. For example, allocation determines whether a specific water cost is incurred as a result of a base (average day), extra-capacity (peak day), customer, or fire-protection-related need. The allocation of the City's water costs will be based on generally accepted cost of service techniques (i.e., AWWA commodity demand methodology) and the specific system characteristics of the City's water system.

Step 4—Determination of Classes of Service

The City currently has rates for single-family residential, multi-family, non-residential, and irrigation customers. As a part of Task 2, HDR will review with the City the current customer classes of service and determine whether modifications or changes to the existing customer classes are suggested or required.

Step 5—Review of Customer Consumptive Use

An important objective of the cost of service is to provide the cost basis for tiered and seasonal rates. In this case, the City has a tiered rate for single-family residential (0 – 15 CCF and > 15 CCF), but for other classes of service a seasonal rate structure is used. The cost of service study will review and evaluate customer usage patterns. Customer usage (i.e., daily/hourly and seasonal usage) patterns have operational and cost impacts on the water system. A cornerstone principle of a cost of service analysis is "those who create the cost should pay for the cost." That implies, for example, that the customer group that creates a peak demand on the system should pay their proportional share of the cost to meet that peak demand.

This step will review the consumptive water data of the City's customer classes of service. This will provide a rational basis for a proportional distribution of seasonal and capacity (peak) related costs. This will be accomplished by revieing the capacity requirements for each class of service and determining the proportional relationship for the development of distribution factors. Seasonal distribution factors will also be developed to proportionally assign costs between winter and summer time periods.

Step 6—Distribution of Expenses

The next step is to distribute each of the allocated costs to the various customer classes of service using distribution factors. HDR will develop distribution factors that reflect the proportional share of each customer class of service, and that rely on City-specific data. In particular, the development of the capacity distribution factor(s) will require a significant level of care and effort. Based on the prior tasks, HDR will have reviewed the individual customer billing data in order to sort and analyze consumptive and peak capacity use by customer class of service.

Step 7—Summary of the Cost of Service

From the above process, a summary page of the cost of service analysis is developed. The summary page compares the difference between the current level of rate revenues received from each class of service, and the proportionally distributed cost of service for each class. This provides an understanding of the relationship between the costs each customer class of service places on the system and the revenues received from the customers. From this summary, a determination can be made as to the revenue/rate adjustments, by class of service, which are reflective of cost responsibility.

Step 8—Development of Average Unit Costs

The cost of service analysis provides the allocation of total costs to each class of service, but it also provides average unit costs, or cost-based rates. These cost-based water rates are used as the basis

for the final proposed water rates. Average unit costs also provide the City with an understanding of the cost/rate relationship between fixed and variable costs. The variable costs are distributed to pricing tiers for each class of service, thus providing the necessary link required by Proposition 218 between the proposed rate and the cost to provide the service.

Activities for Task 6:

- Review of the customer classes of service and determine revisions for cost allocation or rate design alternative purposes
- Review of the consumption characteristics of the City's customers to confirm the number and size of tiers for each customer class of service
- Proportional distribution of the FY 2026/27 water revenue requirement to the identified customer classes

Expected City Support for Task 6:

- Provide as-needed assistance to explain the City's data and information as it relates to developing the cost of service analysis
- Attend a half-day meeting to review the draft results of the cost of service analysis

Results/Deliverables from Task 6:

- A summary of the average unit costs (cost-based rates)
- A half-day in person meeting at the City's offices attended by up to two HDR staff to review the cost of service analysis
- Recommendations provided in the written report (Task 7)

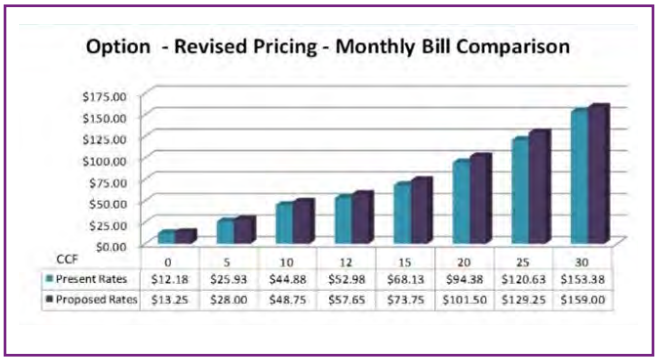
Task 7: Rate Design Analysis

The revenue requirement analysis addressed the City's overall revenue sufficiency and determined necessary revenue (rate) adjustments. Next, the cost of service analysis utilized the revenue requirement and proportionally distributed costs to each of the classes of service while establishing the average unit costs, or cost-based rates (e.g., $/customer/month and $/CCF by tier). This task is designed to provide a "baseline" water rate alternative and then review alternative rate structures to meet the City's water rate design goals and objectives including an update to the drought surcharges.

An important starting point for the rate design process is understanding the City's rate design goals and objectives. These objectives may include conservation, revenue sufficiency, revenue stability, ease of administration, and simplicity. The City's current water rates will be reviewed to determine how well they conform to contemporary rate-setting goals and objectives. From this review HDR will have an understanding of potential rate structure alternatives that may be explored as a part of this task.

Critical to this task is providing the cost-basis for each rate design; both the monthly fixed meter charge and the consumption charge. As noted in the previous task, Proposition 218 requires a proportional basis for the rates for each customer class of service and each rate component as outlined in the cost of service. To reflect this, HDR will provide revenue proof and cost of service average unit costs to support alternative rate designs and the City's final proposed rates.

The City has requested the development of a "baseline" scenario for rates. HDR interprets that to imply cost-based rate designs using the existing rate structure (i.e., fixed charges and consumption charges) for each class of service. This task will provide up to two alternative water rate structures for each of the City's customer classes of service. For each rate alternative developed, a bill comparison and graph will be provided that shows a comparison between the present bill and the proposed bill at various levels of usage. Bill comparisons are useful in assessing the potential impacts to a wide variety of customers. The City has also requested a comparative rate analysis to at least 10 other



comparable communities in the Northern San Joaquin Valley.

The City also has and employs drought surcharges in certain circumstances. These surcharges apply to the various drought stages of the City. HDR originally developed these surcharges and understands their cost-basis and the appropriate method to update them. As a part of the Study, HDR will update the City's drought surcharges, private hydrant fees, and hydrant rental fees.

Activities for Task 7:

- A "baseline" scenario set of rates and up to two water rate structure alternatives for each customer class of service (i.e., single-family, multi-family, others)
- Update of the City's drought surcharges
- Development of bill comparisons for each of the rate structure alternatives developed and regional bill comparisons

Expected City Support for Task 7:

- Discuss with HDR the City's rate design goals and objectives
- Assist, as necessary, in the development of the water rate structure alternatives, bill comparisons and neighboring comparative rate analysis
- Attend a two-hour project meeting to review and discuss the water rate structure alternatives

Results/Deliverables from Task 7:

- Comparison of the preferred rate structure and customer bills with up to ten other local water utilities
- Recommendations provided in the written report
- A two-hour project meeting at the City's offices to review and discuss the water rate structure alternatives attended by up to two HDR staff

Task 8: Miscellaneous Fee

The City requested assistance with developing a Standard Operating Procedure (SOP) for developing the miscellaneous fee structure for the water utility. HDR will review the approaches with the City and determine the appropriate approach and review the cost associated with each fee. The miscellaneous fee analysis will review the fees that the City currently has in place and recommend a level of fee designed to recover costs related to specific services or customer requests. For most miscellaneous fees, the customers who utilize these special or miscellaneous services should pay the costs incurred by the City in providing those services. Ultimately, miscellaneous fees charged for special services are a reasonable way to limit costs to the City for the majority of customers, while allocating costs to customers who are directly benefiting. The typical process for determining cost-based miscellaneous fees is to establish, on average, the cost of the following items in providing a special service: labor and benefits, equipment and materials, inventory management, overhead costs, administrative or billing costs, and other relevant costs. HDR will work with the City to identify the appropriate components to include and then transition to developing the unit cost for each miscellaneous fee.

Activities for Task 8:

- Develop a standard operating procedure to establish water division fees
- Review the fee schedule to determine the approach for each fee

Expected City Support for Task 8:

- Provide the data and information necessary to develop the proposed water division fees
- Participate in a two-hour virtual meeting to review the approach and SOP for the water division fees

Results/Deliverables from Task 8:

- An SOP for updating the water division fees
- Electronic (Excel-based) model to support the water division fee calculations
- A two-hour virtual project meeting to discuss the water division fees and SOP

Task 9: Study Documentation

At the conclusion of the analysis, HDR will develop a draft written report. The report is intended to summarize the activities undertaken as a part of this project, along with our findings, conclusions, and recommendations. The report will provide a discussion of the methodology used to develop the recommended rates. Similar to our prior water

rate study for the City, HDR will include within the written report a technical appendix of the analyses undertaken by HDR. This provides a clear administrative record documenting the study and the analyses undertaken to establish the cost-basis for the proposed water rates.

HDR will provide an electronic copy of the draft report to the City for its review and comment. Comments, suggestions, or corrections from the City concerning the draft report will be incorporated into the final report. HDR will provide five bound copies of the final report and an electronic version in a PDF file format.

At the completion of the Study, HDR will provide the City with an easy-to-use, Excel-based electronic rate model that was developed to support the proposed rates.

Expected City Support for Task 9:

- Review and comment on the draft final written report

Results/Deliverables from Task 9:

- Electronic copy of the draft final written report
- Five bound copies of the final written report and a PDF of the report
- Electronic rate model at the completion of the Study

Task 10: Public Meetings/ Presentations

During the course of the Study, HDR will meet with the Water Advisory Group (two times), Council Water Committee (two times), and the City Council (two times) to discuss the findings, conclusions, and recommendations of the Study. HDR will provide clear and concise presentations, which will allow for input and feedback from these advisory and governing bodies.

HDR will work with the City to develop these public meetings/presentations. HDR will be responsible for developing presentation materials. The City will be responsible for coordinating and setting up the public meetings/presentations. Meetings requested beyond those noted above will be provided by HDR on a time and material basis.

Expected City Support for Task 10:

- Coordinate and set up the public meetings/ presentations
- Review and comment on proposed presentation materials
- Attend internal project meetings and public meeting/presentations

Results/Deliverables from Task 10:

- Attend up to two Water Advisory Group, up to two Council Water Committee, and up to two City Council public meetings and presentations
- Prepare handout materials related to the rate study

Task 11: Proposition 218 Assistance

HDR will assist the City in the development of the Proposition 218 customer notices required as a part of the Proposition 218 process. HDR will assist the City in the development of the rate notification required to be sent to customers no later than 45 days prior to the public hearing date. HDR will provide input and recommendations on the customer notification and provide information related to the rate study and proposed rates. Similar to our role in the City's recent rate studies, the City will be responsible for the coordination and mailing of notices to affected property owners, along with the content in the final published notification.

Expected City Support for Task 11:

- Provide information necessary to develop the customer rate notification
- Print and mail the customer rate notification

Results/Deliverables from Task 11:

- Assist the City in the development of the customer rate notification including graphic design work

Task 12: Public Outreach

HDR designs meaningful, focused, and equitable stakeholder and community engagement with the integration of traditional, social media, and online meeting tools to expand coverage and engage under-served populations in the process. Our tiered approach to engaging diverse partners, agency, and public stakeholders allows us to test our information

and messaging, learn concerns, and adjust at each level before we get to the public to minimize political and social risk to the project. Building trust and cultivating meaningful relationships with the communities empowers perspectives of the communities affected by project decisions.

Public Outreach Meetings

HDR, in collaboration with the City, will host up to two in-person public meetings and one virtual meeting to build awareness and garner feedback from the general public about the rate study. HDR recommends hosting one in-person meeting in the northern part of the City and the other in the Southern part of the City. The virtual meeting will be hosted after the in-person meetings. The meetings will be hosted in the evening for the larger general public and include possible display boards, a presentation, and facilitated question and answer session. The public will be able to talk one-on-one with team members, review information, and provide input via comment card submittal or verbally through the question and answer session. The meetings will occur at critical milestones in the rate study process. HDR will assist with logistics related to the public outreach meetings.

Educational and Marketing Materials

Development of creative and concise informational materials will be critical to the effective education of the public about the rate study process and results. Materials include approved key messages and high-level graphics for a consistent and effective communication. Materials will be posted on the website, distributed electronically via e-blasts, social media as well as mailed or passed out at meetings.

The City is responsible for translating materials into other languages. If materials need to be translated in other languages, HDR can assist as appropriate, to review materials that are culturally sensitive and appropriate for our target population in the project areas. Consistent communications with project partners, stakeholders, and the public through email updates, public workshops, and council briefings are critical to share the project's progress and maintain project support.

TOOL	OBJECTIVE
Fact Sheet (1)	Visually provides an overview of the rate study process, benefits, and timeline
FAQ Document (1)	Answers to frequently asked questions
Social Media Posts (3)	Using the City's existing social media accounts for use to promote in-person public outreach meeting and public hearing
Press Release (2)	Press release announcing public meetings and a second for the public hearing
PowerPoint Presentations (3)	For use at the in-person public outreach meetings
Display Boards (up to 12)	For use during the in-person public outreach meetings

Educational Video

Research shows that video simplifies complex concepts by leveraging the brain's ability to process visuals faster and retain information better than text. HDR will collaborate with the City on the development of a 3- to 5-minute video explaining the City's Water Rate Study for public viewing. This video will be a critical piece of the education campaign necessary to engage with the public. It will be hosted on the City's website and social media channels.

Website Content

HDR will work closely with the City's webmaster to create a rate study webpage housed on the City's website. The webpage will be updated regularly throughout the study and act as the main resource for information. Updates will occur at key milestones in the process and include an overview of the rate study process, alternatives, meeting notices,

schedule updates, collateral materials, comment form and contact information. HDR will provide the key information and graphics to the City webmaster for upload to the site.

Interactive Online Open House *(Optional Task for Consideration)*

In addition to the public outreach meetings outlined above, HDR recommends development of an interactive and accessible online open house. In an effort to reach a broader audience, HDR will conduct the in-person public outreach meeting and create an Interactive Online Open House. The online meeting will house the same information; however, it offers the public a more convenient alternative to the traditional, one-time opportunity of attending the evening meeting. This online environment will be available for attendance 24/7 for up to four weeks and will allow the participants to view the information and provide input from the convenience of their personal mobile device or computer. Information will be displayed on the online meetings using such methods as video, online comment cards, voiceover, and presentations.

Expected City Support for Task 12:

- Secure public outreach meeting facilities, provide interpreters
- Provide staff at up to three public outreach meetings
- Host project specific webpage and video on website and YouTube channel

Results/Deliverables from Task 12:

- Up to 5-minute video explaining Water Rate Study for public viewing
- Three public outreach meetings (2-hours in length) and summary reports; two in person and one virtual
- Development and summary of frequently asked questions
- Promotional materials and presentation as outlined
- Up to 6 webpage content updates
- Optional interactive online open house

Task 13: Ongoing Rate Study Support

In the RFP, the City is requesting up to 30 hours of additional as-needed support per year following the water rate study. In our experience, these efforts have been used to run scenarios requested by the City, answer technical questions that may come up, and work towards updating the Study to a certain degree during the years between comprehensive rate studies.

Expected City Support for Task 13:

- Request from and provide direction for as-needed technical and professional services

Results/Deliverables from Task 13:

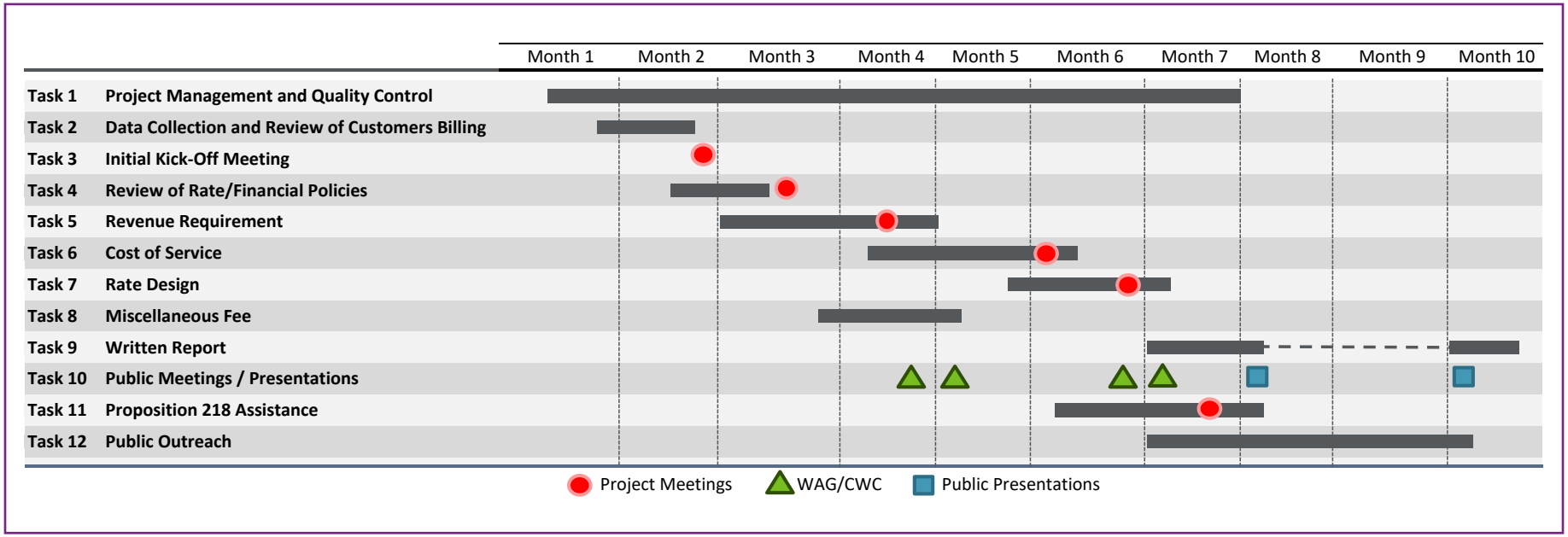
- Provide assistance, as needed, to the City regarding to the Study for up to 30 hours per year, for up to five years

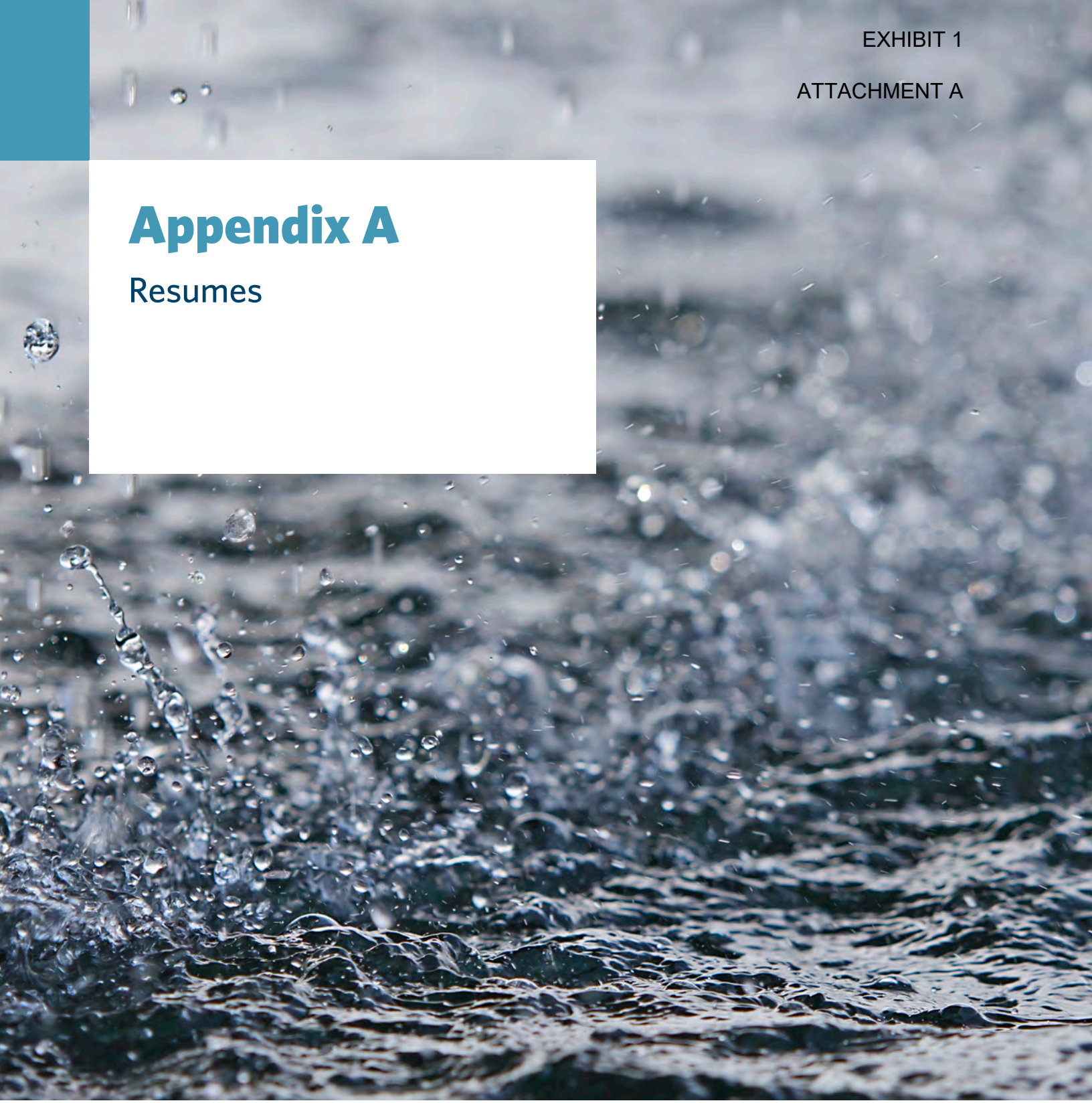
HDR is willing to expand upon and adjust our proposed scope of services to meet the specific needs of the City.

Project Schedule

A rate study of this complexity generally takes eight to ten months to complete. This is similar to the prior rate studies completed for the City by HDR. Proposed rates are being developed for FY 2026/27. Given this, the public hearing must be held no later than June 2026. This schedule provides ample time to complete the requested services, including billing data and customer class review, miscellaneous fees, and the rate study, assuming a summer 2025 start. Figure 2-3 shows a project time schedule based on our experience with the City.

FIGURE 2-3: Proposed Schedule





Appendix A

Resumes

Shawn Koorn

Project Manager/Public Presentations

EDUCATION
Bachelor of Business Administration, Central Washington University

Bachelor of Science. Economics, Central Washington University

INDUSTRY TENURE
24

FIRM TENURE
22

Shawn is an Associate Vice President with HDR. He provides financial planning, cost-benefit analysis, and economic review towards development of rate and cost of service studies for water, sewer, stormwater, electric, natural gas, and solid waste utilities. He communicates this information in a clear and concise manner.

Shawn's experience involves all analytical aspects of the utility financial planning and rate setting process. These include the development of revenue requirements, cost of service, and rate design studies for clients. Shawn is highly capable and understands the finer technical issues involved with each project, as well as the broader economic issues that today's public utilities are facing.

Shawn also has extensive experience with capacity fees. He developed the fees for the City of Spokane (WA), City of Stockton, City of Coeur d'Alene (ID), and the Northwest Arkansas Conservation Authority. He has very strong experience and knowledge of "generally accepted" capacity fee methodologies.

Shawn has been involved in some unique and challenging projects. Recently, Shawn completed a water rate study for Dublin San Ramon Services District. As a part of the study, the District was attempting to address the issue of revenue stability and the need for fixed charges which remain in compliance with best management practices regarding conservation-oriented rates. Shawn also assisted a California wastewater utility in evaluating volumetric wastewater rates for residential customers. He has been a project manager for a number of studies and recently completed comprehensive rate studies for the City of Stockton water, sewer, and stormwater utilities. He is also the project manager for the Seattle Public Utilities wholesale rate review.

Shawn is a co-instructor for the AWWA Financial Management Seminar. This three-day seminar discusses the theories and methodologies used to establish cost-based rates and system development charges (capacity fees). Shawn has also presented numerous papers on financial planning and rate setting topics for utilities.

Shawn has a strong command of a number of spreadsheet, graphic, and presentation programs. He has created and developed a number of sophisticated, user-friendly spreadsheet models, which are passed along to clients for future use.

Dave Zuber, PG, PMP

Principal-in-Charge

EDUCATION

Master of Science, Geology, Northern Arizona University, Flagstaff, Arizona

Bachelor of Science, Geology, College of William and Mary, Williamsburg, Virginia

REGISTRATIONS

Professional Geologist, California No. 5933

Project Management Professional, No. 1460589

INDUSTRY TENURE

41

FIRM TENURE

3

Dave has 41 years of experience in project management, program management, and project and program quality implementation. His experience includes managing programs for Formerly Used Defense Sites (FUDS), Department of Energy (DOE), and Base Realignment and Closure (BRAC) sites in Northern California, as well as overseeing programs for state, municipal, and private clients.

Dave's program and quality management responsibilities have included serving as the single point-of-contact with client representatives, monitoring compliance with contract terms over multiple delivery orders, reviewing and negotiating proposals and cost estimates, and developing and implementing Quality Plans, including Quality Assurance Project Plans, overseeing the quality of deliverables, and tracking schedules and budgets.

Dave's program management experience has involved wastewater treatment plant upgrades, environmental compliance, planning and conservation, and environmental cleanup and restoration. Dave's program management responsibilities have included serving as the single point of contact with client representatives, monitoring compliance with contract terms over multiple delivery orders, assigning and coordinating staff, reviewing and negotiating proposals and cost estimates, overseeing the quality of deliverables, tracking schedules and budgets, overall problem solving and documenting results of project efforts.

Dave currently serves as project supervisor for the Sites Project Authority Project Integration. He reviews project controls deliverables, including development of business process workflows and board report drafts. He also participates in controls team staffing.

As principal-in-charge for the City of Oroville Brownfields Assessment, Dave reviewed the Phase I and Phase II ESAs and work plans to verify compliance with the Quality Assurance Project Plan.

Dave also served as principal-in-charge for the City of Roseville Energy Recovery project to evaluate cogeneration and fats, oil, and grease/food waste receiving alternatives to develop an economically favorable project that would beneficially use gas from the digester expansion project. He met with the project manager monthly to review project progress and financials and met with the client to assess team performance.

Josiah Close

Assistant Project Manager/Public Presentations

EDUCATION
Bachelor of Science, Finance,
Oregon State University

INDUSTRY TENURE
14 years

FIRM TENURE
12 years

Josiah, a financial analyst with HDR, specializes in the area of utility financial planning, cost of service, rate setting and system development charges. Josiah is highly experienced in developing complex financial planning and utility rate studies. He is very proficient in financial modeling and in the analysis of complex data sets and information.

Prior to joining HDR, Josiah worked as a fiscal analyst for the State of Washington in the Department of Social and Health Services. His experience with the State further developed his financial modeling skills and placed a high level of importance on attention to detail and accuracy. His work with the State enhanced his Excel™ spreadsheet skills and he is a highly skilled Excel™ modeler and user.

Since joining HDR, Josiah has been responsible for developing and updating a variety of spreadsheet analyses to support revenue requirement, cost of service and rate design studies. Among the complex studies that Josiah is working on include a comprehensive water rate study which contains a wholesale water rate component. This comprehensive study includes the development of revenue requirements, cost of service and rate design.

Currently, he is working with a California utility on the evaluation of volumetric sewer rates. In performing this evaluation, he is working with different databases of information and developing usage patterns and characteristics for different types of residential and multi-family customers. He recently provided a similar study in which the drought in California had impacted the water consumption and wastewater flow estimates. He worked with precipitation and water consumption data to determine a reasonable estimate of wastewater flows.

Since joining HDR, Josiah has gained experience in working with water, wastewater, and solid waste utilities. He has worked with and reviewed budget and asset record documents to support the technical analyses he has been conducting.

Kevin Lorentzen

QA/QC

EDUCATION
Bachelor of Science, Business, Finance, University of Idaho

INDUSTRY TENURE
19 years

FIRM TENURE
14 years

Kevin has more than 11 years of experience in municipal finance for local government and as a consultant to small and large municipalities. He specializes in the areas of financial planning and rates for utilities.

As senior project manager and financial analyst for HDR, Kevin has extensive experience in cost of service studies, rate design, capital and financial planning, funding, and policy analysis. Throughout his career, he has provided several presentations in an organized and effective style to colleagues, key decision makers, and elected officials. His broad knowledge and experience allow him to provide quality, comprehensive services to utilities.

While at the City of Bellevue, Kevin was the Fiscal Long-Range Planning Administrator responsible for the overall fiscal health of the City. His responsibilities included forecasting a diverse revenue stream over $200 million, providing technical support for ratings agency presentation resulting in the reaffirmation of AAA bond rating, economic analysis support for the planning department for master planning purposes, worked with city departments including Utilities providing general guidance in economics and forecasting.

Kevin has taught classes at both Government Finance Officers Association (GFOA) and Washington Finance Officers Association (WFOA). In 2015, Kevin co-taught the two-day GFOA Forecasting course and a financial modeling course at WFOA.

Kevin has been developing complex financial, rate and cost benefit analysis models for a number of clients. Some clients include large regional water utilities in Canada, the City of Bellevue, Jordan Valley Water Conservation District, and the City of Norfolk, VA. For these utilities, and numerous smaller utilities, Kevin has developed easy-to-use spreadsheet models that he has trained clients to use.

Kevin's experience also includes system valuations, bond feasibility studies and detailed cost benefits studies for engineering, system development charge (SDC) analysis, and planning studies.

Tom Hoffman, PE

Engineering

EDUCATION
Master of Science, Civil Engineering, Marquette University

Bachelor of Science, Civil Engineering, Villanova University

REGISTRATIONS
Professional Civil Engineer, California, No. 88490

INDUSTRY TENURE
9

FIRM TENURE
9

Tom has more than nine years of experience in providing engineering and design services for public works projects and water and wastewater pipeline design and condition assessment. He has worked on more than 30 pipeline and pump station projects throughout Northern California. Tom is also experienced in providing plans, specifications, and cost estimates, as well as engineering services during construction.

For the City, Tom provided design and engineering services during construction of improvements to the Delta Water Supply Project intake pumping station structure to repair/replace existing structures, drainage infrastructure, pipelines, and electrical components affected by levee settlement. Tom also provided staff augmentation support for the City.

Tom's additional work in the area included the Brine Concentrator System Replacement at Deuel Vocational Institution for the California Department of Corrections and Rehabilitation. For this project, Tom provided process, electrical, instrumentation, control, and mechanical design services for a new vibratory shear enhanced processing system capable of concentrating the brine waste from the Duel Vocational Institution's reverse osmosis water treatment plant.

Tom has extensive wastewater engineering experience. He provided engineering services during construction of $43 million in upgrades at the Pinole/Hercules Water Pollution Control Plant. Tom also provided engineering support for the replacement of the existing gaseous chlorine and gaseous sulfur dioxide facilities with a $15 million new liquid sodium hypochlorite and liquid sodium bisulfite chemical storage and feed system at the 185 mgd Sacramento Regional Wastewater Treatment Plant for Regional San.

Tom assisted with condition assessment and conceptual design for filter rehabilitation improvements at the 167 mgd San José-Santa Clara Regional Wastewater Facility, as well as a condition assessment of the South Lake Tahoe Public Utility District's 7.5 mgd wastewater treatment plant. He also provided engineering support for primary treatment renovation improvements for the City of Sunnyvale 14 mgd water pollution control plant.

Elizabeth Drayer, PE

Staff Title: Vice President

Office Location: Pleasanton, CA

Years of Experience: 37

Years with West Yost: 25

Professional Registrations

- Professional Civil Engineer, California No. 46872

Education

- MS, Structural Engineering, University of California, Berkeley
- BS, Civil Engineering, University of California, Berkeley

Certifications

- Underground Storage Tank Installation
- UC Davis Extension, 32-hour Course, Groundwater Hydrology
- UC Davis Extension, 32-hour Course, Principles of Toxicology

Professional Affiliations

- American Society of Civil Engineers
- American Water Works Association
- Association of California Water Agencies
- WateReuse Association

Elizabeth's expertise is in water resources engineering and multi-disciplinary project teams. She has experience leading water resources planning studies and design projects and specializes in water supply and infrastructure master planning. She has prepared more than 24 water and utility master plans, more than 20 water supply assessments, and more than 50 urban water management plans. She has also prepared many other studies and plans for clients including groundwater studies, drought response and water shortage contingency plans, facility operations plans, and emergency operations plans involving the evaluation of existing facilities, evaluation of existing and future water demands, identification of system deficiencies and needs, evaluation of water supply alternatives, and development of recommendations for capital improvements. She has prepared preliminary and detailed designs for water supply facilities such as pipelines, pump stations, reservoirs, and canals. Elizabeth is a West Yost Vice President and currently serves as West Yost's Chief Engineer-Scientist, overseeing the firm's Technical Resources Program.

EXPERIENCE

Water Master Plan, City of Stockton, CA: Project Manager for an update to the Water Master Plan that evaluated water system infrastructure needs and recommended an updated capital improvement plan that supports buildout of the recently-updated Envision Stockton 2040 General Plan. Project tasks included confirmation of goals, strategies, and priorities for the City's water system; update and calibration of the City's water system hydraulic model; evaluation of recent water use trends and development of future water use projections based on planned development; hydraulic analysis of the City's water system to identify needed water system improvements; and development of a prioritized capital improvement program to implement recommendations. The updated capital improvement program provided the basis for the City's subsequent water rate study. West Yost provided training for City staff on the update and use of the hydraulic model, and is providing on-going technical support for model updates and hydraulic analysis of proposed development projects.

2020 Urban Water Management Plan, City of Stockton, CA: Project Manager for the preparation of the 2020 Urban Water Management Plan (UWMP). Project tasks include review of the City's water demands and water supplies for the last five years, projection of future water demands and water supplies through 2045, a report on the City's compliance with its SB X7-7 per capita water use target for 2020, consideration of the impacts of Senate Bill 606 and Assembly Bill 1668 on the City's future water demands, an update of the City's on-going and planned water demand measures, and an update of the City's water shortage contingency plan. West Yost assisted City staff during the public hearing and City Council adoption of the 2020 UWMP and uploaded the final plan to the Department of Water Resources Water Use Efficiency data portal.

Water System 30-Year Capital Improvement Master Plan, City of Napa, CA: Project Manager for the development of the City's Water System Master Plan to develop a prioritized plan for the implementation of water system improvements to reliably serve existing and future needs. The objectives of the City's WMP are to: define and prioritize needed improvements to the City water system, and their associated costs, over the next thirty years, identify operating, maintenance, and staffing costs over the same thirty-year

period; develop a long-term financial plan based on these costs; develop water rates necessary to cover the costs of providing water service; and prepare a program-level Environmental Impact Report (EIR) for the WMP. This effort will define what is required to ensure consistent investment in the aging infrastructure thereby containing emergency response needs and associated operating costs, while maintaining infrastructure reliability.

Sustainable Water Supply Master Plan, City of Santa Clara, CA: Project Manager for the development of a Water Supply Master Plan for the City of Santa Clara. The objective of this Water Supply Master Plan is to provide an innovative and sustainable plan that addresses drought and climate resiliency for the City through assessing existing water infrastructure and planned growth. Tasks include development of demand projections accounting for proposed new developments and General Plan buildout, evaluation of water system facility capacity and performance under existing and future conditions to identify needed improvements, preparation of an asset management plan for the water system, identification of water supply strategies to meet future needs, and development of a prioritized capital improvement program.

Water System Master Plan and Capacity Reserve Fee Study, Dublin San Ramon Services District, Dublin, CA: Project Manager for the preparation of a Water System Master Plan and Capacity Reserve Fee Study for the District. Tasks included a review and update of the District's system performance criteria; development of potable and recycled water demand projections; update of hydraulic water system models for the potable and recycled water systems; hydraulic analysis of existing and future conditions including 2020, buildout (based on adopted general plans), and ultimate planning horizons; development of a prioritized capital improvement plan; and performance of a water system capacity reserve fee study.

Water Master Plan Connection Fee Analysis, Dublin San Ramon Services District, Dublin, CA: Project Engineer for the evaluation of connection fees for the recommended capital improvement program for the District's recommended potable water and recycled water facilities. The evaluation included a facility cost allocation to District service areas, based on the areas deriving benefit from each of the recommended facilities which included new transmission pipelines, pump stations and reservoirs, to assess service area-specific connection fees.

Collection System Master Plan, Dublin San Ramon Services District, Dublin, CA: Principal-In-Charge for the update of the District's collection system master plan which will guide the District's remaining collection system capital improvement projects and establish appropriate connection fees to fund them while recognizing the District's strategic goal of maintaining competitive service rates. The master plan evaluated and developed solutions and policies for the long-term management of the collection system, including Inflow and Infiltration (I/I) management and Private Sewer Lateral (PSL) policies.

Citywide Water System Master Plan Update, City of Tracy, CA: Project Manager for the development of a Citywide Water System Master Plan for the City of Tracy to provide an evaluation of the required backbone potable and recycled water system facilities required to serve buildout of the City's General Plan. Tasks included developing proposed policies for future water use and water conservation programs; preparing a water supply plan to meet the City's projected water demands through buildout of the General Plan utilizing the City's existing water supplies (including surface water supplies purchased from the Bureau of Reclamation, treated surface water purchased from the South San Joaquin Irrigation District's South County Surface Water Supply Project, and local groundwater) and proposed future water supplies; evaluating water supply costs and developing a recommended development impact fees for water supply and water treatment; and working with the City's EIR consultant to document the potential environmental impacts of the recommended Master Plan facilities.

Water and Sewer Connection Fee Update, City of Livermore, CA: Project Manager for the update of the City's water and sewer connection fees based on the recently updated Water and Sewer Master Plans (prepared by West Yost) and the City's current planned capital improvement projects. Work included determination of appropriate cost allocation to existing and future customers in accordance with applicable laws, calculation of remaining available equivalent dwelling units for the City's water and sewer system, and calculation of updated water and sewer fees for the City's adoption.

Downtown and El Camino Real Specific Plan Technical Report, City of Millbrae, CA: QC Reviewer for a study evaluating impacts of intensification of land uses in the Millbrae downtown area on water, sewer and storm utilities. Results of the study will be used to develop impact fees for new development. The project included evaluating proposed land use intensification to estimate water demands and sewer flows, evaluating changes to impervious areas that impact stormwater runoff, using hydraulic models to assess impacts of new development and identify infrastructure required, and developing capital cost estimates for new infrastructure required.

Bobby Vera, PE

Staff Title: Principal Engineer I

Office Location: Sacramento, CA

Years of Experience: 13

Years with West Yost: 12

Professional Registrations

- Professional Civil Engineer, California No. 83500; Oregon No. 95681PE
- Grade II Water Distribution System Operator, California No. 48180

Education

- MS, Engineering Science, Civil & Water Resource Engineering, University of the Pacific, Stockton, California
- BS (cum laude), Civil Engineering, University of the Pacific, Stockton, California
- Water Education Foundation Water Leader, Class of 2017

Professional Affiliations

- American Society of Civil Engineers
- American Water Works Association
- Sacramento Area Water Works Association

Bobby Vera is a civil engineer specializing in water resources, water supply and facilities planning, and wastewater collection system master planning. He is proficient in a variety of hydraulic modeling (pressure and gravity systems) and Geographical Information System (GIS) software. Bobby also has experience in water facilities design of groundwater wells, storage and pumping stations, hydraulic transient analyses, and sizing and design of surge mitigation devices (hydropneumatic tanks, air-vacuum valves, etc.). Bobby primarily supports clients throughout California and Oregon.

EXPERIENCE

Water Master Plan, City of Stockton, CA: Project Engineer and technical lead responsible for updating the City's Water System Master Plan in a fast tracked, 8-month schedule. Tasks included hydraulic model, updating performance criteria, and performing system hydraulic evaluations. The hydraulic model was updated through a thorough review of City's latest GIS and available as-built drawings. Performed hydraulic model calibration (using steady state hydrant test simulations) and verification (using extended period simulations and comparing to City's SCADA and data collected by hydrant pressure recorders) of the newly updated hydraulic model. Performed existing and buildout water system hydraulic evaluations using the newly updated, calibrated and verified hydraulic model. Results from the existing and buildout water system evaluations will be used to develop a comprehensive capital improvement program.

Comprehensive Planning Study, California American Water – Monterey District: Deputy Project Manager and Technical lead of the preparation of the updated Comprehensive Planning Study (CPS). The last CPS for the Monterrey District was prepared in 2019, and since the Monterey District has experienced several changes to the demand estimates and future supplies. The Updated CPS included updating demand and supply projections, updating and calibrating the hydraulic models for the area, and performing system evaluations to developed recommended capital improvement projects. A key facet to the CPS was updating and calibrating the District's hydraulic models so that they accurately represent the existing system. The Monterey District has approximately 80 pressure zones, with nearly 100 tanks and 100 booster pump stations.

Water Master Plan Update, City of Ceres, CA: Project manager for the update of the City's Water Master Plan. Tasks include developing updated existing and future water demand projections, development of updated water use factors, updated water system operational and design criteria, performing hydraulic evaluations, and preparing a comprehensive capital improvement plan. Water use factors and future demand projects were updated since there has been an increase in residential development recently, and water use trends are notably different than the trends observed as part of the last Water Master Plan. The City's hydraulic model was updated, using the most recent GIS information, pump efficiency testing, as-built drawings, and input from City staff. The hydraulic model was then calibrated using an extended period simulation approach, and comparing model predicted results to SCADA and field recorded pressure data. The updated model was used as the basis for the existing and future system evaluations, which resulted in a comprehensive capital improvement plan.

Groundwater Valuation Study, City of Sacramento, CA: Project engineer and primary technical lead for the groundwater valuation study. This study was the basis for establishing connection fees for future customers and tasks involved assessing the age and condition of existing wells, estimating existing dollar value of groundwater well assets, establishing the typical cost to develop a new well, and recommending an annual budget be able to maintain existing and future groundwater well assets.

Water Master Plan, City of Sacramento, CA: Project Engineer and technical lead responsible for updating the City's Water System Master Plan. Tasks included updating and calibrating the City's hydraulic model, performing system hydraulic evaluations, operational evaluations focused on improving storage tank turnover, and development of an updated capital improvement program. The hydraulic model was updated through a thorough review of City's latest GIS and available as-built drawings. The hydraulic model calibration using extended period simulations and comparing to City's SCADA to predicted pressures from the newly updated hydraulic model. Performed existing and buildout water system hydraulic evaluations using the updated and calibrated and hydraulic model. Storage tank turnover evaluations involved determining the hydraulic tributary of storage tanks and evaluating how much storage needs to be maintained (seasonally) to meet tributary demands. Results from the storage operations and existing and buildout water system evaluations will be used to develop a comprehensive capital improvement program.

Water Master Plan Update, City of Vacaville, CA: Project Engineer and technical lead responsible for updating the City of Vacaville's Water Master Plan. The City's previous Water Master Plan was completed in 2018, and since then the City had embarked on a comprehensive update to its General Plan, thereby refining growth estimates, and had experienced a continued decline in water use patterns. The Master Plan built on the focused hydraulic model update (also completed by West Yost) and included a compressive update to water demand projections, revisions to the City's water supply plan, and evaluated capital improvements needed under existing and future demand projections. Identified improvements were used as the basis for the City's comprehensive capital improvement program.

2020 Engineers Report, City of Modesto, CA: Project Manager and Engineer in charge of preparing and updated Engineer's Report for a new Water Rate and Connection Fee Update Study for the City of Modesto based on the 2017 Water Master Plan. The main elements of the report include updating current and buildout water demands; identifying and justifying capital improvements needed to maintain reliable water service; developing cost estimates and prioritizing improvements; and determining the proportional cost allocation between existing and future users. The report laid out improvements needed over a 10-year time horizon and is the basis for near-term capital improvements, further expanding on the City's Water Master Plan.

Groundwater Well Strategy Plan, City of Modesto, CA: Project Manager and Project Engineer for preparing a groundwater well strategy, which identifies which wells have the highest likelihood of failure and consequence of failure pairs to focus the City's capital improvement projects. The City has approximately 85 wells, and recently approximately 13 mgd of well production capacity has been abandoned due to well age and water quality concerns. System demands have also dropped, so the need to reestablish production capacity is not as urgent. This strategy was prepared to identify which active wells the City should perform focused assessments to reduce its overall risk. Tasks included: preparing consequence and likelihood of failure factors, preparing risk assessment tables and figures, workshops with city staff, preparing recommended rehabilitation action plans, and budget level cost estimates.

Water Master Plan, City of Modesto, CA: Project Engineer responsible for updating the City's hydraulic model, updating performance criteria, and performing system hydraulic evaluations. Updated the hydraulic model through a thorough review of City's latest GIS and available as-built drawings. Performed hydraulic model calibration (using steady state hydrant test simulations) and verification (using extended period simulations and comparing to City's SCADA and data collected by hydrant pressure recorders) of the newly updated hydraulic model. Performed existing and buildout water system hydraulic evaluations using the newly updated, calibrated and verified hydraulic model. Results from the existing and buildout water system evaluations will be used to develop a comprehensive capital improvement program.

Grayson and Westley Surface Water Supply Feasibility Evaluation, Modesto, CA: Project Manager for assessing the feasibility of developing surface water supplies for the Grayson, Westley, and surrounding disadvantaged communities. This study is built on the Grayson Water Infrastructure Project, which evaluated groundwater treatment and import of surface water from the City's contiguous area, and identified Infrastructure needs and associated capital costs for both options. Capital costs for both options were relatively high, therefore this a new surface water supply option was evaluated. The City was approached by a confidential party which was looking to sell a property which has an associated water right that the City could potentially develop. Tasks included reviewing available water rights documentation, assessing available monthly diversion rates, site visit and assessment and feasibility of developing the offered water right.

Sara Anderson

Rate Analysis

EDUCATION
Bachelor of Arts, Economics, University of Washington

INDUSTRY TENURE
3 years

FIRM TENURE
3 years

Sara has more than three years of experience in financial planning and utility rate studies. Her water rate study projects in California include Tahoe City PUD, Olympic Valley Public Service District, and the cities of Stockton, Santa Maria, Santa Barbara, and Solvang.

For the City of Stockton, Sara was the rate analyst for the wastewater and stormwater cost of service rate study, rate models, and Proposition 218 services for the evaluation of rate impacts from future efforts, such as wastewater treatment alternatives, environmental compliance, and other legislative mandates imposed by regulatory agencies.

For the City of Columbus, Sara assisted with their Water and Wastewater User Rate Study. She worked on the Water Rate Study for the Launiupoko Water Company. She also provided technical and professional rate/fee assistance to the Sacramento Suburban Water District for their Update of Fees and Wholesale Rates project. Sara is currently working on a water and wastewater rate study update for the cities of Santa Barbara, Stockton, and St. Charles (MO), a water and wastewater system development charge (SDC) analysis with the City of Polson (MT), and a water rate study for the Launiupoko Irrigation Company (HI).

Jack Adams

Rate Analysis

EDUCATION
Bachelor of Arts, Business Finance, Pacific Lutheran University

Bachelor of Science, Economics, Pacific Lutheran University

INDUSTRY TENURE
3 years

FIRM TENURE
3 years

Jack has more than three years of financial analysis experience. He has been developing rate and fee models for approximately one year, and has developed financial models for multiple utility rate and fee studies.

Jack's rate study projects in California include McKinney Water District, Santa Barbara County, and Los Angeles County Department of Public Works. He has also worked on national rate studies for Medford Water (OR), King County (WA), and Anchorage Water and Wastewater Utilities (AK)

Heleana Galvan

Public Outreach

EDUCATION
Bachelor of Arts, Organizational Communications, California State University, Stanislaus

INDUSTRY TENURE
25 years

FIRM TENURE
11 years

Heleana has more than 25 years of experience working for a variety of public agencies and the private sector. Her communications experience extends from transportation projects to water/ wastewater projects working within the early planning stages, through design and into construction.

Throughout her career, she has strategized, developed, and implemented many successful educational and outreach programs that involved a range of public relations, advertising, media relations, social media plus external and internal communications. She has extensive experience working within highly technical environments to bridge communications with the public, understand their issues, and work collaboratively to address concerns and solve problems ensuring projects stay on track.

Heleana provided public outreach support for the recent City's Stormwater Rate Study. She has also worked as a strategic communications manager for the Port of Stockton's On-Call Public Relations Support project. She was responsible for management of a wide variety of educational materials, such as the Port's annual reports, PowerPoint presentations, newspaper advertisements, award applications, interpretive signage, public boat tour narrations, website support as well as other printed and digital materials.

Julian Hernandez

Public Outreach

EDUCATION
Bachelor of Arts, Journalism and Mass Communication, Arizona State University

INDUSTRY TENURE
4 years

FIRM TENURE
1 years

Julian has four years of experience in public engagement bringing positive outcomes to public infrastructure projects. He has supported several clients on transportation projects in Northern California, with a focus on public engagement throughout the CEQA and NEPA process.

Julian is currently supporting the outreach and equity components of the City of West Sacramento's Enterprise Corridor and Bridge Crossing Project, the San Joaquin Regional Rail Commission's (SJRRC) Stockton Diamond Grade Separation Project, and the Transportation Agency for Monterey County's (TAMC) Pajaro-Watsonville Multimodal Station Project. He has also supported light rail and roadway projects in the Phoenix metro area including the Valley Metro Northwest Extension Phase II Project, South Central Extension Project, and the Arizona Department of Transportation (ADOT) I-10 Broadway Curve Improvement Project.

Kim Floyd

PRINCIPAL

KIM FLOYD | KIM@FLOYDCOMMUNICATIONS.COM | (916) 838-2666

KIMFLOYD COMMUNICATIONS

Principal Kim Floyd is a leading practitioner in meaningful public outreach for integrated flood management, water resources, and land use issues. She opened her practice in 2009 after recognizing a need within the public sector for affordable, effective approaches to public outreach. Over the past decade, Kim has developed unmatched expertise in public outreach programs for Proposition 218 processes for benefit assessments and utility rate adjustments. Many of her long-term clients, including San Joaquin County, the San Joaquin Area Flood Control Agency, and the Sutter Butte Flood Control Agency retained Kim for ongoing public outreach services following the success of her Proposition 218 outreach. She is as much valued for her strategic counsel as she is for her "no task is too small" commitment to getting the job done. She's at her best when acting as an extension of her clients' staff and is trusted by many to represent them at the local and state levels. And, Kim is respected by state and federal agencies as a trustworthy advisor on local-level issues.

PROFESSIONAL EXPERIENCE SUMMARY

From 2007 to 2009, Kim served as the client services manager for a Sacramento-based public outreach firm that specialized in water resources. In that role, she acted as principal and was responsible for overseeing project managers and outreach specialists, developing and implementing strategic communication programs, and marketing on behalf of the firm, among other duties. She also led the firm's public opinion research group.

Earlier in her career, Kim served as the manager of government and corporate communications for one of the nation's largest electric utility cooperatives. She was responsible for developing and managing a public outreach strategy to gain community support for the siting and construction of new energy generation facilities. She was also responsible for monitoring and negotiating local and state legislation, along with planning and land use policies and regulations. In that capacity, she successfully represented the utility's interests in dealings with local municipalities and government agencies, elected officials, key stakeholders, and members of the public.

Kim also spent six years as a public information specialist in Alaska's second-largest K-12 public school system, during which time she led four successful school bond campaigns and facilitated hundreds of public meetings on issues as diverse as school closures, budget cuts, boundary changes and privatization of district operations. She began her career at a Sacramento-based public relations firm where she worked on water resources projects. She is an honors graduate of University of the Pacific in Stockton, California, having earned a B.A. in Communications and Public Relations.

AREAS OF EXPERTISE

Grassroots Public Outreach

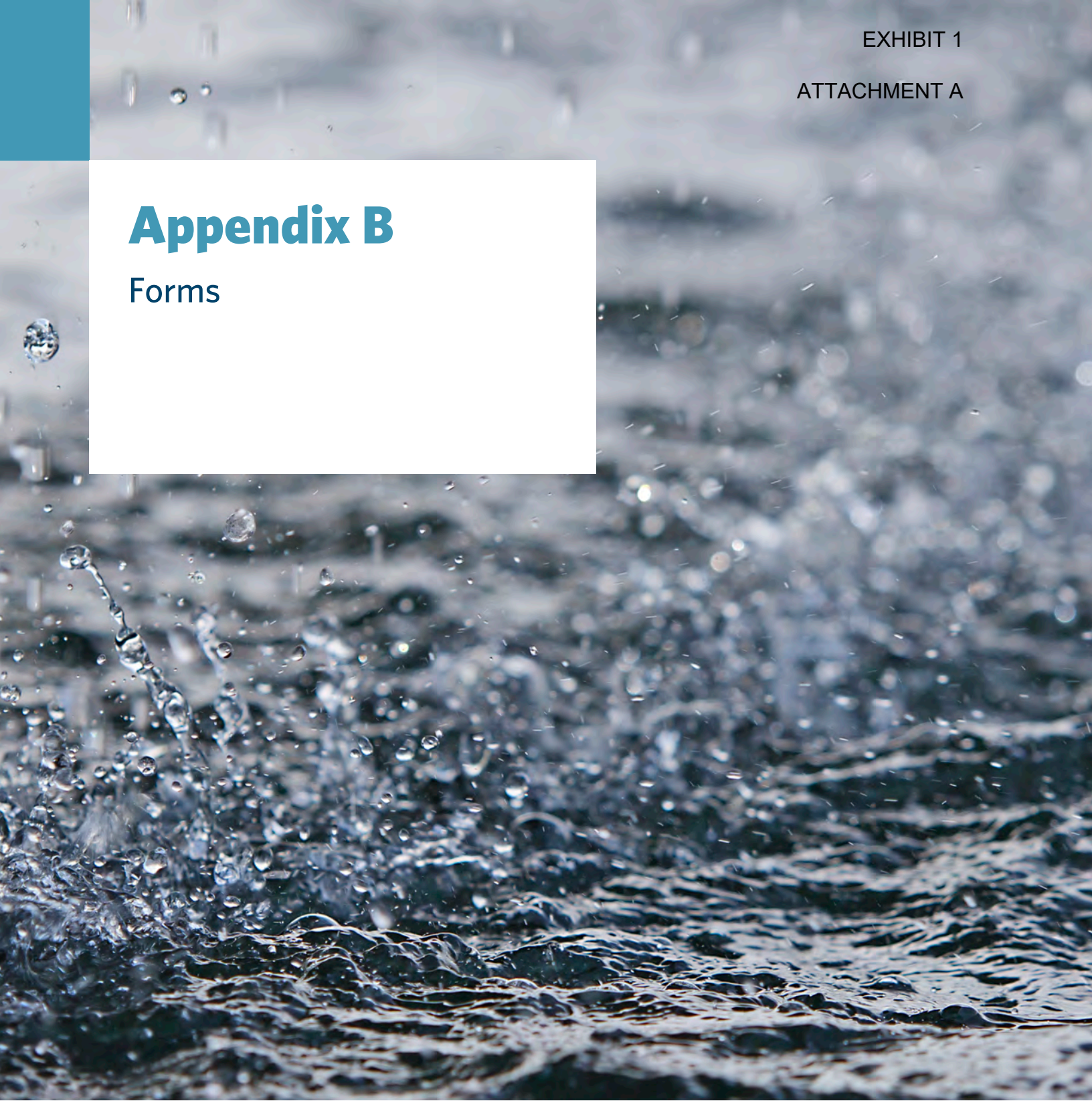
Strategic Communications

Public Affairs

Community Relations

EDUCATION

Bachelor of Arts,
Communication and Public Relations,
University of the Pacific



Appendix B

Forms

8.0 PROPOSAL DOCUMENTS

2025 WATER RATE STUDY	
PUR 25-035	
SUBMITTAL DUE: THURSDAY, MAY 1 2025 AT 2:00 PM	
RFP Submittal Electronic Mail	city.clerk@stocktonca.gov
Proponent Business Name	HDR Engineering, Inc.
Proponent Contact Name	Shawn Koorn Associate Vice President
Proponent Address	2365 Iron Point Road #300, Folsom, CA 95630
Proponent Phone Number	425.633.4596
Proponent Email Address	Sawn.Koorn@hdrinc.com
Department of Industrial Relations ID Number (if applicable)	No. 1000018262

ATTACHMENT A – PROJECT SUBMITTAL CHECKLIST

THIS CHECKLIST IS PROVIDED FOR YOUR CONVENIENCE ONLY. IT IS NOT REQUIRED TO BE SUBMITTED WITH PROPOENT PROPOSAL.

x	1. Attachment A – Project Submittal Checklist
x	2. Cover Letter ~~& Executive Summary~~ Executive Summary not required per section 5.0 of the RFP
x	3. Full proposal as defined in this solicitation
x	4. Section 8 Form – Proposal Documents
x	5. Attachment B – Proponent's Covenant
x	6. Attachment C – Non-Collusion Affidavit - Sign and notarize by jurat certificate the "Non-Collusion Affidavit" form. An "All-Purpose Acknowledgment" form will not be sufficient.
x	7. Attachment D – Agency Reference List
x	8. Attachment E – Certification of Financial Condition
x	9. Attachment F – Cost / Price Proposal **(Under separate cover)**
x	10. Attachment G – Subcontractor List
x	11. Attachment H - Exceptions
x	12. All Amendment Acknowledgements. Print and sign all clarifications/questions/answers on the City's website at www.stocktonca.gov/mudbid and submit with proposal response
x	Submit one (1) electronic version of the proposal and (1) Attachment F – Cost/Price Proposal to: city.clerk@stocktonca.gov

ATTACHMENT B- PROPONENT'S COVENANT

In submitting this proposal, as herein described, the Proponent agrees that:

1. They have carefully examined the Scope of Work and all other provisions of this document and understand the meaning, intent, and requirements of same.
2. They will enter into contract negotiations and furnish the services specified.
3. They have signed and notarized the attached Non-Collusion Affidavit form, whether individual, corporate or partnership. Must be 'A Jurat' notarization.
4. They have reviewed and signed all clarifications/questions/answers on the City's website at www.stocktonca.gov/mudbid.
5. Confidentiality: Successful Proponent hereby acknowledges that information provided by the City is personal and confidential and shall not be used for any purpose other than the original intent outlined in the Request for Proposal. Breach of confidentiality shall be just cause for immediate termination of contract agreement.

HDR Engineering, Inc.

FIRM

2365 Iron Point Road #300, Folsom, CA 95630

ADDRESS

Holly L.L. Kennedy 04-30-25

SIGNED BY & DATE

Senior Vice President

TITLE OR AGENCY

925.465.2717 Fax: 916.817.4747

PHONE/FAX NUMBER

Holly.Kennedy@hdrinc.com

EMAIL

ATTACHMENT C - NON-COLLUSION AFFIDAVIT

No. 1 AFFIDAVIT FOR INDIVIDUAL PROPONENT

STATE OF _____, _____)**ss.**
County of _____)
(insert)

_____being first duly sworn, deposes and says: That on behalf of any person not named herein; that said Proponent has not colluded, conspired, connived or agreed, directly or indirectly with, or induced or solicited any other bid or person, firm or corporation to put in a sham bid, or that such other person, firm or corporation shall or should refrain from bidding; and has not in any manner sought by collusion to secure to themselves any advantage over or against the City, or any person interested in said improvement, or over any other Proponent.

_____
(Signature Individual Proponent)

Subscribed and sworn to (or affirmed) before me on this _ day of _____, 20___

by ____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Seal _____

Signature _____

No. 2 AFFIDAVIT FOR CORPORATION PROPONENT

STATE OF California, _____)**ss.**
County of Sacramento)
(insert)

Holly Kennedy being first duly sworn, deposes and says: That they are the Senior Vice President of HDR Engineering a corporation, which corporation is the party making the foregoing bid, that such bid is genuine and not sham or collusive, or made in the interest or behalf of any person not named herein; that said Proponent has not colluded, conspired, connived or agreed, directly or indirectly with, or induced or solicited any other bid or person, firm or corporation to put in a sham bid, or that such other person, firm or corporation shall or should refrain from bidding; and has not in any manner sought by collusion to secure to themselves any advantage over or against the City, or any person interested in said improvement, or over any other Proponent.

_____
(Signature Corporation Proponent)

Subscribed and sworn to (or affirmed) before me on this _ day of Apr. 30, 2025 by Holly Kennedy, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Seal _____

Signature _____

STELLA GARDENOUR
Notary Public - California
Sacramento County
Commission # 2486683
My Comm. Expires Apr 12, 2028

CALIFORNIA JURAT GOVERNMENT CODE § 8202

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Sacramento

Subscribed and sworn to (or affirmed) before me on this 30 (Date) day of Apr.1 (Month), 20 25 (Year), by

(1) Holly Kennedy

(and (2) _____),
Name(s) of Signer(s)

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

STELLA GARDENOUR
Notary Public - California
Sacramento County
Commission # 2486683
My Comm. Expires Apr 12, 2028

Signature _____
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Affidavit for Corporation Proponent

Document Date: Apr.1 30, 2025 Number of Pages: 1

Signer(s) Other Than Named Above: _____

©2019 National Notary Association

ATTACHMENT D – AGENCY REFERENCE FORM
PUR 25-035

Supply Three (3) References of Government Agencies and/or Firms for whom Bidder has provided similar Services during the last three (3) years:

LIST OF REFERENCES

1. Agency or Firm Name:	City of Stockton
Location of the Service:	Stockton, CA
Contact Person and Title:	Dr. Mel Lytle, Municipal Utilities Director
Telephone:	209.937.7425
Email Address:	Mel.Lytle@stocktonca.gov
Description of Service:	Water and Wastewater Rate Study
Date(s) When Service Provided:	Recent study: ongoing (sewer - 2024)
2. Agency or Firm Name:	City of Santa Barbara
Location of the Service:	Santa Barbara, CA
Contact Person and Title:	Mr. Joshua Haggmark, Water Resources Director
Telephone:	805.564.5393
Email Address:	jhaggmark@santabarbaraca.gov
Description of Service:	Water and Sewer Rate and Fee Studies
Date(s) When Service Provided:	Recent study: 2024
3. Agency or Firm Name:	City of San Luis Obispo
Location of the Service:	San Luis Obispo, CA
Contact Person and Title:	Mr. Aaron Floyd, Utilities Director
Telephone:	805.781.7237
Email Address:	afloyd@slocity.org
Description of Service:	Water and Sewer Rate Study
Date(s) When Service Provided:	Recent studies: 2023 and ongoing

Signature and acknowledgment by signing below, I certify that I am authorized by the company named above to respond to this request.

Company/Firm Name	HDR Engineering, Inc.				
Address	2365 Iron Point Road #300, Folsom, CA			Zip:	95630
Contact Name	Shawn Koorn, Associate Vice President & Holly Kennedy (Senior Vice President/Signatory)				
Email	Shawn.Koorn@hdrinc.com		Phone	425.633.4596	
Fax	916.817.4747	Signature			

ATTACHMENT E – CERTIFICATION OF FINANCIAL CONDITION

Solicitation #: PUR 25-035

Vendor Name: HDR Engineering, Inc.

The undersigned hereby certifies that: [check all applicable boxes]

☑ The Vendor is in sound financial condition and, if applicable, has received an unqualified audit opinion for the latest audit of its financial statements.
Date of latest audit: 02/21/2025 (If no audit within past 18 months, explain reason below.)

☑ The Vendor has no outstanding liabilities, including tax and judgment liens, to the Internal Revenue Service or any other government entity.

☑ The Vendor is current in all amounts due for payments of federal and state taxes and required employment-related contributions and withholdings.

☐ The Vendor is not the subject of any current litigation or findings of noncompliance under federal or state law. see note below

☑ The Vendor has not been the subject of any past or current litigation, findings in any past litigation, or findings of noncompliance under federal or state law that may impact in any way its ability to fulfill the requirements of this Contract.

☑ He or she is authorized to make the foregoing statements on behalf of the Vendor.
Note: This shall constitute a continuing certification and Vendor shall notify the Contract Lead within 30 days of any material change to any of the representations made herein.

If any one or more of the foregoing boxes is NOT checked, Vendor shall explain the reason(s) in the space below. Failure to include an explanation may result in Vendor being deemed non-responsive and its submission rejected in its entirety.

Signature: _____ Date: 5/1/2025

Printed Name: Joseph R. Cox Title: Assistant Treasurer

In today's legal environment, claims and litigation are a reality for any large company in the industry, regardless of performance or merit. When claims do occur, we are proactive and cooperative in reaching a resolution that is fair and reasonable to all. We value the confidences of our clients as well as our contractual commitments to confidentiality, and do not discuss with third parties the circumstances invovling ongoing projects.
If necessary, we would be willing to meet in person with you to discuss the merits or background of past claims. There are no claims or litigation that could impede our ability to perform this project.

ATTACHMENT G - SUBCONTRACTOR LIST
PUR 25-035

PLEASE LIST BELOW ALL SUBCONTRACTORS CONTRIBUTING TO THIS WORK

Each bidder shall give the name, business address, license number, description of the work, and the dollar amount to be PAID the subcontractor, for each subcontractor that will be used on the project, if the Bidder is awarded the contract. Only subcontractors with work in excess of one-half of one percent (0.5%) or $10,000 (whichever is greater) of the Bidder's total bid need to be listed. All work in excess of one-half of one percent (0.5%) or $10,000 (whichever is greater) of the Bidder's total bid, for which a subcontractor is not listed on this form, shall be performed by the Bidder's own organization. Additional numbered pages listing proposed subcontractors may be attached to this page. Each page shall be headed "Proposed Subcontractors" and shall be signed by the Bidder.

PRINT LEGIBLY OR TYPE

BUSINESS NAME/ADDRESS	CONTACT	PHONE NUMBER	LICENSE NUMBER & LICENSE CLASSIFICATION	TYPE OF WORK	AMOUNT
Kim Floyd Communications PO Box 1178 Galt, CA 95632	Kim Floyd	916.838.2666	n/a	public outreach	$16,322
West Yost 1001 Galaxy Way #310 Concord, CA 94520	Elizabeth Drayer	925.461.793	n/a	engineering	$8,005

ATTACHMENT H - EXCEPTIONS
PUR 25-035

EXHIBIT C: GENERAL TERMS AND CONDITIONS

4. Sufficiency of Contractor's Work. All Contractor services, work, and deliverables shall be performed in a ~~**good and workmanlike**~~ **professional** manner with due diligence in accordance with the degree of skill normally exercised by similar contractors supplying services and work of a similar nature, and in conformance with applicable laws, codes and professional standards. Contractor's work shall be ~~**adequate and sufficient to meet the purposes of this Agreement**~~ **performed in accordance with the requirements**.

5. Ownership of Work. ... Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent. **Any modification or reuse of the materials by City for purposes other than those intended by this Agreement shall be at City's sole risk and without liability to Contractor.**

6. Timeliness. Time is of the essence in this Agreement. ~~**Further, Contractoracknowledges that the failure of Contractor to comply with the time limits described in Exhibit A and Exhibit F may result in economic or other losses to the City.**~~

11. Termination.
11.2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party**, but only after providing the other party written notice of the default or breach and a reasonable opportunity to cure**.

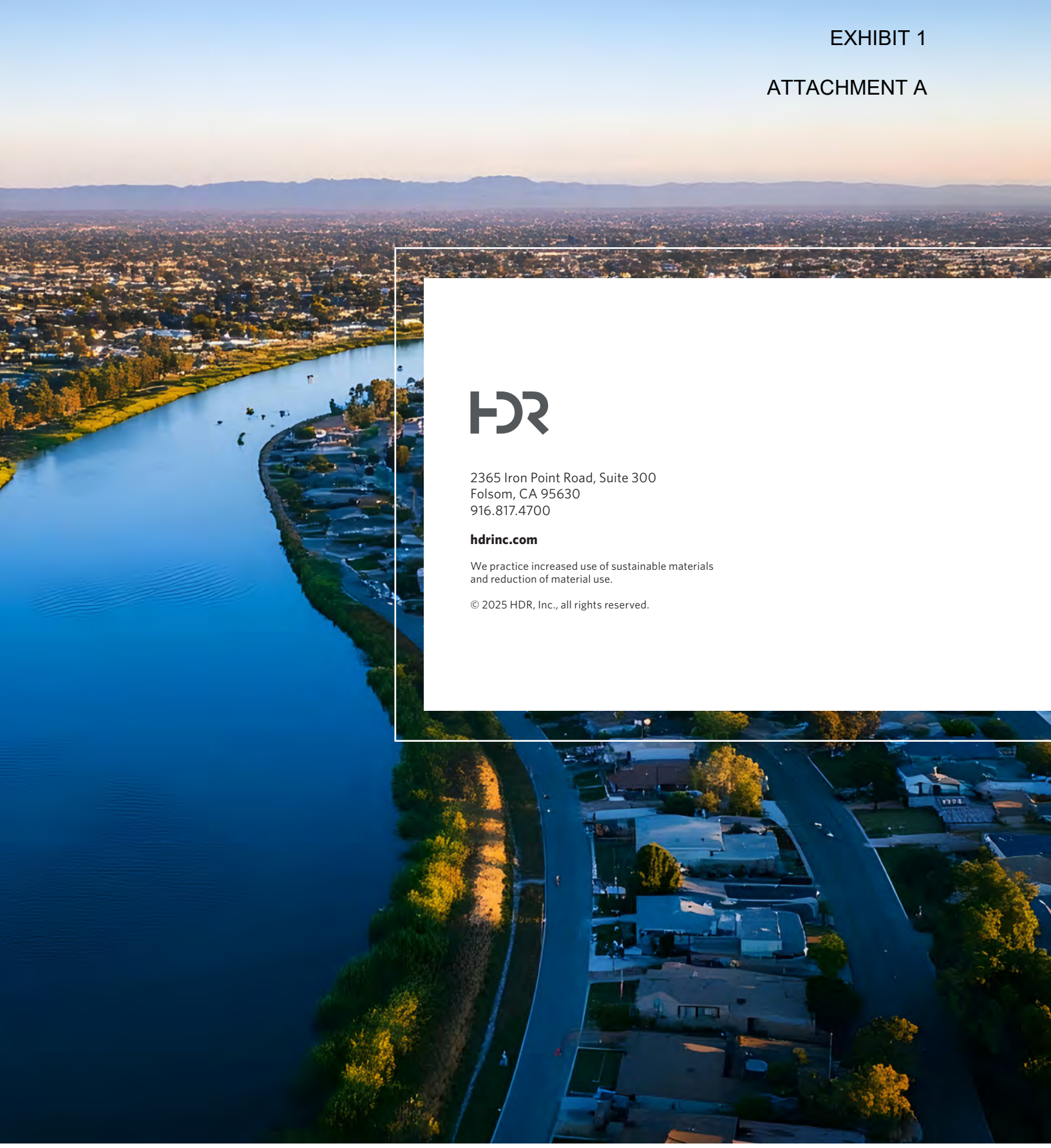
13. Indemnity and Hold Harmless. To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature **to the extent** arising out of or in connection with Contractor's **negligent** performance of work hereunder or its failure to comply with any of its obligations contained in this agreement, except such loss or damage which was caused by the sole negligence**, active negligence,** or willful misconduct of the City of Stockton...

26. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts of God, acts of civil or military authority, terrorism, fire, flood, strikes, war, epidemics, pandemics, **quarantine restrictions,** shortage of power or other acts or causes reasonably beyond the control of that party.

EXHIBIT D: PROFESSIONAL SERVICES SPECIAL TERMS AND CONDITIONS

3. Time for Performance.
3.2 Timeliness of Performance i) Contractor shall provide the Services, and Deliverables within the term and within the time limits required under this Agreement, pursuant to the provisions of Exhibit A and Exhibit F. ii) Neither Contractor nor Contractor's agents, employees nor subcontractors are entitled to any damages from the City, nor is any party entitled to be reimbursed by the City, for damages, charges or other losses or expenses incurred by Contractor by reason of delays or hindrances in the performance of the Services, whether or not caused by the City**, provided that the parties will negotiate an equitable adjustment to Contractor's schedule and/or fee for any delays caused by the City or events or conditions that were beyond Contractor's reasonable control**.

4. Standard of Performance.
4.2 ~~**Contractor acknowledges that it is entrusted with or has access to valuable and confidential information and records of the City and with respect to that information, Contractor agrees to be held to the standard of care of a fiduciary.**~~ Contractor shall assure that all services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. Contractor must provide copies of any such licenses. Contractor remains responsible for the professional and technical accuracy of all Services or Deliverables furnished, whether by Contractor or its subcontractors or others on its behalf. All Deliverables must be prepared in a form and content ~~**satisfactory**~~ **required by this Agreement** to the Using Agency and delivered in a timely manner consistent with the requirements of this Agreement.



2365 Iron Point Road, Suite 300
Folsom, CA 95630
916.817.4700

hdrinc.com

We practice increased use of sustainable materials and reduction of material use.

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REV 2024-03-25

Exhibit B:
Insurance Requirements
(Professional Services)

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **$1,000,000** per accident for bodily injury and property damage.

3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.
(Not required if consultant provides written verification it has no employees)

4. Professional Liability (Errors and Omissions) Insurance appropriates to the Consultant's profession, with limit no less than **$2,000,000** per occurrence or claim, **$2,000,000** aggregate.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Stockton, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 if a later edition is used). Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

Primary Coverage

For any claims related to this contract, the **Contractor's insurance coverage shall be primary and non-contributory** and at least as broad as ISO CG 20 01 04 13 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies. The City of Stockton does not accept endorsements limiting the Contractor's insurance coverage to the sole negligence of the Named Insured.

Umbrella or Excess Policy

The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess liability policies are exhausted.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City of Stockton.

Waiver of Subrogation

Contractor hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any

endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Stockton has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured retention (SIR) or deductible that exceeds $25,000 unless approved in writing by City of Stockton. Any and all deductibles and SIRs shall be the sole responsibility of Contractor or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. City of Stockton may deduct from any amounts otherwise due Contractor to fund the SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. City of Stockton reserves the right to obtain a copy of any policies and endorsements for verification.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Stockton.

Claims Made Policies (Professional & Pollution only)

If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained and evidence of insurance must be provided ***for at least five (5) years after completion of the contract of work***.

3. If coverage is canceled or non-renewed, and not replaced ***with another claims-made policy form with a Retroactive Date prior to*** the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of ***five (5)*** years after completion of work.

Verification of Coverage

Contractor shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause **and a copy of the Declarations and Endorsements Pages of the CGL and any Excess policies listing all policy endorsements**. All certificates and endorsements and copies of the Declarations & Endorsements pages are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Subcontractors

Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City of Stockton is an additional insured on insurance required from subcontractors.

Duration of Coverage

CGL & Excess liability policies **for any construction related work, including, but not limited to, maintenance, service, or repair work**, shall continue coverage for a minimum of 5 years for Completed Operations liability coverage. Such Insurance must be maintained and evidence of insurance must be provided ***for at least five (5) years after completion of the contract of work***.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees, and Volunteers
400 E Main St, 3rd Floor – HR
Stockton, CA 95202

EXHIBIT C

GENERAL TERMS AND CONDITIONS

1. Goods, Equipment and Services. Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to City the services described in Exhibit A of the Agreement. Contractor shall provide said services at the time, place and in the manner specified in Exhibit A of the Agreement.

2. City Assistance, Facilities, Equipment and Clerical Support. Except as set forth in Exhibit A, Contractor shall, at its sole cost and expense, furnish and maintain all facilities and equipment that may be required for furnishing services pursuant to this Agreement. If applicable, City shall furnish to Contractor only the facilities and equipment listed in Exhibit A to the Agreement.

3. Compensation. City shall pay Contractor for services rendered pursuant to this Agreement as described more particularly in Exhibit A and Exhibit E to the Agreement.

3.1 Invoices submitted by Contractor to City must contain a brief description of work performed, time spent and City reference number. Within thirty (30) days of receipt of Contractor's invoice, City will review invoice, and if acceptable make payment on approved invoice.

3.2 Upon completion of work and acceptance by City, Contractor shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Contractor fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.

4. Sufficiency of Contractor's Work. All Contractor services, work, and deliverables shall be performed in a professional manner with due diligence in accordance with the degree of skill normally exercised by similar contractors supplying services and work of a similar nature, and in conformance with applicable laws, codes and professional standards. Contractor's work shall be performed in accordance with the requirements.

5. Ownership of Work. All reports, work product, all other documents completed or partially completed by Contractor or its approved subcontractors, in performance of this Agreement, and if applicable, drawings, designs, and plan review comments shall become the property of the City. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Contractor and its approved subcontractors agree

to execute any additional documents that may be necessary to evidence such assignment. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Contractor shall replace them at its own expense. Contractor and its approved subcontractors shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent. Any modification or reuse of the materials by City for purpose other than those intended by this Agreement shall be at City's sole risk and without liability to Contractor.

6. **Timeliness.** Time is of the essence in this Agreement.

7. **Changes**. Both parties to this Agreement understand that it may become desirable or necessary during the term of this Agreement for City to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work. Until the amendment is so executed, City will not be responsible to pay any charges Contractor may incur in performing such additional services, and Contractor shall not be required to perform any such additional services.

8. **Amendment.** No variation of the terms of this Agreement shall be valid unless an amendment is made in writing and signed by both parties.

9. **Contractor's Status**.

9. 1 In performing the obligations set forth in this Agreement, Contractor shall have the status of an independent contractor and Contractor shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Contractor are its agents and employees and are not agents or employees of City. Contractor by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Except as expressly provided in Exhibit A, Contractor has no authority or responsibility to exercise any rights or power vested in the City. No agent, officer or employee of the City is to be considered an employee of the Contractor. It is understood by both Contractor and City that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

9.2 Contractor shall determine the method, details and means of performing the work and services to be provided by Contractor under this Agreement. Contractor shall be responsible to City only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to City's

control with respect to the physical action or activities of Contractor in fulfillment of this Agreement. Contractor has control over the manner and means of performing the services under this Agreement. If necessary, Contractor has the responsibility for employing other persons or firms to assist Contractor in fulfilling the terms and obligations under this Agreement.

9.3 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Contractor.

9.4 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor's assigned personnel under the terms and conditions of this Agreement.

10. Subcontractor.

10.1 Subcontractors shall not be recognized as having any direct or contractual relationship with City. Contractor shall be responsible for the work of subcontractors, which shall be subject to the provisions of this Agreement. Subcontractors will be provided with a copy of the Agreement and be bound by its terms. Contractor is responsible to City for the acts and omissions of its subcontractors and persons directly or indirectly employed by them.

10.2 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by Contractor.

10.3 It is further understood and agreed that all Subcontractors must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Subcontractors personnel.

11. Termination.

11.1 Termination for Convenience of City. The City may terminate this Agreement at any time by mailing a notice in writing to Contractor. The Agreement shall then be deemed terminated, and no further work shall be performed by Contractor. If the Agreement is so terminated, the Contractor shall be paid for the work actually completed at the time the notice of termination is received.

11. 2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party, but only after providing the other party written notice of the default or breach and a reasonable opportunity to cure.

11.3 Funding- Non-Appropriation. It is mutually understood between the Parties that payment to the Contractor for performance shall be dependent upon the availability of appropriations by the City Council for the purposes of this Agreement. No legal liability on the part of the City for any payment may arise under this Agreement until funds are made available and until the Contractor has received funding availability, which will be confirmed in writing. If funding for any fiscal year is reduced or deleted, or if the City loses funding for any reason, the City, in its sole discretion, shall have the option to either (a) cause this Agreement to be canceled or terminated pursuant to applicable provisions of the Agreement; or (b) offer to amend the Agreement to reflect the reduced funding for this Agreement.

12. Non-Assignability. The Contractor shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written consent of the City, and then only upon such terms and conditions as City may set forth in writing. Contractor shall be solely responsible for reimbursing subcontractors.

13. Indemnity and Hold Harmless. To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature to the extent arising out of or in connection with Contractor's negligent performance of work hereunder or its failure to comply with any of its obligations contained in this agreement, except such loss or damage which was caused by the sole negligence, active negligence, or willful misconduct of the City of Stockton. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this agreement. These obligations shall survive the completion or termination of this agreement.

14. Insurance. During the term of this Agreement, Contractor shall maintain in full force and effect at its own cost and expense the insurance coverage as set forth in the attached Exhibit B to this Agreement and shall otherwise comply with the other provisions of Exhibit B to this Agreement.

15. Notices. All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed in Exhibit A to this Agreement.

16. Conformance to Applicable Laws. Contractor shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Contractor shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

17. Licenses, Certifications and Permits. Prior to the City's execution of this Agreement and prior to the Contractor's engaging in any operation or activity set forth in this Agreement, Contractor shall obtain a City of Stockton business license, which must be kept in effect during the term of this Agreement. Contractor covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement. Such licenses, certificates and permits shall be maintained in full force and effect during the term of this Agreement.

18. Records and Audits. Contractor shall maintain all records regarding this Agreement and the services performed for a period of three (3) years from the date that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit. To the extent Contractor renders services on a time and materials basis, Contractor shall maintain complete and accurate accounting records, in a form prescribed by City or, if not prescribed by City, in accordance with generally accepted accounting principles, such records to include, but not be limited to, payroll records, attendance cards, time sheets, and job summaries.

19. Confidentiality. Contractor shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.

20. Conflicts of Interest. Contractor covenants that other than this Agreement, Contractor has no financial interest with any official, employee or other representative of the City. Contractor and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Contractor's services under this Agreement. If such an interest arises, Contractor shall immediately notify the City.

21. Waiver. In the event either City or Contractor at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation. No payment, partial payment, acceptance, or partial acceptance by City shall operate as a waiver on the part of City of any of its rights under this Agreement.

22. Governing Law. California law shall govern any legal action pursuant to this Agreement with venue for all claims in the Superior Court of the County of San Joaquin, Stockton Branch or, where applicable, in the Federal District Court of California, Eastern District, Sacramento Division.

23. No Personal Liability. No official or employee of City shall be personally liable to Contractor in the event of any default or breach by the City or for any amount due Contractor.

24. Severability. If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or city statue, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

25. Non-Discrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state, or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition (including genetic characteristics), marital status, age, political affiliation, gender identity, gender expression, sex or sexual orientation, family and medical care leave, pregnancy leave, or disability leave. Contractor and its officers, employees, agents, representative or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the City's nondiscrimination policy; the Fair Employment and Housing Act (Government Code sections 12990 (et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulation or Code of Federal Regulations. Title VI of the Civil Rights Act of 1964 requires that "no person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." (42 USC Section 2000d). http://www.dol.gov/oasam/regs/statutes/titlevi.htm. The City requires compliance with the requirements of Title VI in all of its programs and activities regardless of funding source.

26. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts of God, acts of civil or military authority, terrorism, fire, flood, strikes, war, epidemics, pandemics, quarantine restrictions shortage of power or other acts or causes reasonably beyond the control of that party. The party experiencing the force majeure event agrees to give the other party notice promptly following the occurrence of a force majeure event, and to use diligent efforts to re-commence performance as promptly as commercially practicable.

27. Taxes and Charges. Contractor shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of the Contractor's business.

28. Cumulative Rights. Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative of all other rights and remedies to which may be legally entitled.

29. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

30. Heading Not Controlling. Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

31. Entire Agreement, Integration, and Modification.

31.1 This Agreement represents the entire integrated agreement between Contractor and the City; supersedes all prior negotiations, representations, or agreements, either written or oral between the parties and may be amended only by a written Amendment signed by the Contractor and City Manager.

31.2 All Exhibits to this Agreement and this Agreement are intended to be construed as a single document.

32. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

33. Authority. The individual(s) executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

EXHIBIT D

PROFESSIONAL SERVICES SPECIAL TERMS AND CONDITIONS

1. Definitions. The following words and phrases have the following meanings for purposes of this Agreement:

1.1 "Services" means, collectively, the services, duties and responsibilities described in Exhibit A of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

1.2 “Deliverable” means quantifiable goods or services that will be provided upon completion of a project. A deliverable is any tangible material, work or thing delivered by one party to the other, including associated technical documentation. A deliverable can be tangible or intangible parts of the development process, and often are specified functions or characteristics of the project.

2. General. The following terms and conditions are applicable for the Professional Services only. The special conditions shall be read in conjunction with the Standard Agreement, General Terms and Conditions (“GTC”) Exhibit C, and all other Exhibits identified in the Standard Agreement.

2.1 Where any portion of the GTC is in conflict to or at variance with any provisions of the Special Conditions of the Agreement, then unless a different intention stated, the provision(s) of the Special Conditions of the Agreement shall be deemed to override the provision(s) of GTC only to the extent that such conflict or variations in the Special Conditions of the Agreement are not possible of being reconciled with the provisions of the GTC.

2.2 In the case of modification of a part or provision of the GTC, the unaltered part or provision, or both shall remain in effect. The Special Conditions shall relate to a particular project and be peculiar to that project but shall not weaken the character or intent of the GTC.

3. Time for Performance.

3.1 Contractor shall perform the services according to the schedule contained in Exhibit F.

3.2 Timeliness of Performance i) Contractor shall provide the Services, and Deliverables within the term and within the time limits required under this Agreement, pursuant to the provisions of Exhibit A and Exhibit F. ii) Neither Contractor nor Contractor’s agents, employees nor subcontractors are entitled to any damages from the City, nor is any party entitled to be reimbursed by the City, for damages, charges or other

losses or expenses incurred by Contractor by reason of delays or hindrances in the performance of the Services, whether or not caused by the City, provided that the parties will negotiate an equitable adjustment to Contractor's scheduled and/or fee for any delays caused by the City or events or conditions that were beyond Contractor's reasonable control.

In addition to Exhibit C, Section 4 and 17, Contractor agrees as follows:

4. Standard of Performance

4.1 Contractor's Services shall be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of Contractor's profession currently practicing under similar conditions. Contractor shall comply with the profession's standard of performance, applicable laws, regulations, and industry standards. By delivery of completed work, Contractor certifies that the work conforms to the requirements of this Agreement and all applicable federal, state and local laws. If Contractor is retained to perform services requiring a license, certification, registration or other similar requirement under California law, Contractor shall maintain that license, certification, registration or other similar requirement throughout the term of this Agreement.

4.2 In the course of performing its contractual obligations under this Agreement, Contractor acknowledges that it will receive, be entrusted with, or have access to valuable and confidential City information and records and will take all appropriate measures to ensure such information remains confidential except for disclosures which are required by law or with the prior written consent of the City. Contractor shall assure that all services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. Contractor must provide copies of any such licenses. Contractor remains responsible for the professional and technical accuracy of all Services or Deliverables furnished, whether by Contractor or its subcontractors or others on its behalf. All Deliverables must be prepared in a form and content required by this Agreement and delivered in a timely manner consistent with the requirements of this Agreement.

4.3 If Contractor fails to comply with the foregoing standards, Contractor must perform again, at its own expense, all Services required to be re-performed as a direct or indirect result of that failure. Any review, approval, acceptance or payment for any of the Services by the City does not relieve Contractor of its responsibility for the professional skill and care and technical accuracy of its Services and Deliverables. This provision in no way limits the City's rights against Contractor either under this Agreement, at law or in equity.

5. Compensation

5.1 In addition to Section 3 Compensation in Exhibit C – GTC, the Contractor shall be compensated for the services provided under this Agreement as follows:

5.1.1 Contractor shall be compensated for services rendered and accepted under this Agreement and shall be paid monthly, in arrears on a not to exceed

basis, based upon the rates set forth in Exhibit E attached hereto and made a part of this Agreement. Contractor may vary the compensation for each task in Exhibit E provided that the total project compensation listed in Exhibit E and the Standard Agreement is not exceeded.

6. Personnel

6.1 None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the City. Any work or services subcontracted hereunder shall be specified by written agreement and shall be subject to each provision of this Agreement. Contractor shall provide subcontractor a copy of this fully executed Agreement.

6.2 Contractor agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services under this Agreement. Failure to assign such competent personnel shall constitute grounds for termination of this Agreement. The payment made to Contractor pursuant to this Agreement shall be the full and complete compensation to which Contractor and Contractor's officers, employees, agents, and subcontractors are entitled for performance of any work under this Agreement. Neither Contractor nor Contractor's officers or employees are entitled to any salary or wages, or retirement, health, leave or other fringe benefits applicable to employees of the City. The City will not make any federal or state tax withholdings on behalf of Contractor. The City shall not be required to pay any workers' compensation insurance on behalf of Contractor. Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide City with proof of such payments upon request.

6.3 Key Personnel: Because of the special skills required to satisfy the requirements of this Agreement, Contractor shall not reassign or replace key personnel without the written consent of the City, which consent the City will not unreasonably withhold. "key personnel" means those job titles and the persons assigned to those positions in accordance with the provisions of this Agreement. The City may at any time in writing notify Contractor that the City will no longer accept performance of Services under this Agreement by one or more Key Personnel listed. Upon that notice Contractor shall immediately suspend the services of the key person or persons and must replace him or them in accordance with the terms of this Agreement. A list of key personnel is found in Exhibit A, Scope of Services.

7. Reports and Information

Contractor shall at such times and in such forms as the City may require furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred in connection therewith, and any other matters are covered by this Agreement as specified in Exhibit A and Exhibit E.

8. Findings Confidential

All of the reports, information, data, et cetera, prepared or assembled by the Contractor under this Agreement are confidential and the Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the City. Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is required by applicable law or by proper legal or governmental authority, is already rightfully in the Contractor's possession without obligation of confidentiality, is independently developed by Contractor outside the scope of this Agreement or is rightfully obtained from third parties. Contractor shall give City prompt notice of any such legal or governmental demand and reasonably cooperate with City in any effort to seek a protective order or otherwise to contest such required disclosure.

9. Copyright

No materials, including but not limited to reports, maps, or documents produced as a result of this Agreement, in whole or in part, shall be available to Contractor for copyright purposes. Any such materials produced as a result of this Agreement that might be subject to copyright shall be the property of the City and all such rights shall belong to the City, and the City shall be sole and exclusive entity who may exercise such rights.

10. Deliverables

Contractor shall prepare or provide to the City various Deliverables. "Deliverables" include work product, such as written reviews, recommendations, reports and analyses, produced by Contractor for the City. The City may reject Deliverables that do not include relevant information or data, or do not include all documents or other materials specified in this Agreement or reasonably necessary for the purpose for which the City made this Agreement or for which the City intends to use the Deliverables. If the City determines that Contractor has failed to comply with the foregoing standards, it has 30 days from the discovery to notify Contractor of its failure. If Contractor does not correct the failure, or if it is possible to do so, within 30 days after receipt of notice from the City specifying the failure, then the City, by written notice, may treat the failure as a default of this Agreement. Partial or incomplete Deliverables may be accepted for review only when required for a specific and well-defined purpose and when consented to in advance by the City. Such Deliverables will not be considered as satisfying the requirements of this Agreement and partial or incomplete Deliverables in no way relieve Contractor of its commitments under this Agreement.

11. Applicable Laws

Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

EXHIBIT E

COMPENSATION SCHEDULE

The Contractor shall be compensated for the services identified in Exhibit A, Exhibit C, and Exhibit D to this Agreement as follows:

1. Project Price

1.1 The maximum the Contractor shall be paid on this Agreement is $209,957.00 (hereafter the "not to exceed" amount). The "not to exceed" amount includes all payments to be made pursuant to this Agreement, including City approved reimbursable expenses, if any. Nothing in this Agreement requires the City to pay for work that does not meet the Standard of Performance identified in Exhibit D section 4 or other requirements of this Agreement.

1.2 Standard Reimbursable Items: Only the reimbursable items identified in Exhibit A, C, and D (Compensation), shall be compensated to the Contractor. Reimbursable expenses will be reimbursed without markup. Fees plus reimbursable expenses shall not exceed the amount set forth in section 1.1 of this Exhibit and a copy of the original invoice for the items listed in i, ii or iii below shall be attached to the invoice submitted to the City for reimbursement. Payments shall be based upon work documents submitted by the Contractor to the City and accepted by the City as being satisfactory to City's needs. The City shall not pay a markup on any of the items listed in i, ii or iii. Additionally, items such a telephone, fax, postage or freight are already included in the billable hourly rate. Contractor shall be reimbursed the direct expenses, which are the actual cost of the following items that are reasonable, necessary and actually incurred, by the Contractor in connection with the services:

i. Expenses, fees or charges for printing, reproduction or binding of documents at actual costs with no markup added to the actual cost.

ii. Any filing fees, permit fees, or other fees paid or advanced by the Contractor at actual costs with no markup added to the actual cost.

iii. Travel expenses shall be reimbursed in accordance with the City's travel policy, which is incorporated herein by reference. Reimbursement shall be made at actual costs with no markup added to the actual cost.

1.3 The Contractor shall be entitled to receive payments for its work performed pursuant to the Agreement. The City will pay Contractor based on invoices for acceptable work performed and approved until the "not to exceed" amount is reached. Thereafter, Contractor must complete services based on the Agreement without additional compensation unless there is a material change to the Statement of Work and Scope by a written Amendment.

1.4 If work is completed before the "not to exceed" amount is reached, the Contractor's compensation will be based on the Contractor's invoices previously submitted for acceptable work performed and approved.

1.5 Subcontractor Costs: Compensation for subcontractors shall be limited to the same restrictions imposed on the Contractor. Maximum markup Contractor may apply to subcontractor fees, minus reimbursable expenses, shall not exceed 15%.

2. **Task Price**. Below is the price for the services and reimbursable expenses as described in Exhibit A of this Agreement.

See Attachment A (Cost Proposal – HDR)

3. Hourly Rates. The following is a list of hourly billable rates that Contractor shall apply for additional services requested of the Contractor. Contractor shall be compensated based on the hourly rates set forth below, on a time and material basis for those services that are within the general scope of services of this Agreement, but beyond the description of services required under Exhibit A, and all services are reasonably necessary to complete the standards of performance required by this Agreement. Any changes and related fees shall be mutually agreed upon between the parties by a written amendment to this Agreement.

See Attachment A (Cost Proposal – HDR)

5. Invoice to Address. Each invoice submitted shall identify the specific task(s) listed in Exhibit A and this Exhibit, and the completed work product/deliverable for the agreed upon price listed in this Exhibit. Invoices shall be submitted to the below address:

MUDFinance@StocktonCA.gov

May 1, 2025

Rajvir Sahota
c/o City Clerk
City of Stockton
Municipal Utilities Department
425 North El Dorado Street
Stockton, California 95202-1997

RE: Water Rate Study (PUR 25-035)

Dear Rajvir:

The City of Stockton (City) has requested a proposal to conduct a water rate study (Study). Under separate cover, HDR Engineering, Inc., (HDR) has provided a detailed proposal to conduct the City's Study. The City's request for proposal (RFP) requested a fee proposal under separate cover. Please find attached HDR's fee proposal to conduct the City's water rate study.

Please note that the attached fee is based upon the requested scope of services by the City and the specific detailed tasks included within our proposal. HDR is willing to modify our scope of services to meet the City's needs and we are willing to negotiate a mutually acceptable final fee based upon the final agreed-upon scope of services.

If you have questions about HDR's proposal or this fee estimate, provided below is HDR's contact information.

Proposal Contact:
Ms. Holly Kennedy, PE
Senior Vice President
Holly.Kennedy@hdrinc.com
(925) 974-2638

Proposed Project Manager:
Mr. Shawn Koorn
Associate Vice President
Shawn.Koorn@hdrinc.com
(425) 633-4596

We would request the opportunity to negotiate a contract similar to past contracts between HDR and the City, and we have provided a summary of the comments in the proposal attachments.

We appreciate the opportunity to provide this proposal to the City and the Municipal Utilities Department. We look forward to discussing our proposal with you.

Sincerely,
HDR ENGINEERING, INC.

Holly L.L. Kennedy, PE
Senior Vice President

Shawn W. Koorn
Associate Vice President

Fee Proposal

Introduction

This section of the proposal discusses the overall fee estimate for the City's water rate study based on the previously developed scope of work (Section 2 - Scope of Services).

Project Fee Estimate

The estimated project fees were developed based on HDR's proposed scope of services. For each task, an estimate of the labor hours, by individual, was developed. The total labor hours were then applied to the current hourly billing rates for each individual. For the Study, the following hourly billing rates were used to establish the proposed fees for the Study. These rates will be in effect through December 31, 2025. After this date, HDR's hourly billing rates may be adjusted to reflect labor cost adjustments that were effective January 1, 2026, for the project team members. The total fee level will remain at the contracted level.

Individual	Project Role	Hourly Rate
Shawn Koorn	Project Manager	$345.00/hour
Dave Zuber, PE	Project Principal	$430.00/hour
Josiah Close	Assistant PM	$230.00/hour
Kevin Lorentzen	Quality Assurance/Quality Control	$270.00/hour
Sara Anderson	Financial Analyst	$140.00/hour
Jack Adams	Financial Analyst	$130.00/hour
Tom Hoffman, PE	Engineering Assistance	$260.00/hour
Heleana Galvan	Outreach Lead	$265.00/hour
Julian Hernandez	Outreach Specialist	$125.00/hour
Kolton Kammerer	Graphic Design	$165.00/hour
Kim Floyd	Sub – Public Outreach	$170.00/hour
Elizabeth Drayer, PE	Sub – Engineering Assistance	$396.00/hour
Bobby Vera, PE	Sub – Engineering Assistance	$337.00/hour
Others	Project Administrative/Clerical Support	$140.00/hour

The billing rates shown above cover payroll cost, employee benefits, and HDR overhead and profit.

In-House Expenses:

Vehicle Mileage	Current Federal Travel Regulation (FTR)
Black/White Photocopies (per copy)	$0.05 to $0.09
Color Copies (per copy)	$0.15 to $0.30

Direct Expenses:

No markup on expenses. Other direct expenses (e.g., parking, mileage, airfare) will be billed at cost.

Based on the hourly billing rates, and the previously developed scope of services, provided below is a summary of the estimated fees for the services discussed above.

City of Stockton 2025 Water Rate Study Fee Estimate	
Task Description	**Total**
Task 1: Project Management and Quality Control	$12,510
Task 2: Data Collection and Review of Customer Billing	12,000
Task 3: Initial Project Meeting	4,520
Task 4: Review of Rate/Financial Policies	4,540
Task 5: Revenue Requirement Analysis	12,580
Task 6: Cost of Service Analysis	15,350
Task 7: Rate Design Analysis	10,380
Task 8: Miscellaneous Fee	8,140
Task 8: Written Report	6,640
Task 9: Public Meetings/Presentations	16,390
Task 10: Proposition 218 Assistance	9,990
Task 11: Public Outreach	49,760
Task 12 Ongoing Rate Study Support (annually for five years)	6,680
Total Labor	**$169,480**
Plus Expenses:	
HDR Direct Expenses	$16,150
Sub Consultant Fee	24,327
Total Expenses	**$40,477**
Grand Total Fees	**$209,957**

As noted in HDR's proposal, an optional online open house has been included. Should the City request this optional task, an additional fee estimate of $25,000 would be added to the total fee. Also, as noted in Task 12, the ongoing rate study support has been requested for a five-year period. In the fee estimate above, this reflects year 1 assistance after completion of the rate study. The fee will be increased annually based on the increase in HDR billing rates for years 2 through 5.

HDR is willing to negotiate a final "not to exceed" fee based on a final agreed upon scope of services. Should the City request additional out-of-scope services under this contract (e.g., additional public presentations), the services will be agreed to in writing and will then be provided at the hourly billing rates then in effect. In accordance with the City's offering, the fees for this study will be billed monthly on a time-and-material basis. Should other HDR individuals be required for this project, they will be billed at their standard hourly billing rate.

Provided on the following page is a more detailed exhibit of the development of the fee estimate for this study. The detailed fee estimate provides the hours by task and by individual.

City of Stockton
Water Rate Study
Level of Effort by Task and Project Team Member

Task	Task Description	PM	Project Principal	Assistant PM	QA/QC	Financial Analyst	Financial Analyst	Engineering Assistance	Outreach Lead	Outreach Specialist	Graphic Design	Acct. /Admin.	Total Project
	Hourly Billing Rates	$345	$430	$230	$270	$140	$130	$260	$265	$125	$165	$140	
1	**Project Management and Quality Control**												
	Hours -	10	4	10	0	0	0	0	0	0	0	36	**60**
	Labor Cost	$3,450	$1,720	$2,300	$0	$0	$0	$0	$0	$0	$0	$5,040	**$12,510**
2	**Data Collection and Review of Customers Billing**												
	Hours -	8	0	12	0	24	24	0	0	0	0	0	**68**
	Labor Cost	$2,760	$0	$2,760	$0	$3,360	$3,120	$0	$0	$0	$0	$0	**$12,000**
3	**Initial Kick-Off Meeting**												
	Hours -	6	0	6	0	2	2	0	2	0	0	0	**18**
	Labor Cost	$2,070	$0	$1,380	$0	$280	$260	$0	$530	$0	$0	$0	**$4,520**
4	**Review of Rate/Financial Policies**												
	Hours -	4	0	2	2	8	8	0	0	0	0	0	**24**
	Labor Cost	$1,380	$0	$460	$540	$1,120	$1,040	$0	$0	$0	$0	$0	**$4,540**
5	**Revenue Requirement**												
	Hours -	8	0	10	4	20	20	4	0	0	0	0	**66**
	Labor Cost	$2,760	$0	$2,300	$1,080	$2,800	$2,600	$1,040	$0	$0	$0	$0	**$12,580**
6	**Cost of Service**												
	Hours -	10	0	12	6	24	24	4	0	0	0	0	**80**
	Labor Cost	$3,450	$0	$2,760	$1,620	$3,360	$3,120	$1,040	$0	$0	$0	$0	**$15,350**
7	**Rate Design**												
	Hours -	8	0	12	2	16	16	0	0	0	0	0	**54**
	Labor Cost	$2,760	$0	$2,760	$540	$2,240	$2,080	$0	$0	$0	$0	$0	**$10,380**
8	**Miscellaneous Fee**												
	Hours -	4	0	6	2	16	12	4	0	0	0	0	**44**
	Labor Cost	$1,380	$0	$1,380	$540	$2,240	$1,560	$1,040	$0	$0	$0	$0	**$8,140**
9	**Written Report**												
	Hours -	4	0	4	4	10	10	0	0	0	0	4	**36**
	Labor Cost	$1,380	$0	$920	$1,080	$1,400	$1,300	$0	$0	$0	$0	$560	**$6,640**
10	**Public Meetings / Presentations**												
	Hours -	32	0	6	2	6	6	0	4	6	0	0	**62**
	Labor Cost	$11,040	$0	$1,380	$540	$840	$780	$0	$1,060	$750	$0	$0	**$16,390**
11	**Proposition 218 Assistance**												
	Hours -	8	0	4	2	4	4	0	8	10	8	0	**48**
	Labor Cost	$2,760	$0	$920	$540	$560	$520	$0	$2,120	$1,250	$1,320	$0	**$9,990**
12	**Public Outreach**												
	Hours -	16	0	16	0	8	8	0	68	68	72	0	**256**
	Labor Cost	$5,520	$0	$3,680	$0	$1,120	$1,040	$0	$18,020	$8,500	$11,880	$0	**$49,760**
13	**Ongoing Rate Study Support**												
	Hours -	8	0	10	0	6	6	0	0	0	0	0	**30**
	Labor Cost	$2,760	$0	$2,300	$0	$840	$780	$0	$0	$0	$0	$0	**$6,680**
	Total Hours	**126**	**4**	**110**	**24**	**144**	**140**	**12**	**82**	**84**	**80**	**40**	**846**
	Total Fees	**$43,470**	**$1,720**	**$25,300**	**$6,480**	**$20,160**	**$18,200**	**$3,120**	**$21,730**	**$10,500**	**$13,200**	**$5,600**	**$169,480**
	Percentage of Hours by Employee	14.9%	0.5%	13.0%	2.8%	17.0%	16.5%	1.4%	9.7%	9.9%	9.5%	4.7%	100.0%

Expenses		
	Airfare (16 Round Trip @ $450/RT)	**$7,200**
	Hotel (14 Nights @ $225/night)	**3,150**
	Rental Car (12 Days @ $100/day)	**1,200**
	Parking/Miles/Meals/Etc.	**2,750**
	Copies/Printing	**650**
	Public Outreach Direct Expenses	**1,200**
	Total Expenses	**$16,150**
	Sub Consultants	**$24,327**
	Grand Total Project Fee Estimate	**$209,957**

ATTACHMENT F – COST/PRICE PROPOSAL
PUR 25-035

Proposal Submitted By:

Company Name: HSR Engineering, Inc.
Contact Name: Shawn Koorn, Associate Vice President & Holly Kennedy (senior vice president/signatory)
Contact Email: Shawn.Koorn@hdrinc.com
Contact Phone: 425.633.4596

Signature: | Title: Senior Vice President | Date: 05-01-25

Project Overview: Provide a rate study and fee update for the City's water utility along with public outreach and public presentations
Description of Services:

Project Start Date: 07-15-25 Project End Date: 04-30-26	
Consulting Fees:	Hourly Rate: $ varies (see cost proposal) average rate of $200 (No. of Hours: 846) Estimated Total: $ 169,480
Materials and Resources: Description:	Cost Breakdown: Copies/report printing/outreach materials (poster boards, printing, etc.) Estimated Cost: $ 1,850
Travel Expenses: airfare - 7,200 hotel - 3,150 rental car - 1,200 meals - 1,280 parking - 800 mileage - 670	Mileage: $_____ (Miles: _____) Accommodations: $_____ Per Diem: $_____
Other Expenses: Description: subconsultants	Estimated Cost: $ 24,327
Total Estimated Cost:	**$** 209,957

EXHIBIT F

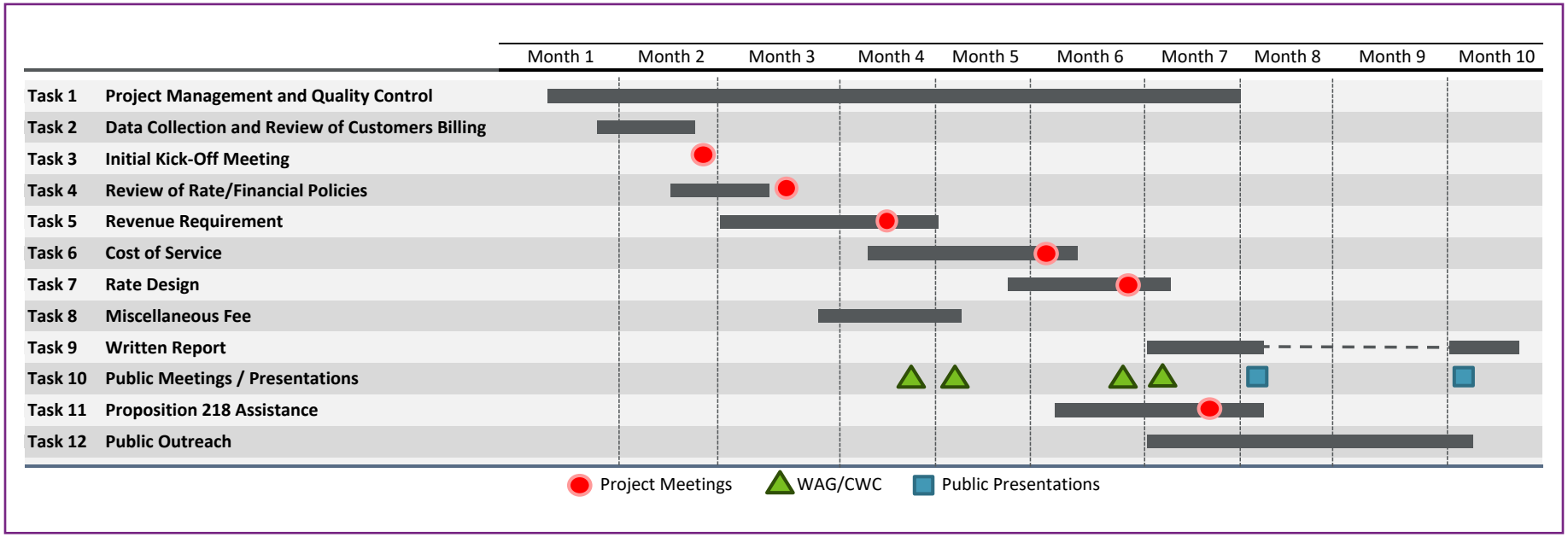
TIMELINE

1. Contractor shall complete the requested services identified in Exhibit A as follows:

1.1 TIMELINE FOR COMPLETION OF WORK

See Attachment A

FIGURE 2-3: Proposed Schedule



File #: 25-0909, **Version:** 1

FIFTH AMENDMENT TO THE 2025 CITY COUNCIL/SUCCESSOR AGENCY/STOCKTON PUBLIC FINANCING AUTHORITY/STOCKTON PARKING AUTHORITY MEETING CALENDAR

RECOMMENDATION

It is recommended that the City Council, Successor Agency, Stockton Public Financing Authority, and Stockton Parking Authority adopt by motion the revised 2025 Concurrent City Council/Successor Agency/Stockton Public Financing Authority/Stockton Parking Authority Meeting Calendar.

Summary

The fifth amendment to the 2025 meeting calendar is being proposed to add an additional City Council meeting on August 26, 2025.

DISCUSSION

Background

By Motion 2024-11-19-1216, the Stockton City Council approved the 2025 Concurrent City Council/Successor Agency/Stockton Public Financing Authority/Stockton Parking Authority Meeting Calendar. After its approval, staff were informed of a scheduling conflict regarding the January 28, 2025, meeting. A subsequent calendar amendment to address the January conflict was approved by Motion 2024-12-10-0608. The second amendment to the 2025 meeting calendar was approved in February by Motion 2025-02-04-1205 to address scheduling the Annual Strategic Planning Workshop. The third amendment to the 2025 meeting calendar, adding the April 29, 2025 meeting, was approved in April by Motion 2025-04-15-1208.

The fourth amendment to the 2025 meeting calendar was approved by Motion 2025-05-13-1207 adding an additional City Council meeting on July 29, 2025, and replacing the scheduled City Council Meetings on June 24, 2025, with June 17, 2025, and August 19, 2025, with August 12, 2025.

This fifth amendment proposes adding a Council meeting on August 26, 2025

FINANCIAL SUMMARY

The direct financial impact is approximately $13,000 to the City of Stockton with this action. There are sufficient funds in the Non-Departmental Special Services account to cover the additional costs.

Attachment A - 2025 Stockton City Council Meeting Calendar (5th Amendment)

DRAFT

ATTACHMENT A

FIFTH REVISED 2025 STOCKTON CITY COUNCIL MEETING CALENDAR*

January

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

March

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

April

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

May

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

June

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

July

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

August

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

September

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

November

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

December

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Holidays (box) Council meeting (circle) City Hall closed (every other Friday)

Possible Study Session (star) No Council meeting scheduled (slash) ***Subject to change; special meetings scheduled as needed**

File #: 25-0810, **Version:** 1

APPROVE MOTION TO EXECUTE A ONE-TIME PURCHASE FROM INVERIS TRAINING SOLUTIONS, INC. FOR AN AUGMENTED REALITY WEAPONS TRAINING SYSTEM IN AN AMOUNT NOT TO EXCEED $265,000

RECOMMENDATION

It is recommended that the City Council approve a motion to:

1. Authorize the City Manager to execute a one-time purchase from InVeris Training Solution, Inc (InVeris) for an augmented reality training system not to exceed $265,000;

2. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process; and

3. It is further recommended that the City Manager is hereby authorized and directed to make any and all expenditures and appropriations on behalf of the City as appropriate and necessary to carry out the purpose and intent of this motion.

Summary

Funds for the Community Corrections Partnership (CCP) Task Force provided by state AB109 Public Safety Realignment are allocated by the San Joaquin CCP Committee. On May 13, 2025, Council approved Resolution No. 2025-05-13-1216, authorizing the Independent Contractor Agreement between San Joaquin County and City of Stockton in the amount of $4,815,412 for AB109 funding of the CCP Task Force. FATS Augmented Reality Training System (FATS) was approved as a one-time purchase within this agreement to enhance the Task Force training techniques. FATS is a product that will allow for a fast response to deficiencies and provide an avenue for remediation that the Task Force can emphasize to aid in current tactical and de-escalation strategies.

Staff recommends a one-time purchase from InVeris, not to exceed $265,000, for FATS training system.

DISCUSSION

Background

Augmented Reality (AR) allows the user to see the real environment they are in and blends it with computer generated virtual characters through the AR glasses. It's not a fully synthetic environment like Virtual Reality (VR) and doesn't give users motion sickness. FATS AR doesn't require any special facilities, cameras, or screens to set up. Everything needed to operate it is worn by the user along with a laptop. FATS AR allows trainers/users to walk through any building with the AR headset on and

scan the layout into the computer. Once that building has been scanned it's saved for any future training. The software is fully customizable, allowing the trainer to modify the scenarios as appropriate.

The FATS AR Weapons Training System (FATS) is beneficial to all officers regardless of Assignment. FATS quick set up/take down time, quick reset of infinite fully customizable scenarios, real-time afteraction reviews, portability, and the ability to be used anywhere will allow officers to get increased repetitions in a short amount of time and get immediate feedback.

Present Situation

Officers currently conduct firearms training on a static range with live ammunition. Scenario-based simunition weapons training is limited due to limited secure locations. Personnel are limited to the number of repetitions specific to this kind of training as it takes numerous role players, and setup/cleanup is time consuming. FATS can be used anywhere at anytime and will allow personnel increased opportunities and repetitions in training. FATS records all movement, including where the trainees eyes are focused, muzzle is pointing, rounds hit, and visible angles the operator and suspect can see.

Findings

Stockton Municipal Code section 3.68.070 provides for an exception to the competitive bidding requirements in cases wherein the City Council has made findings that support and justify the purchase via a single sole source.

Findings to support the purchase are as follows:

- FATS has quick set up/take down time, quick reset of infinite fully customizable scenarios, real -time after-action reviews, portability, and the ability to be used anywhere.
- FATS will allow for a fast response to deficiencies and provide an avenue for remediation the Department does not currently have.
- Simulators provide augmented reality solutions to enhance law enforcement performance, mission rehearsal, hostage rescue, active shooter response, and team tactics.
- FATS offers unparalleled realism, interactivity, and data-driven analysis for high-intensity training.
- FATS provides unlimited scenarios in any location to train in tactics and de-escalation techniques.

FINANCIAL SUMMARY

The total proposed cost is not to exceed $265,000 for a one-time purchase of FATS AR Training with InVeris. Funding is included in the FY 2025-26 AB109 CCP Grant.

Attachment A - Standard Agreement

CITY OF STOCKTON
STANDARD AGREEMENT

Agreement Number:

1. This Agreement is entered into between the City of Stockton ("City") and InVeris Training Solutions, Inc ("Contractor") to provide AR Training and Simulation as set forth in Exhibit A to this Agreement.

2. The term of this Agreement is as follows, unless amended as described in Exhibit A and Exhibit C section 8:
Commences on: 9/1/25 Terminates on: 1/31/27

3. The maximum not to exceed amount to be paid to Contractor for the term of this Agreement, including if authorized, reimbursement of expenses, is: $ 265,000.00

4. The complete Agreement consists of all the following Agreement documents which by reference are incorporated and made a part of this Agreement. The parties agree to comply with the terms and conditions of this Agreement.

(a) Exhibit A – Statement of Work
(b) Exhibit B – Insurance Requirements
(c) Exhibit C – General Terms & Conditions
(d) Exhibit D – Goods and Services Special Terms and Conditions
(e) Exhibit E – Compensation Schedule
(f) Exhibit F – Timeline
(g) Exhibit G - Special Funding Terms & Conditions

IN WITNESS WHEREOF, the authorized parties have executed this Agreement.

CONTRACTOR

InVeris Training Solutions, Inc.
Contractor's Name (if other than an individual, state whether a corporation, partnership, etc.):

Amy Krebsbach 7/23/2025
Authorized Signature Date

Amy Krebsbach, Sr. Contracts Specialist
Printed Name and Title of Person Signing

296 Brogdon Road, Suwanee, GA 30024
Address

CITY OF STOCKTON

Steve Colangelo, Interim City Manager Date

ATTEST:

Katherine Roland, CMC, CPMC, City Clerk

APPROVED AS TO FORM:
Lori M. Asuncion, City Attorney

BY:

EXHIBIT A

STATEMENT OF WORK

1. Project Objectives

1.1 Contractor will equip and train Stockton Police Department (SPD) personnel with the FATS Augmented Reality Training system (FATS) as specified in this agreement.

2. Project Scope

2.1 Contractor shall provide FATS to meet the unique needs of the SPD.

2.2 Contractor shall provide Augmented Reality (AR) training to assist SPD in real environment computer generated training for multiple users.

3. Specifications

3.1 During the term of this agreement, the Contractor shall provide following for four (4) trainees:

Quantity	Items
4	Trainee rigs: consisting of headset and tactical vest housing a small AR computer and communications equipment.
2	Instructor headsets, instructor computer (laptop), router, storage and transport case, and pistols.
1	BlueFire Fill Station includes tank and yoke valve Assy, Glock 17 magazine adapter.
2	M4 AR BlueFire Rifles, two (2) Glock 17 AR BlueFire Pistols, weapon magazines (2 per weapon).
1	12 Month Warranty
4	Glock 17 BlueFire Pistol – 2 AR Sight Trackers
4	M4A1 BlueFire Rifle – 2 AR Sight Trackers (Remo 5 Scope)
1	Additional magazine adapter for M4 Rifle
1	Fats AR Weapons Trunk (Houses 4 rifles and 3 pistols)

4. Major Deliverables

4.1 Contractor shall provide on site system and user training.

5. Tasks That Support the Deliverables

5.1 Contractor shall work directly with SPD to schedule 3 days on site training.

6. Criteria of Acceptance for Deliverables

6.1 Contractor shall provide new and unused units; substitutes are not permitted.

6.2 Contractor shall deliver all items within 90 to 180 days of a fully executed contract to the following location:

Stockton Police Department
Attn: Bobby Wong
22 E. Weber Ave., 2nd floor
Stockton, CA 95202

7. Notices

Pursuant to Exhibit C – General Terms and Conditions, Paragraph 15 – Notices, the mailing address for all required notices is as follows:

Contractor: InVeris Training Solutions
Attn: Contracts Department
296 Brogdon Road
Suwanee, GA 30024

City: City of Stockton
Attn: City Manager
425 N. El Dorado Street
Stockton, CA 95202

8. Key Personnel

Juan Barillas, Law Enforcement Virtual System Sales
InVeris Training Solutions, Inc
296 Brogdon Road
Suwanee, GA 30024
(470) 266-0730
Juan.barillas@inveristraining.com

REV 2025-06-04

Exhibit B:
Insurance Requirements for Services

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL)**: Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability**: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than **$1,000,000** per accident for bodily injury and property damage.

3. **Workers' Compensation**: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Stockton, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or

equipment furnished in connection with such work or operations. Coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 if a later edition is used). Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

Primary Coverage

For any claims related to this contract, the **Contractor's insurance coverage shall be primary and non-contributory** and at least as broad as ISO CG 20 01 12 19 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies. The City of Stockton does not accept endorsements limiting the Contractor's insurance coverage to the sole negligence of the Named Insured.

Umbrella or Excess Policy

The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City of Stockton.

Waiver of Subrogation

Contractor hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Stockton has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Stockton.

Claims Made Policies (Professional & Pollution only)

If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained, and evidence of insurance must be provided *for at least five (5) years after completion of the contract of work*.

3. If coverage is canceled or non-renewed, and not replaced *with another claims-made policy form with a Retroactive Date prior to* the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of *five (5)* years after completion of work.

Verification of Coverage

Contractor shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause All documents are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees, and Volunteers
425 N El Dorado Street
Stockton, CA 95202

EXHIBIT C

GENERAL TERMS AND CONDITIONS

1. **Goods, Equipment and Services.** Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to City the services described in Exhibit A of the Agreement. Contractor shall provide said services at the time, place and in the manner specified in Exhibit A of the Agreement.

2. **City Assistance, Facilities, Equipment and Clerical Support.** Except as set forth in Exhibit A, Contractor shall, at its sole cost and expense, furnish and maintain all facilities and equipment that may be required for furnishing services pursuant to this Agreement. If applicable, City shall furnish to Contractor only the facilities and equipment listed in Exhibit A to the Agreement.

3. **Compensation**. City shall pay Contractor for services rendered pursuant to this Agreement as described more particularly in Exhibit A and Exhibit E to the Agreement.

3.1 Invoices submitted by Contractor to City must contain a brief description of work performed, time spent and City reference number. Within thirty (30) days of receipt of Contractor's invoice, City will review invoice, and if acceptable make payment on approved invoice.

3.2 Upon completion of work and acceptance by City, Contractor shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Contractor fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.

4. **Sufficiency of Contractor's Work**. All Contractor services, work, and deliverables shall be performed in a good and workmanlike manner with due diligence in accordance with the degree of skill normally exercised by similar contractors supplying services and work of a similar nature, and in conformance with applicable laws, codes and professional standards. Contractor's work shall be adequate and sufficient to meet the purposes of this Agreement.

5. **Ownership of Work**. All reports, work product, all other documents completed or partially completed by Contractor or its approved subcontractors, in performance of this Agreement, and if applicable, drawings, designs, and plan review comments shall become the property of the City. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Contractor and its approved subcontractors agree

to execute any additional documents that may be necessary to evidence such assignment. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Contractor shall replace them at its own expense. Contractor and its approved subcontractors shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent.

6. Timeliness. Time is of the essence in this Agreement. Further, Contractor acknowledges that the failure of Contractor to comply with the time limits described in Exhibit A and Exhibit F may result in economic or other losses to the City.

7. Changes. Both parties to this Agreement understand that it may become desirable or necessary during the term of this Agreement for City to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work. Until the amendment is so executed, City will not be responsible to pay any charges Contractor may incur in performing such additional services, and Contractor shall not be required to perform any such additional services.

8. Amendment. No variation of the terms of this Agreement shall be valid unless an amendment is made in writing and signed by both parties.

9. Contractor's Status.

9. 1 In performing the obligations set forth in this Agreement, Contractor shall have the status of an independent contractor and Contractor shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Contractor are its agents and employees and are not agents or employees of City. Contractor by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Except as expressly provided in Exhibit A, Contractor has no authority or responsibility to exercise any rights or power vested in the City. No agent, officer or employee of the City is to be considered an employee of the Contractor. It is understood by both Contractor and City that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

9.2 Contractor shall determine the method, details and means of performing the work and services to be provided by Contractor under this Agreement. Contractor shall be responsible to City only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to City's

control with respect to the physical action or activities of Contractor in fulfillment of this Agreement. Contractor has control over the manner and means of performing the services under this Agreement. If necessary, Contractor has the responsibility for employing other persons or firms to assist Contractor in fulfilling the terms and obligations under this Agreement.

9.3 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Contractor.

9.4 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor's assigned personnel under the terms and conditions of this Agreement.

10. Subcontractor.

10.1 Subcontractors shall not be recognized as having any direct or contractual relationship with City. Contractor shall be responsible for the work of subcontractors, which shall be subject to the provisions of this Agreement. Subcontractors will be provided with a copy of the Agreement and be bound by its terms. Contractor is responsible to City for the acts and omissions of its subcontractors and persons directly or indirectly employed by them.

10.2 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by Contractor.

10.3 It is further understood and agreed that all Subcontractors must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Subcontractors personnel.

11. Termination.

11.1 Termination for Convenience of City. The City may terminate this Agreement at any time by mailing a notice in writing to Contractor. The Agreement shall then be deemed terminated, and no further work shall be performed by Contractor. If the Agreement is so terminated, the Contractor shall be paid for the work actually completed at the time the notice of termination is received.

11. 2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party.

11.3 Funding- Non-Appropriation. It is mutually understood between the Parties that payment to the Contractor for performance shall be dependent upon the availability of appropriations by the City Council for the purposes of this Agreement. No legal liability on the part of the City for any payment may arise under this Agreement until funds are made available and until the Contractor has received funding availability, which will be confirmed in writing. If funding for any fiscal year is reduced or deleted, or if the City loses funding for any reason, the City, in its sole discretion, shall have the option to either (a) cause this Agreement to be canceled or terminated pursuant to applicable provisions of the Agreement; or (b) offer to amend the Agreement to reflect the reduced funding for this Agreement.

12. Non-Assignability. The Contractor shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written consent of the City, and then only upon such terms and conditions as City may set forth in writing. Contractor shall be solely responsible for reimbursing subcontractors.

13. Indemnity and Hold Harmless. To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in this agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City of Stockton. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this agreement. These obligations shall survive the completion or termination of this agreement.

14. Insurance. During the term of this Agreement, Contractor shall maintain in full force and effect at its own cost and expense the insurance coverage as set forth in the attached Exhibit B to this Agreement and shall otherwise comply with the other provisions of Exhibit B to this Agreement.

15. Notices. All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed in Exhibit A to this Agreement.

16. Conformance to Applicable Laws. Contractor shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Contractor shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

17. **Licenses, Certifications and Permits**. Prior to the City's execution of this Agreement and prior to the Contractor's engaging in any operation or activity set forth in this Agreement, Contractor shall obtain a City of Stockton business license, which must be kept in effect during the term of this Agreement. Contractor covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement. Such licenses, certificates and permits shall be maintained in full force and effect during the term of this Agreement.

18. **Records and Audits**. Contractor shall maintain all records regarding this Agreement and the services performed for a period of three (3) years from the date that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit. To the extent Contractor renders services on a time and materials basis, Contractor shall maintain complete and accurate accounting records, in a form prescribed by City or, if not prescribed by City, in accordance with generally accepted accounting principles, such records to include, but not be limited to, payroll records, attendance cards, time sheets, and job summaries.

19. **Confidentiality**. Contractor shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.

20. **Conflicts of Interest**. Contractor covenants that other than this Agreement, Contractor has no financial interest with any official, employee or other representative of the City. Contractor and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Contractor's services under this Agreement. If such an interest arises, Contractor shall immediately notify the City.

21. **Waiver**. In the event either City or Contractor at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation. No payment, partial payment, acceptance, or partial acceptance by City shall operate as a waiver on the part of City of any of its rights under this Agreement.

22. **Governing Law**. California law shall govern any legal action pursuant to this Agreement with venue for all claims in the Superior Court of the County of San Joaquin, Stockton Branch or, where applicable, in the Federal District Court of California, Eastern District, Sacramento Division.

23. **No Personal Liability**. No official or employee of City shall be personally liable to Contractor in the event of any default or breach by the City or for any amount due Contractor.

24. Severability. If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or city statue, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

25. Non-Discrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state, or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition (including genetic characteristics), marital status, age, political affiliation, gender identity, gender expression, sex or sexual orientation, family and medical care leave, pregnancy leave, or disability leave. Contractor and its officers, employees, agents, representative or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the City's nondiscrimination policy; the Fair Employment and Housing Act (Government Code sections 12990 (et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulation or Code of Federal Regulations. Title VI of the Civil Rights Act of 1964 requires that "no person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." (42 USC Section 2000d). http://www.dol.gov/oasam/regs/statutes/titlevi.htm. The City requires compliance with the requirements of Title VI in all of its programs and activities regardless of funding source.

26. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts of God, acts of civil or military authority, terrorism, fire, flood, strikes, war, epidemics, pandemics, shortage of power or other acts or causes reasonably beyond the control of that party. The party experiencing the force majeure event agrees to give the other party notice promptly following the occurrence of a force majeure event, and to use diligent efforts to re-commence performance as promptly as commercially practicable.

27. Taxes and Charges. Contractor shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of the Contractor's business.

28. Cumulative Rights. Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative of all other rights and remedies to which may be legally entitled.

29. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

30. Heading Not Controlling. Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

31. Entire Agreement, Integration, and Modification.

31.1 This Agreement represents the entire integrated agreement between Contractor and the City; supersedes all prior negotiations, representations, or agreements, either written or oral between the parties and may be amended only by a written Amendment signed by the Contractor and City Manager.

31.2 All Exhibits to this Agreement and this Agreement are intended to be construed as a single document.

32. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

33. Authority. The individual(s) executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

EXHIBIT D

GOODS AND SERVICES TERMS AND CONDITIONS

1. Definitions. The following words and phrases have the following meanings for purposes of this Agreement:

1.1 "Services" means, collectively, the services, duties and responsibilities described in Exhibit A of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

1.2 “Deliverable” means quantifiable goods or services that will be provided upon completion of a project. A deliverable is any tangible material, work or thing delivered by one party to the other, including associated technical documentation. A deliverable can be tangible or intangible parts of the development process, and often are specified functions or characteristics of the project.

2. General. The following terms and conditions are applicable for the purchase of goods and services only. The special conditions shall be read in conjunction with the Standard Agreement, General Terms and Conditions (“GTC”) Exhibit C, and all other Exhibits identified in the Standard Agreement.

2.1 Where any portion of the GTC is in conflict to or at variance with any provisions of the Special Conditions of the Agreement, then unless a different intention stated, the provision(s) of the Special Conditions of the Agreement shall be deemed to override the provision(s) of GTC only to the extent that such conflict or variations in the Special Conditions of the Agreement are not possible of being reconciled with the provisions of the GTC.

2.2 In the case of modification of a part or provision of the GTC, the unaltered part or provision, or both shall remain in effect. The Special Conditions shall relate to a particular project and be peculiar to that project but shall not weaken the character or intent of the GTC.

3. Time for Performance.

3.1 Contractor shall perform the services according to the schedule contained in Exhibit F.

3.2 Timeliness of Performance i) Contractor shall provide the Services, and Deliverables within the term and within the time limits required under this Agreement, pursuant to the provisions of Exhibit A and Exhibit F. ii) Neither Contractor nor Contractor’s agents, employees nor subcontractors are entitled to any damages from the City, nor is any party entitled to be reimbursed by the City, for damages, charges or other

losses or expenses incurred by Contractor by reason of delays or hindrances in the performance of the Services, whether or not caused by the City.

4. Standard of Performance

In addition to Exhibit C, Section 4 and 17, Contractor agrees as follows:

4.1 Contractor's Services shall be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of Contractor's profession currently practicing under similar conditions. Contractor shall comply with the profession's standard of performance, applicable laws, regulations, and industry standards. By delivery of completed work, Contractor certifies that the work conforms to the requirements of this Agreement and all applicable federal, state, and local laws. If Contractor is retained to perform services requiring a license, certification, registration or other similar requirement under California law, Contractor shall maintain that license, certification, registration, or other similar requirement throughout the term of this Agreement.

4.2 Contractor acknowledges that it is entrusted with or has access to valuable and confidential information and records of the City and with respect to that information, Contractor agrees to be held to the standard of care of a fiduciary. Contractor shall assure that all services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. Contractor must provide copies of any such licenses. Contractor remains responsible for the professional and technical accuracy of all Services or Deliverables furnished, whether by Contractor or its subcontractors or others on its behalf. All Deliverables must be prepared in a form and content satisfactory to the Using Agency and delivered in a timely manner consistent with the requirements of this Agreement.

4.3 If Contractor fails to comply with the foregoing standards, Contractor must perform again, at its own expense, all Services required to be re-performed as a direct or indirect result of that failure. Any review, approval, acceptance, or payment for any of the Services by the City does not relieve Contractor of its responsibility for the professional skill and care and technical accuracy of its Services and Deliverables. This provision in no way limits the City's rights against Contractor either under this Agreement, at law or in equity.

5. Compensation

5.1 In addition to Section 3 Compensation in Exhibit C – GTC, the Contractor shall be compensated for the services provided under this Agreement as follows:

5.1.1 Contractor shall be compensated for services rendered and accepted under this Agreement and shall be paid monthly, in arrears on a not to exceed

basis, based upon the rates set forth in Exhibit E attached hereto and made a part of this Agreement. Contractor may vary the compensation for each task in Exhibit E provided that the total project compensation listed in Exhibit E and the Standard Agreement is not exceeded.

6. Reports and Information

Contractor shall at such times and in such forms as the City may require furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred in connection therewith, and any other matters are covered by this Agreement as specified in Exhibit A and Exhibit E.

7. Findings Confidential

All the reports, information, data, et cetera, prepared or assembled by the Contractor under this Agreement are confidential and the Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the City. Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is required by applicable law or by proper legal or governmental authority, is already rightfully in the Contractor's possession without obligation of confidentiality, is independently developed by Contractor outside the scope of this Agreement or is rightfully obtained from third parties. Contractor shall give City prompt notice of any such legal or governmental demand and reasonably cooperate with City in any effort to seek a protective order or otherwise to contest such required disclosure.

8. Right of Inspection

All Deliverables furnished by Contractor must be as specified in Exhibit A and will be subject to inspection and approval of City after delivery. City reserves the right to reject and return, at the risk and expense of Contractor, the portion of any Deliverable which may be defective or fail to comply with specifications in Exhibit A without invalidating the remainder of the Deliverables. If rejected, Deliverable will be held for disposition at the expense and risk of Contractor. Payment for Deliverable prior to inspection shall not constitute acceptance of the Deliverable.

9. Warranty

Contractor warrants that (i) any Deliverable created or performed by Contractor for City under this Agreement will conform to specifications, drawings or samples furnished by City to Contractor for a minimum period of one year, and (ii) any standard Deliverable sold by Contractor to other customers besides City will meet or exceed any of the standards for such types of product in industry, any express or implied warranty stated or

advertised by Contractor or the actual manufacturer of such Deliverable, or any warranties implied by law. Contractor's warranty shall survive delivery of Deliverable and shall not be deemed waived by City's failure to discover defects, acceptance of the Deliverable, or payment, therefore.

10. Ownership

Contractor shall have title to and bear the risk of any loss or damage to the Deliverable until the Deliverable is delivered and accepted by City in conformity with this Agreement. Upon delivery and acceptance, Deliverable delivered by Contractor shall become the exclusive property of City. The ownership rights described herein shall include, but not be limited to, the right to copy, publish, display, transfer, or otherwise use the Deliverable. All artwork, patterns, dies, models, samples, materials, drawings, specifications, technical material, advertising material and any other personal property furnished by City to Contractor, or specifically paid for by City for use in performance of the Agreement, shall be and remain the property of City and said property shall be used only for Deliverables benefiting City. Contractor shall return to City or shall dispose of this property only according to City's instruction.

11. Applicable Laws

Under guidelines specified in 29 CFR 1910.1200 (f) and (g) City requests that Contractor label applicable Deliverables accordingly and provide associated Safety Data Sheets ("SDS") to City.

Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

12. Prevailing Wage

It shall be the responsibility of the Contractor to comply, when applicable, with the prevailing wage rates in accordance with the State of California Department of Industrial Relations. It shall further be the responsibility of the Contractor to monitor the prevailing wage rates as established by the California Department of Industrial Relations for any increase in rates during the term of this Agreement and adjust wage rates accordingly.

CONTRACTOR REGISTRATION REQUIREMENTS- Pursuant to Labor Code Section 1771.1(a): A Contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5. It is not a violation of this section for an unregistered Contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the Contractor is

registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.

No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
No contractor or subcontractor may be awarded a contract for public work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code Section 1725.5. Department of Industrial Relations- Contractor Registration information and web link: https://www.dir.ca.gov/public-works/publicworks.html. In compliance with Senate Bill 854 and the California Labor Code, all Bidders shall include with their Bid proof of registration from the Department of Industrial Relations (DIR) that includes the contractor's Legal Name, Registration Number, License Type/Number, Registration Date and Expiration Date, for every contractor and subcontractor, regardless of tier.

This project may be subject to compliance monitoring and enforcement by the Department of Industrial Relations. Contractors must submit their certified payroll records directly to the Division of Labor Standards Enforcement Compliance Monitoring Unit, as well as the City of Stockton.

13. Shipping Terms

City shipment terms are F.O.B. Destination, Freight Prepaid and Added unless otherwise specified in the Agreement. Contractor shall observe shipping instructions and, unless otherwise stated in the instructions, shall ship Deliverables in the safest and most economical manner necessary to meet the delivery date specified in the Agreement. Contractor shall provide an itemized packing list showing the Agreement number with the shipment. Contractor shall include the Agreement number on all packages, boxes, invoices, and shipping documents. Contractor shall label all individual boxes with stock number and quantity and items with different stock numbers shall be boxed separately. City reserves the right to refuse, at Contractor's expense, any shipments not containing the Agreement number or stock numbers as required under this section.

14. Deliveries

TIME IS OF THE ESSENCE IN THE PERFORMANCE OF ANY ORDER. If Deliverable is not provided or performed within the times specified in the Agreement, City may cancel the Agreement and hold Contractor liable for damages incurred due to the untimely delivery including, but not limited to, the additional costs resultant from City procuring substitute Deliverables elsewhere.

15. Price and Quantities

Prices and quantities set forth in this Agreement may not be altered by Contractor without the prior written authorization of City, with the exception that quantities of custom paper or printed Deliverables, chemicals, or fuel may deviate from those in the Agreement by the lesser of standard industry practices.

EXHIBIT E

COMPENSATION SCHEDULE

The Contractor shall be compensated for the services identified in Exhibit A, Exhibit C, and Exhibit D to this Agreement as follows:

1. Project Price

1.1 The maximum the Contractor shall be paid on this Agreement is $265,000 (hereafter the "not to exceed" amount). The "not to exceed" amount includes all payments to be made pursuant to this Agreement, including City approved reimbursable expenses, if any. Nothing in this Agreement requires the City to pay for work that does not meet the Standard of Performance identified in Exhibit D section 4 or other requirements of this Agreement.

1.2 Standard Reimbursable Items: Only the reimbursable items identified in Exhibit A, C, and D (Compensation), shall be compensated to the Contractor. Reimbursable expenses will be reimbursed without markup. Fees plus reimbursable expenses shall not exceed the amount set forth in section 1.1 of this Exhibit and a copy of the original invoice for the items listed in i, ii or iii below shall be attached to the invoice submitted to the City for reimbursement. Payments shall be based upon work documents submitted by the Contractor to the City and accepted by the City as being satisfactory to City's needs. The City shall not pay a markup on any of the items listed in i, ii or iii. Additionally, items such a telephone, fax, postage or freight are already included in the billable hourly rate. Contractor shall be reimbursed the direct expenses, which are the actual cost of the following items that are reasonable, necessary and actually incurred, by the Contractor in connection with the services:

i. Expenses, fees or charges for printing, reproduction or binding of documents at actual costs with no markup added to the actual cost.

ii. Any filing fees, permit fees, or other fees paid or advanced by the Contractor at actual costs with no markup added to the actual cost.

iii. Travel expenses shall be reimbursed in accordance with the City's travel policy, which is incorporated herein by reference. Reimbursement shall be made at actual costs with no markup added to the actual cost.

1.3 The Contractor shall be entitled to receive payments for its work performed pursuant to the Agreement. The City will pay Contractor based on invoices for acceptable work performed and approved until the "not to exceed" amount is reached. Thereafter, Contractor must complete services based on the Agreement without additional compensation unless there is a material change to the Statement of Work and Scope by a written Amendment.

1.4 If work is completed before the "not to exceed" amount is reached, the Contractor's compensation will be based on the Contractor's invoices previously submitted for acceptable work performed and approved.

1.5 Subcontractor Costs: Compensation for subcontractors shall be limited to the same restrictions imposed on the Contractor. Maximum markup Contractor may apply to subcontractor fees, minus reimbursable expenses, shall not exceed 0%.

2. **Task Price**. Below is the price for the services and reimbursable expenses as described in Exhibit A of this Agreement.

Task	Description	Task Price
1	Fats AR 4 Bundle – 4 trainees, 2 instructors	$199,999
2	Glock 17 BlueFire Pistol – 2 AR sight trackers	$12,553.00
3	M4A1 BlueFire Rifle – 2 AR sight trackers	$12,490.00
4	Additional Magazine Adapter for M4 Rifle	$103.00
5	Fats AR Weapons Trunk	$1,299.00
6	Freight and Delivery (CONUS)	$2,596.00
7	Training (CONUS)	$7,840.00
8	Taxes 9%	$20,380.00
	TOTAL PRICE	**$257,260.00**

3. Milestone Payments

90%: 1st Milestone: Shipment Received
10%: 2nd Milestone: Installation Completion

4. Invoice to Address. Each invoice submitted shall identify the specific task(s) listed in Exhibit A and this Exhibit, and the completed work product/deliverable for the agreed upon price listed in this Exhibit. Invoices shall be submitted to the below address:

City of Stockton Police Department
Attention: Fiscal Affairs
22 E. Weber Ave, 4th Floor
Stockton, CA 95202

EXHIBIT F

TIMELINE

1. Contractor shall complete the requested services identified in Exhibit A as follows:

1.1 TIMELINE FOR COMPLETION OF WORK

1.1.1 Delivery on all items shall be 90-180 days Upon fully executed contract.

1.1.2 Installation and training shall be scheduled within 30 calendar days of upon fully executed contract unless mutually agreed in writing between the parties.

EXHIBIT G
SPECIAL TERMS AND CONDITIONS

INDEPENDENT CONTRACTOR AGREEMENT
SAN JOAQUIN COUNTY

BOARD AGREEMENT# A-___-___

BOARD ORDER# B-___-____

Contract Amount $4,815,412.00

PARTIES:	COUNTY:	County of San Joaquin Purchasing & Support Services 44 N. San Joaquin Street Suite 540 Stockton, CA 95202-2931
	With copies to:	County of San Joaquin
	COUNTY DEPARTMENT:	Probation Department 575 W. Mathews Road French Camp, CA 95231 Steve Jackson 209-468-4070 scjackson@sjgov.org
	CONTRACTOR:	City of Stockton 22 E. Market Street Stockton, CA 95202 *Stanley McFadden, Chief of Police* 209-937-8218 stanley.mcfadden@stocktonca.gov
	With copies to:	City of Stockton City Manager's Office 425 N. El Dorado Street Stockton, CA 95202

This Agreement is made and entered into this _____ day of _____, 20___, by and between City of Stockton, as an independent contractor (hereinafter "CONTRACTOR"), and the County of San Joaquin, a political subdivision of the State of California for its Probation Department at the address referenced above (hereinafter "COUNTY").

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and promises contained herein, it is mutually agreed as follows:

I. THE PURPOSE OF THE AGREEMENT

The purpose of this Agreement is for CONTRACTOR to provide the Community Corrections Partnership (CCP) Task Force services for San Joaquin County's Public Safety Realignment program (AB109) which include reducing crimes committed by AB109 offenders, promoting the CCP, and supporting the premise of prison realignment.

II. ORDER FOR PRECEDENCE

A. In the event of an inconsistency in this Agreement, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable Federal and State of California statutes and regulations;

2. This Agreement; and

3. CONTRACTOR'S proposal ("hereinafter "Proposal"), attached hereto as Exhibit A.

Documents 3, referenced above, are hereby incorporated into this Agreement as if completely set forth herein.

III. THE SCOPE OF SERVICES

A. CONTRACTOR agrees to provide coordinate a Community Corrections Partnership (CCP) Task Force involving City Police Departments throughout San Joaquin County. CONTRACTOR will serve as the host agency and provide necessary office space.

B. CONTRACTOR shall assign 1 (1 FTE) Stockton Police Sergeant, 1 (1 FTE) Lodi Police Officer, 1 (1 FTE) Manteca Police Officer, 1 (1 FTE) SJ County Sheriff, 2 (2 FTE) Stockton Police Officers, 2 (2 FTE) Stockton Crime Analysts, and 2 (2 FTE) District Attorney Investigators. Overtime will be shared amongst the Task Force Members.

Police Departments that do not participate with full-time staff may contribute part-time staff on a voluntary and/or ad hoc basis. All police agencies in San Joaquin County will have access to the Task Force services and resources regardless of their level of participation.

C. CONTRACTOR will be responsible for the day-to-day operation of the Task Force. The Task Force supervisor (Stockton Police Department Sergeant) will report to a Stockton Police Department manager designated by the Stockton Police Chief. For general oversight and

administration purposes, the police manager will report to the Police Chief member of the CCP's Executive Board. The CCP's Police Chief Representative will report to the CCP Executive Board on Task Force activities, as necessary.

Mission and Scope:

The mission of the Task Force is to protect the quality of life in our communities by:
- Reducing crimes committed by AB 109 offenders;
- Promoting the work of the CCP; and
- Supporting the premise of prison realignment.

The Task Force will focus on problematic realignment offenders, including those who:
- Are wanted for a compliance violation and/or a new crime
- Have a history of violence
- Have been deemed a repeat offender
- Have been deemed at high risk of becoming a repeat offender.

The Task Force will use the well-known and effective Problem-Oriented Policing (POP) model. Activity and deployment strategies will include:
- Utilizing crime analysis data, offender data, and other information to prioritize work and ensure deployment practices and activities are conducted effectively and efficiently.
- Conducting frequent offender compliance checks, especially during weekends and evening hours.
- Initiate contact and become familiar with offenders recently released from custody.
- Actively searching for wanted persons, especially those identified as serious or habitual offenders or who are likely to commit new crimes.
- Working closely with patrol, investigations, and various special enforcement units in the area to gather, analyze, and exchange criminal intelligence information.
- Frequently deploy to community "hot spots" and other areas where offenders are likely to gather and crime often occurs.
- Working closely with the Probation Department and other agency partners to encourage offenders to comply with the terms of their release, participate in vast programming opportunities, and avoid committing new offenses.
- Serving as an individual and collective resource that can help educate members of each law enforcement agency on the purpose and intent of realignment.
- Working a flexible schedule which may include various evenings, nights, weekends, and holidays. This is necessary to provide attention to offenders when Probation Officers and other personnel are not at work.

D. CONTRACTOR shall perform the CONTRACTOR'S work in accordance with currently approved methods and standards of practice in CONTRACTOR'S professional specialty.

IV. GENERAL PROVISIONS:

A. Term of Agreement:

This Agreement shall commence when fully executed and end on the 30th day of June, 2026, unless Work is completed on a date prior thereto or unless terminated earlier as provided herein.

B. Interpretation:

This Agreement shall not be interpreted in favor of any Party by virtue of said Party not having prepared this Agreement.

C. Compensation:

1. COUNTY agrees to pay CONTRACTOR the amounts as indicated on the CONTRACTOR'S fees, Exhibit A. Notwithstanding the foregoing, the total payments under this Agreement shall not exceed **FOUR MILLION EIGHT HUNDRED FIFTEEN THOUSAND FOUR HUNDRED TWELVE DOLLARS AND NO CENTS** ($4,815,412.00) per Fiscal Year. A Fiscal Year is defined as a twelve-month continuous period from July 1 through June 30 of the following year.

2. COUNTY agrees to pay the CONTRACTOR federal and state payroll taxes such as social security and unemployment for staff performing services under the scope of this contract.

3. COUNTY agrees to pay CONTRACTOR benefit costs to staff performing services under the scope of this contract.

4. The COUNTY will issue a Form 1099 at year-end for fees earned.

5. Fixed Assets having a value of $10,000.00 or more, purchased by the CONTRACTOR and having the purchase cost reimbursed to CONTRACTOR by COUNTY under the terms of this Agreement are not considered part of CONTRACTOR compensation. All purchases over TEN THOUSAND DOLLARS ($10,000) including sales tax made during the life of this Agreement with funds paid pursuant to this Agreement and that will outlive the life of this Agreement, shall be identified as fixed assets with an assigned - inventory number. COUNTY shall retain these fixed assets as COUNTY property, in the event this Agreement is terminated or upon expiration of the Agreement. CONTRACTOR agrees to participate in an annual inventory of all COUNTY fixed assets and shall be physically present when fixed assets are returned to COUNTY possession at the termination or expiration of this Agreement. CONTRACTOR is responsible for returning to COUNTY all COUNTY inventoried fixed assets upon request of COUNTY, or the monetary value of said fixed assets if unable to produce the fixed assets at the expiration or termination of this Agreement. The CONTRACTOR may, at CONTRACTOR's option purchase the fixed asset from the COUNTY at the fair market value as determined by COUNTY.

   CONTRACTOR further agrees to the following:

   (1) To maintain all items of capital equipment in good working order and condition, normal wear and tear excepted.

   (2) To label all items of capital equipment, to perform periodic inventories as required by COUNTY and to maintain an inventory list showing where and how the capital equipment is being used, in accordance with procedures developed by COUNTY including, but not limited to all fixed assets under this Independent Contractor's Agreement (ICA) and any previous or successive contracts with Community Corrections Partnership Task Force program. All such lists shall be submitted to COUNTY within ten (10) days of any request therefor.

(3) To report in writing to COUNTY immediately after discovery, the loss or theft of any items of capital equipment. For stolen items, the local law enforcement agency must be contacted, and a copy of the police report submitted to COUNTY.

6. The purchase of any capital equipment by CONTRACTOR with funds provided hereunder shall require the prior written approval of COUNTY, and shall fulfill the provisions of this Agreement, which are appropriate and must be directly related to CONTRACTOR's services or activity under the terms of this Agreement.

D. Invoicing:

CONTRACTOR shall submit all invoices by email to sjcprobationAP@sjgov.org. Probation Department . All invoices must reference this Agreement Number/Contract ID #, assigned Purchase Order number, and the Work performed. Payments shall be made within 30 days of receipt of invoice from CONTRACTOR.

LATE FEES: California Government Code 926.10 provides the following "....any person having such a claim against a public agency, shall be entitled to interest commencing the 61st day after such public entity or person files a liquidated claim known or agreed to be valid when filed pursuant to such statute or contract, and such claim is due and payable. Interest shall be 6 percent per annum."

E. CONTRACTOR'S Status:

In the performance of Work, duties and obligations imposed by this Agreement, the CONTRACTOR and/or its employees are at all times acting as independent contractor(s) practicing his or her profession and not as an employee of COUNTY. **A copy of the CONTRACTOR'S current professional, local, state or other business licenses required to conduct the services stated herein, will be provided to the COUNTY.** CONTRACTOR shall not have any claim under this Agreement or otherwise against COUNTY for vacation, sick leave, retirement benefits, social security or workers' compensation benefits. CONTRACTOR shall be responsible for federal and state payroll taxes such as social security and unemployment. COUNTY will issue a Form 1099 at year-end for fees earned.

F. Assignments:

Inasmuch as this Agreement is intended to secure the specialized services of CONTRACTOR, CONTRACTOR may not assign, transfer, delegate or subcontract its obligation herein without the prior written consent of COUNTY. Any such assignment, transfer, delegation or subcontract without the prior written consent shall be considered null and void.

G. Non Exclusive Rights:

This Agreement does not grant to CONTRACTOR any exclusive privileges or rights to provide services to COUNTY. COUNTY may contract with other companies or individuals for similar services, including but not limited to any other party who may have submitted bids or proposals to any RFP/RFQ or other requests from COUNTY for the work or services performed under this agreement. CONTRACTOR may contract with other counties, private companies or individuals for similar services.

H. Indemnification:

CONTRACTOR shall, at its expense, defend, indemnify and hold harmless COUNTY, (defined as the County of San Joaquin and its employees, officers, directors, contractors and agents) from and against any losses, liabilities, damages, penalties, costs, fees, including without limitation reasonable attorneys' fees, and expenses from any claim or action, including without limitation for bodily injury or death, to the extent caused by or arising from the active and/or passive negligence or willful misconduct of CONTRACTOR, its employees, officers, agents or subcontractors.

CONTRACTOR shall hold the COUNTY, its officers and employees, harmless from liability, of any nature or kind on account of use of any copyrighted, or un-copyrighted composition, secret process, patented or un-patented invention articles or appliance furnished or used under this Agreement.

I. Insurance

1. CONTRACTOR, shall submit proof of insurance with liability limits as set forth below to COUNTY showing COUNTY, its officers, employees, agents and volunteers named as Additional Insured to include ongoing operations and products completed operations (On Additional Insured Endorsement CG 20 10 10 93), except for Workers' Compensation and professional Liabilities, and insurance policy shall contain provisions that such policy may not be canceled or reduced except after thirty (30) days written notice to COUNTY.

2. CONTRACTOR agrees to be responsible to ensure that the requirements set forth in this article/paragraph are also to be met by CONTRACTOR'S subcontractors, if any, who provide services pursuant to this Agreement.

3. General Liability Limits

a. BI & PD combined/per occurrence/Aggregate	$1,000,000 / $2,000.000
b. Personal Injury/Aggregate	$2,000,000
c. Automobile Liability/per occurrence	$1,000,000

1) CONTRACTOR agrees to defend, hold harmless and indemnify COUNTY for any and all liabilities associated with the use of any automobiles in relation to tasks associated with this Agreement.

4. Professional Liability

a. Professional Liability/as appropriately relates to services rendered. Coverage may include medical malpractice, cyber liability, and/or errors and omissions.	$1,000,000

5. Workers' Compensation and Employer's Liability — Statutory requirement

J. Discrimination:

CONTRACTOR shall not discriminate because of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, mental and physical disability, medical condition, genetic information, military or veteran status, age, pregnancy, denial of medical and family care leave, or pregnancy disability leave (California Government Code sections 12940,12945, 12945.2). CONTRACTOR shall not retaliate against any person for protesting illegal discrimination related to one of these categories, or for reporting patient abuse in tax supported institutions.

K. ADA Compliance:

CONTRACTOR shall comply with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. Sections 12101 et seq.)

L. Notices:

Any notice required to be given pursuant to the terms and conditions hereof shall be in writing, and shall be effected by one of the following methods: personal delivery, prepaid Certified First-Class Mail, or prepaid Priority Mail with delivery confirmation. Unless otherwise designated in writing by either party, such notice shall be mailed to the addresses shown on page one (1) of this Agreement.

M. Termination:

1. ***Termination for Cause***: If CONTRACTOR breaches or habitually neglects the CONTRACTOR'S duties under this Agreement without curing such breach or neglect upon fifteen (15) working days written notice, COUNTY may, by written notice, immediately terminate this Agreement without prejudice to any other remedy to which COUNTY may be entitled, either at law, in equity, or under this Agreement.

2. ***Termination for Convenience***: In addition, COUNTY may terminate this Agreement for its convenience upon thirty (30) days written notice to CONTRACTOR.

3. ***Funding out Clause:*** If the County Board of Supervisors fails to appropriate funds to enable the County Departments to continue to make purchases under this Agreement, this Agreement will be cancelled immediately and the CONTRACTOR will be given written notice of such termination.

4. If this Agreement is terminated under paragraphs 1, 2 or 3 above, CONTRACTOR shall only be paid for any Work completed and provided prior to notice of termination. In the event of termination under paragraph 1, 2 or 3 above, CONTRACTOR shall be paid an amount, which bears the same ratio to the total compensation authorized by the Agreement as the services actually performed bear to the total services of CONTRACTOR covered by this Agreement, less payments of compensation previously made. Except as stated above and except for any reasonable end-of-contract fees, CONTRACTOR shall have no other allowable charges under the terms and conditions of this Agreement.

5. CONTRACTOR shall not incur any expenses under this Agreement after notice of termination and shall cancel any outstanding expenses obligations to a third party

[related hereto] that CONTRACTOR can legally cancel; COUNTY shall not be liable for any expenses incurred by CONTRACTOR subsequent to the notice of termination.

N. Conflict of Interest Statement:

CONTRACTOR covenants that CONTRACTOR, its officers, employees or their immediate family, presently has no financial or other interest, in other project(s) or contract(s), or other activity(ies), nor shall it acquire any such interest, directly or indirectly, that would conflict or inhibit in any way, manner or degree with the performance of services under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement no person having any such a conflict of interest shall be employed or retained by CONTRACTOR under this Agreement. CONTRACTOR shall not hire COUNTY'S employees to perform any portion of the work or services provided for herein including secretarial, clerical and similar incidental services except upon the written approval of COUNTY.

O. Drug Free Workplace:

CONTRACTOR shall comply with the provisions of California Government Code Section 8350 et seq., otherwise known as the Drug-Free Workplace Act.

P. Force Majeure:

It is agreed that neither party shall be responsible for delays in delivery, acceptance of delivery, or failure to perform when such delay or failure is attributable to Acts of God, war, strikes, riots, lockouts, accidents, rules or regulations of any governmental agencies or other matters or conditions beyond the control of either CONTRACTOR or COUNTY.

Q. Compliance:

1. CONTRACTOR shall comply with all federal, state and local laws, regulations and requirements necessary for the provision of contracted services. Furthermore, CONTRACTOR shall comply with all laws applicable to wages and hours of employment, occupational safety, fire safety, health and sanitation. CONTRACTOR shall maintain current throughout the life of this Agreement, all permits, licenses, certificates and insurances that are necessary for the provision of contracted services.

2. CONTRACTOR shall comply with Assembly Bill 1522, known as the Healthy Workplaces, Healthy Families Act of 2014, codified at California Labor Code Section 245-249. With a few exceptions, the new law requires all employers to provide employees performing work in California with paid sick leave, beginning on July 1, 2015.

R. Disputes and Remedies:

1. Notice of any disputes, claims, or breach raised by CONTRACTOR, arising under this Agreement, must be submitted, in writing, to COUNTY within ninety (90) days of the alleged dispute, claim, or breach. If such issues cannot be resolved within ninety (90) days following written notice, and if the parties mutually agree, the alleged dispute, claim, or breach may be submitted to arbitration. Arbitration, if expressly agreed upon in writing by COUNTY and CONTRACTOR, shall be pursuant to the provisions of California Code of Civil Procedure Section 1280, et seq.

2. At the COUNTY's sole discretion, COUNTY may elect to raise a dispute, claim, or breach by submitting it, in writing, to CONTRACTOR. Such dispute, claim, or breach would include conditions and time constraints required of CONTRACTOR to remedy.

3. Neither the pendency of a dispute, claim, or breach nor its consideration will excuse the parties from full and timely performance in accordance with terms of this Agreement.

4. Any legal action or proceeding with respect to this Agreement shall be brought in the courts of the State of California for the County of San Joaquin, or the courts of the United States of America for the Eastern District of California, and in no other courts. CONTRACTOR hereby accepts such jurisdiction and venue and generally and unconditionally waives any objection, including, without limitation, any objection to the laying of venue or based on the grounds of forum non conveniens. The provision of this paragraph shall survive expiration or other termination of this Agreement regardless of the cause of such termination.

5. In any action brought by a party to enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs, including the reasonable value of any services provided by in-house counsel. The reasonable value of services provided by either party's counsel shall be capped at the hourly rate charged by Deputy County Counsel IV attorneys in the office of the County Counsel of San Joaquin County, California.

S. Public Record

All bids and proposal information is property of COUNTY. All such documents, including this Agreement, are public records per the requirements of the California Government Code, Sections 6250-6270, "California Public Records Act". CONTRACTOR'S Proprietary material must be clearly marked as such, but even so marked, it does not guarantee non-disclosure and may still be subject to disclosure pursuant to law. Pricing and service elements of the successful bid and/or proposal may not be considered proprietary information.

COUNTY will treat all information submitted in a bid/proposal as available for public inspection once the COUNTY has a contract finalized with the selected contractor. If CONTRACTOR believes that it has a legally justifiable basis under the California Public Records Act (Government Section 6250 et. seq.) for protecting the confidentiality of any information contained within its bid, Proposal, this Agreement, it must identify any such information, together with the legal basis of your claim to COUNTY. CONTRACTOR agrees to defend and indemnify COUNTY for any liability, costs, and expenses incurred in asserting such confidentiality to protect documents from public disclosure. The final determination as to whether COUNTY will assert your claim of confidentiality on your behalf shall be sole discretion of COUNTY.

T. Documents:

All drawings, specifications, documents and other memoranda or writings relating to the work and services hereunder, shall remain or become the property of COUNTY whether executed by or for CONTRACTOR for COUNTY, or otherwise by or for CONTRACTOR, or by or for a subcontractor operating under CONTRACTOR'S supervision, or direction, and all such documents and copies thereof shall be returned or transmitted to COUNTY

forthwith upon COUNTY written demand, termination or completion of the work under this Agreement.

U. San Joaquin County Green Purchasing Policy:

1. COUNTY has a Green Purchasing Policy; please go to website to view: https://www.sjgov.org/docs/default-source/purchasing-support-services-documents/policies-purchasing/2737---green-purchasing-policy-and-procedure.pdf?sfvrsn=3792e084_6

2. COUNTY has adopted an Environmentally Preferable Purchasing (EPP) Policy. EPP refers to the procurement of goods and services that lessen or reduce negative effect on human health and the environment when compared with competing goods and services that serve the same purpose. This comparison takes into consideration such things as: raw materials acquisition; production; manufacturing; packaging; distribution; reuse; disposal; energy efficiency; performance; safety and cost.

3. A primary goal of this policy is to encourage contractors/suppliers and departments to consider products and services that help minimize environmental impacts with price, performance and aesthetic considerations being equal. Contractors/suppliers are encouraged to offer products and services that meet legitimate "green" standards, e.g. products that possess independent third party certifications such as Energy Star, Green Seal, EcoLogo, EPEAT or FEMP (Federal Energy Management Program) standards. The County also encourages offers of products made with minimal virgin materials and maximum use of recycled materials – again, price and performance essentially being equal.

V. Work Product:

COUNTY and CONTRACTOR acknowledge and agree that "Work Product", and all components of it, provided or developed by CONTRACTOR hereunder or in connection herewith shall constitute "works made for hire" within the meaning of Title 17 United States Code Section 101 et seq. (the "Copyright Act"), and all right, title, and interest in and to the Custom Products shall vest in COUNTY immediately upon development. To the extent any such Custom Products may not be the sole and exclusive property of COUNTY and/or may not be a "work made for hire" as defined in the Copyright Act upon development, then CONTRACTOR agrees to and hereby does sell, transfer, grant and assign to COUNTY all copyrights, patents, trade secrets, inventions, and other proprietary rights, title, and interest in and to such Custom Products upon development. On all written material, whether in print, electronic, or any media form, constituting "Work Product", CONTRACTOR shall place or cause to be placed the following legend preferably in the lower right corner:

© 2025 County of San Joaquin. All rights reserved.

W. Data Security – Confidentiality

1. ***Acknowledgment of access to information characterized as covered data:*** CONTRACTOR acknowledges that this Agreement may allow CONTRACTOR access to confidential COUNTY information or COUNTY provided information including, but not limited to, personal information, records, data, or financial information ("Covered Data") notwithstanding the manner in which or from whom it is received by

CONTRACTOR, which is subject to state laws that restrict the use and disclosure of the COUNTY information, including the California Information Practices Act (California Civil Code Section 1798 et seq.), California Constitution Article 1, Section 1, and other existing relative or future adopted State and/or Federal requirements. CONTRACTOR shall maintain the privacy of, and shall not release, Covered Data without full compliance with all applicable state and federal laws, the provisions of this Agreement and prior written consent of COUNTY. CONTRACTOR agrees that it will include all of the terms and conditions contained in this clause in all subcontractor or agency contracts providing services under this Agreement. Where a federal, state or local law, ordinance, rule or regulation is required to be made applicable to this Agreement, it shall be deemed to be incorporated herein without amendment to this Agreement.

2. ***Prohibition on unauthorized use or disclosure of Covered Data:*** CONTRACTOR agrees to hold Covered Data received from or created on behalf of COUNTY in strictest confidence. CONTRACTOR shall not use or disclose Covered Data except as permitted or required by this Agreement or as otherwise authorized in writing by COUNTY. If required by a court of competent jurisdiction or an administrative body to disclose Covered Data, CONTRACTOR will notify COUNTY in writing prior to any disclosure in order to give COUNTY an opportunity to oppose any such disclosure. Any work using, or transmission or storage of, Covered Data outside the United States is subject to prior written authorization by COUNTY.

3. ***Safeguard standard:*** CONTRACTOR agrees that it will protect the Covered Data according to commercially acceptable standards and no less rigorously than it protects its own confidential information, but in no case less than reasonable care. CONTRACTOR shall develop, implement, maintain and use appropriate administrative, technical and physical security measures which may include but not be limited to encryption techniques, to preserve the confidentiality, integrity and availability of all such Covered Data.

4. ***Return or destruction of Covered Data:*** Upon termination, cancellation, expiration or other conclusion of this Agreement, CONTRACTOR shall return the Covered Data to COUNTY unless COUNTY requests that such data be destroyed. This provision shall also apply to all Covered Data that is in the possession of subcontractors or agents of CONTRACTOR. CONTRACTOR shall complete such return or destruction not less than thirty (30) calendar days after the conclusion or termination of this Agreement. Within this thirty (30) day period, CONTRACTOR shall certify in writing to the COUNTY that the return or destruction has been completed.

5. ***Reporting of unauthorized disclosures or misuse of Covered Data:*** CONTRACTOR shall report, either orally or in writing, to COUNTY any use or disclosure of Covered Data not authorized by this Agreement or in writing by COUNTY, including any reasonable belief that an unauthorized individual has accessed Covered Data. CONTRACTOR shall make the report to COUNTY immediately upon discovery of the unauthorized disclosure, but in no event more than two (2) business days after CONTRACTOR reasonably believes there has been unauthorized use or disclosure. CONTRACTOR'S report shall identify: (i) the nature of the unauthorized use or disclosure, (ii) Covered Data used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what CONTRACTOR has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action CONTRACTOR has taken or shall take to prevent future similar unauthorized use or disclosure.

6. ***Examination of records***: COUNTY and, if the applicable contract or grant so provides, the other contracting party or grantor (and if that be the United States, or an agency or instrumentality thereof, then the Controller General of the United States) shall have access to and the right to examine any pertinent books, documents, papers, and records of CONTRACTOR involving transactions and work related to this Agreement until the expiration of five years after final payment hereunder. CONTRACTOR shall retain project records for a period of five years from the date of final payment.

7. **Assistance in litigation or administrative proceedings:** CONTRACTOR shall make itself and any employees, subcontractors, or agents assisting CONTRACTOR in the performance of its obligations under this Agreement available to COUNTY, at no cost, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings against COUNTY, its directors, officers, agents or employees based upon a claimed violation of laws relating to security and privacy and arising out of this Agreement.

8. ***No third-party rights:*** Nothing in this Agreement is intended to make any person or entity who is not signatory to the Agreement a third-party beneficiary of any right created by this Agreement or by operation of law.

X. Entire Agreement and Modification:

This Agreement and all documents incorporated by reference supersedes all previous Agreements either oral or in writing and constitutes the entire understanding of the parties hereto. No changes, amendments or alterations shall be effective unless in writing and signed by both parties.

THIS SPACE LEFT BLANK INTENTIONALLY

IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement effective on the day and year first written above.

COUNTY OF SAN JOAQUIN, a political subdivision of the State of California

By:_____
Chair, Paul Canepa
Board of Supervisors
San Joaquin County, California

Date: _____

"COUNTY"

City of Stockton, a municipal Corporation
22 E. Market Street
Stockton, CA 95202

By:_____
Steve Colangelo
Interim City Manager

By:_____
Print Name

"CONTRACTOR"

ATTEST: Rachel DeBord
Clerk of the Board of Supervisors
Of the County of San Joaquin, California

By:_____

Date: _____

APPROVED AS TO FORM
Office of County Counsel

By: _____
Jonathan N. King
Chief Deputy County Counsel

APPROVED AS TO FORM

By: _____
Lori M. Asuncion
City Attorney

Deputy Purchase Agent of record: MR
Drafted by: GB

File #: 25-0817, **Version:** 1

APPROVE MOTION TO EXECUTE A ONE-TIME PURCHASE FROM CRIME POINT, INC. FOR A SURVEILLANCE VAN WITH ACCESSORIES, IN AN AMOUNT NOT TO EXCEED $260,000

RECOMMENDATION

It is recommended that the City Council approve a motion to:

1. Authorize the City Manager to execute a one-time purchase from Crime Point, Inc. (Crime Point) for a surveillance van with accessories not to exceed $260,000.

2. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process; and

3. It is further recommended that the City Manager is hereby authorized and directed to make any and all expenditures and appropriations on behalf of the City as appropriate and necessary to carry out the purpose and intent of this motion.

Summary

Funds for the Community Corrections Partnership (CCP) Task Force provided by state AB109 Public Safety Realignment are allocated by the San Joaquin County Community Corrections Partnership. On May 13, 2025, Council approved Resolution No. 2025-05-13-1216, authorizing the Independent Contractor Agreement between San Joaquin County and City of Stockton in the amount of $4,815,412 for AB109 funding of the CCP Task Force.

Staff recommend a one-time purchase from Crime Point, not to exceed $260,000, for a customized police surveillance van with accessories.

DISCUSSION

Background

AB109 Task Force works closely with the investigative units and specialized units from all the law enforcement agencies throughout San Joaquin County on a regular basis. AB109 Task Force assists these agencies with enforcement, compliance searches, and surveillance (including UAS and covert camera support). AB109 Task Force regularly works large surveillance/enforcement operations that use ground surveillance, covert cameras, Unmanned Aircraft Systems (UAS), and air support. These large-scale surveillance operations are usually mobile and don’t stay in one location.

The Crime Point Premier Surveillance Platform is a single vehicle that can be utilized to fulfill numerous roles that would normally take several different vehicles. It can be used for manned static

surveillance, mobile surveillance, as a covert mobile command post, as a mobile UAS van, or as an unmanned static surveillance vehicle ("drop car"). This vehicle would not only be a great asset for the Stockton Police Department but for all the law enforcement agencies in San Joaquin County.

Present Situation

Officers currently borrow the Stockton PD Crisis Negotiation Team command vehicle for these operations. However, the Crisis Negotiation vehicle is a large, marked vehicle that takes time to set up and take down. The Crisis Negotiation vehicle is purpose built for a Crisis Negotiation operation and not for a mobile surveillance operation.

Findings

Stockton Municipal Code section 3.68.070 provides for an exception to the competitive bidding requirements in cases wherein the City Council has made findings that support and justify the purchase via a single available source.

Findings to support the purchase are as follows:

1. The SPD's CCP Task Force is in need of a vehicle that aligns with the goals and objectives but also mirrors a current San Joaquin County vehicle. The IP complete Surveillance Vehicle Technology is needed in order to conduct operations by the county-wide Task Force.

2. Crime Point is the only source of this technology.

The Crime Point, Inc. Ford Transit 250 low roof fits the Stockton Police Department's unit requirements for the CCP Task Force.

FINANCIAL SUMMARY

The total proposed one-time purchase cost is not to exceed $260,000 with Crime Point, Inc. Funding is included in the FY 2025-26 AB109 Community Corrections Partnership Task Force Grant. The surveillance van will be purchased through Public Works Fleet. Due to the timing for purchase and delivery of the surveillance van, there are no anticipated fuel costs in the current Fiscal Year. Future year fuel expenditures will be included in the annual budget appropriation process.

Attachment A - Standard Agreement

CITY OF STOCKTON
STANDARD AGREEMENT

Agreement Number:

1. This Agreement is entered into between the City of Stockton ("City") and Crime Point, Inc ("Contractor") to provide a Surveillance Van as set forth in Exhibit A to this Agreement.

2. The term of this Agreement is as follows, unless amended as described in Exhibit A and Exhibit C section 8:
Commences on: 8/1/25 Terminates on: 7/31/26

3. The maximum not to exceed amount to be paid to Contractor for the term of this Agreement, including if authorized, reimbursement of expenses, is: $ 260,000.00

4. The complete Agreement consists of all the following Agreement documents which by reference are incorporated and made a part of this Agreement. The parties agree to comply with the terms and conditions of this Agreement.

(a) Exhibit A – Statement of Work
(b) Exhibit B – Insurance
(c) Exhibit C – General Terms & Conditions
(d) Exhibit D – Goods and Services Special Terms and Conditions
(e) Exhibit E – Compensation Schedule
(f) Exhibit F – Timeline
(g) Exhibit G - Special Funding Terms & Conditions

IN WITNESS WHEREOF, the authorized parties have executed this Agreement.

CONTRACTOR

Crime Point Inc
Contractor's Name (if other than an individual, state whether a corporation, partnership, etc.):

L. McLeod 8/4/2025
Authorized Signature Date

Leslie McLeod, Vice President
Printed Name and Title of Person Signing

310 Camarillo Ranch Rd, Camarillo CA 93012
Address

CITY OF STOCKTON

Steve Colangelo, Interim City Manager Date

ATTEST:

Katherine Roland, CMC, CPMC, City Clerk

APPROVED AS TO FORM:
Lori M. Asuncion, City Attorney

BY:

EXHIBIT A

STATEMENT OF WORK

1. Project Objectives

1.1 Contractor will build a customized mobile surveillance van to assist the Community Corrections Partnership (CCP) taskforce in conducting covert surveillance, unmanned aircraft systems, and command operations.

2. Project Scope

2.1 Contractor shall design and build the surveillance van to the unique specification for the City of Stockton Police Department.

3. Specifications

3.1 During the term of this agreement the contractor shall provide a customized Ford Transit 250 low roof surveillance van which shall be equipped with doors, countertop space, lights, storage areas, batteries, and cameras and all specifications listed in attachment A.

3.2 Contractor shall provide a two (2) year warranty with onsite support as required after the completion of the fabrication and delivery.

4. Major Deliverables

4.1 Contractor shall provide remote Training.

5. Tasks That Support the Deliverables

5.1 Contractor shall work directly with the CCP taskforce to schedule the remote training.

6. Criteria of Acceptance for Deliverables

6.1 Contractor shall provide remote training with 60 days of surveillance van delivery.

6.2 Contractor shall schedule training with:

Stockton Police Department
Attn: Bobby Wong
(209) 937-7147

7. Notices

Pursuant to Exhibit C – General Terms and Conditions, Paragraph 15 – Notices, the mailing address for all required notices is as follows:

Contractor: Crime Point, Inc.
310 Camarillo Ranch Rd
Camarillo, CA 93012

City: City of Stockton
Attn: City Manager
425 N. El Dorado Street
Stockton, CA 95202

8. Key Personnel

Crime Point, Inc
Sales Division
310 Camarillo Ranch Rd
Camarillo, CA 93012
(888) 484-9901

Attachment A - Premier Surveillance Platform Specifications

Attachment A -
Premier Surveillance Platform Specifications

4682 Calle Bolero, Unit A • Camarillo, CA 93012 • 888/805 484-9901
fax 805 388-3374 • info@crimepoint.net • *www.crimepoint.net*

Sole Source Specifications:

IP Complete®

Surveillance Vehicle Technology

Crime Point is the manufacturer of fully integrated **IP Complete® Surveillance Vehicle Technology**, designed exclusively for police investigations and installed in its Premier Platform line of full-size and mini-vans. The Premier Platform was strategically engineered in response to the expressed priorities of law enforcement investigators: comfort, simplicity, and support. Scalable packages incorporate full-system compatibility, ease of operation, high-level technical performance, and proactive, expert customer service.

The company has no authorized resellers or distributors for this equipment and is the sole source.

IP Complete® branding refers to Crime Point-exclusive equipment, engineered and manufactured specifically for mobile manned and unmanned law enforcement applications. The brand does not include equipment adapted and integrated from security and other industries for police surveillance use. The equipment below is included in the provided estimate.

- **Software:** QuickGlance™ Surveillance Management Software
  1. Monitor battery status remotely. Officers can pinpoint length of the operation.
  2. Monitor climate control remotely. View the system's internal temperature and fan on/off status.
  3. Monitor logs remotely. Review system records, including the VMS software.
  4. Monitor cellular signal strength remotely. Gauge status of the cellular connection.
  5. Monitor component on/off status. Clearly verifies that each component is on/off-line.
  6. Help function. Interactive help and training allows officers to learn the software quickly.
  7. Configure advanced security. Choose desired password encryption level.
  8. Configure users and permission centrally. Add, remove or modify user access for the entire system, or for desired level such as View Only or Pan/Tilt/Zoom control.
  9. Download archives easily. Export program simplifies evidence-ready video, automatically breaking archives into DVD-sized segments and including the player in the export.
  10. Delete old video easily. Deletes video by time recorded and camera name, quickly with minimal steps.
  11. Send texts/emails in one easy step. Built-in configuration for most popular email providers and SMS.
  12. Fault management system. Alerts users to problems immediately when they view system, to take corrective action and continue operation.
  13. Smart phone compatible. Features easily browsed from users' smart phones, both iOS and Android formats.

- **Support:** Virtual Technician™
  1. Proprietary power distribution board with integrated software support system
  2. Real time diagnostics and notifications
  3. Real time monitoring of voltage and current drain of surveillance, environmental, and starting battery banks
  4. Smart battery management
  5. Emergency engine starting battery combiner
  6. Crew Compartment and Tech Room temperature monitoring
  7. Visual and network fault indicators
  8. 24/7 pro-active technical support
  9. Remote reboot of individual components or complete system

- **NDVR:** Flex™ Network Recording System
  1. QuickGlance™ user interface
  2. Customized hardened operating system
  3. 8 Core 3.0GHz CPU or Better
  4. 16GB DDR4-2666 RAM or Better
  5. Standardized camera control
  6. MJPEG Network Video Recorder (current revision ViewCommander software)
  7. 4TB solid state internal hard drive
  8. Crime Point "Enhanced Export" function with video/audio export overlay
  9. Integration with agency audio devices
  10. Download: USB 3.0/Network

- **Back-up NDVR:** Flex Jr™ Network Recording System
  1. QuickGlance™ user interface
  2. MJPEG network video recorder
  3. Records PTZ cameras at all times
  4. Customized hardened operating system
  5. 1 TB mobile hard drive
  6. Standardized camera control
  7. Crime Point "Enhanced Export" function with video/audio export crossover
  8. Download: USB 3.0/Network

- **IP Camera:** Hermit Cam HD®
  1. Ruggedized IP camera engineered specifically for covert mobile operations. Metal construction with motion designed to minimize possibility of inadvertent observation by suspects.
  2. Front-tilt configuration for maximum concealability (2-3" imaging portal).
  3. Wide 0-60° C operating temperature range. Environmental chamber-verified
  4. Internet-based monitoring and control
  5. At 100 yards the camera must have a field of view: 6.1 feet high by 8.1 feet wide
  6. 2.1 MP ½" Sony CMOS sensor
  7. 7-84mm optical zoom (F1.5~1.9) w/ or 6-180mm optical zoom (F1.5~4.3) options
  8. Dimensions: 7.4" x 5.87" x 8.75" (18.8 x 14.9 x 22.23 cm)
  9. Weight: 3.2 lbs / 3.4 lbs
  10. 32X digital zoom
  11. 70° pan range; 50° tilt range (mechanical) Mid-lens full-range portal size 1.6 x 2x2"
  12. Urban Low Light™ – Optimal performance in low light conditions is easily configured with a single slider.
  13. Easy Default Button – Returns camera to standard settings with single button click.
  14. Image Stabilization
  15. Backlight Compensation
  16. iOS/Android Compatible
  17. Temperature-controlled ventilation
  18. Easy on-off help prompts: displays help for each function as user interacts with the system
  19. Near Focus Limit prevents camera from focusing on window material rather than the intended target

- **IP Camera (roof-mount):** AntennaCam™
  1. Covert IP camera designed and manufactured specifically for installation in law enforcement surveillance vehicles.

2. Rugged outdoor-grade construction
3. Gloss black color
4. 360° continuous pan
5. Front-tilt
6. 2.1 megapixel
7. 1080p (1920 x 1080) resolution
8. IOS/Android Compatible
9. Dimensions: 2.4" from roof
10. 5.6" diameter at base
11. 4.1" diameter at top
12. Window: 1.04" high x 1.73" wide
13. 5.5" from ceiling (in-vehicle)
14. Adapter plate
15. Appearance: GPS/cellular antenna commonly seen on industrial vehicles
16. Easy removal for service
17. Reverse-facing home position
18. Presets and precise positioning
19. Quick-adjust tool for optimizing challenging lighting conditions
20. Easy on-off help prompts: displays help for each function as user interacts with the system
21. Return-to-default button

Choice of:

1. High-powered 12x optical zoom (51.1° - 5.0° HAOV @ 2.1MP)
2. 32x digital zoom
3. Color: 0.0375 lux
4. B/W: 0.002 lux

OR

5. High-powered 30x optical zoom (58.9° - 2.11° HAOV @ 2.1MP)
6. 32x digital zoom
7. Color: 0.125 lux
8. B/W: 0.025 lux

- **Workstations:** Dual independent operator stations
  1. Adjustable heavy-duty desk top
  2. Flip-up lap-top tray
  3. Slide-out keyboard tray
  4. Holster and retractable platform for computer mouse and/or joystick

- **Air Conditioning:** Native 12-volt, low-current air conditioning system
  1. 20°F delta between ambient and vent air
  2. 3000 BTU capacity
  3. Thermostatic temperature control
  4. Low current draw; long duration
  5. Custom, multi-layered insulation in dedicated Command Center

www.crimepoint.net

Crime Point, Inc.
310 Camarillo Ranch Rd.
Camarillo, California 93012
United States
Phone: (888) 484-9901
Fax: (805) 388-3374
ar@crimepoint.net

Estimate

Date: Jun 16, 2025
Valid Until: Aug 15, 2025
Estimate Number : 24989

BILL TO:
Stockton Police Department (CA)
22 East Market St
Stockton, CA 95202

SHIP TO:
Stockton Police Department (CA)
C/O: Robert (Bobby) Wong

,

Agency Name:**Stockton Police Department (CA)**
Contact Name:**Robert (Bobby) Wong**

Terms:**Net 30**

No.	Part Number	Product Details	Quantity	List Price	Total
1	PVP-LGSV	**Premier Surveillance Platform Upfit - Low Roof** IP COMPLETE® Surveillance Vehicle package.	1	$ 157,500.00	$ 157,500.00
2	CUSTOM	**Custom** Ford Transit 250 low roof, regular wheelbase	1	$ 52,950.00	$ 52,950.00
3	HC-AC-DN	**AntennaCam HD Extended Zoom Roof Mounted Camera**	1	$ 9,899.00	$ 9,899.00
4	CUSTOM	**Custom** 32" monitor on swing out arm with Flex Jr	1	$ 3,850.00	$ 3,850.00
5	MD-HC-LL-R4	**Modular Low Light with 4TB NVR** Modular surveillance system with HermitCam® HD Low Light PTZ camera and integrated base, with 4TB hard drive, recording software, QuickGlance interface, and cellular modem. Includes choice of concealment	1	$ 11,499.00	$ 11,499.00
6	MD-CPD	**Modular Disguise - Commercial Product without battery** Drywall joint compound disguise box with ventilated modular base.	1	$ 0.00	$ 0.00
7	MD-VMP	**Vehicle Interior Mounting Platform** Adjustable vehicle mounting platform for Crime Point HermitCam® HD Cameras and Modular Systems.	1	$ 0.00	$ 0.00
8	LiFePO4 100 amp hour battery	**LiFePO4 100 amp hour battery** LiFePO4 battery - minimum 100Ah	1	$ 925.00	$ 925.00

No.	Part Number	Product Details	Quantity	List Price	Total
9	LiFePO4-BC 15	LiFePO4 15 amp battery charger	1	$ 160.00	$ 160.00
		15A LiFePO4 battery charger for 50 and 100 Ah batteries.			
		Specifications subject to change: LiFePO4 battery charge capacity 15 Amps.			
		Shipping		$100	$100
				Sub Total	$ 236,883.00
				Discount	$6000
Discount				Tax	$ 20,770.47
				Adjustment	$ 0.00
				Grand Total	$ 251,653.47

Terms and Conditions

Agency supplied data plan required for internet connectivity.
Prices quoted effective for 60 days. Agency-supplied transport.

REV 2025-06-04

Exhibit B:
Insurance Requirements for Trainers
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Instructor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Instructor, his agents, representatives, employees, or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be *at least as broad as*:

1. **Commercial General Liability** (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including property damage, bodily injury and personal & advertising injury with limits no less than **$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability**: Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), or if Instructor has no owned autos, Code 8 (hired) and 9 (non-owned), with limits no less than **$1,000,000** per **accident for** bodily injury and property damage. (**Note** – required only if auto is used in performance of work).

3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **$1,000,000** per accident for bodily injury or disease.

4. **Professional Liability** (Errors and Omissions) Insurance appropriates to the Consultant's profession, with limit no less than **$1,000,000** per occurrence or claim, **$1,000,000** aggregate.

If the Instructor maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Instructor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Instructor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton.

Other Insurance Provisions

The general liability policy is to contain, or be endorsed to contain, the following provisions:

1. **The City of Stockton, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds** with respect to liability arising out of work or operations performed by or on behalf of the Instructor including materials, parts or equipment furnished in connection with such work or operations. Additional insured Name of Organization shall read "City of Stockton, its officers, officials, employees, and volunteers." Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

2. For any claims related to this contract, the **Instructor's insurance coverage shall be primary and non-contributory** insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City of Stockton, its officers, officials, employees, agents, and volunteers. This requirement shall also apply to any Excess or Umbrella liability policies. The City of Stockton does not accept endorsements limiting the Contractor's insurance coverage to the sole negligence of the Named Insured.

3. The Insurance Company agrees to **waive all rights of subrogation** against the City of Stockton, its elected or appointed officers, officials, agents, and employees for losses paid under the terms of any policy which arise from work performed by the Instructor for the City of Stockton. This provision also applies to the Instructor's Workers' Compensation policy.

4. Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City of Stockton.

Umbrella or Excess Policy

The Instructor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the City of Stockton.

Claims Made Policies (Professional Liability, SAM Liability, or Pollution Liability coverages)

If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained, and evidence of insurance must be provided *for at least five (5) years after completion of the contract of work*.

3. If coverage is canceled or non-renewed, and not replaced *with another claims-made policy form with a Retroactive Date prior to* the contract effective date, the Instructor must purchase "extended reporting" coverage for a minimum of *five (5)* years after completion of work.

Verification of Coverage

Instructor shall furnish the City of Stockton with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) to the City of Stockton before work begins. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications, at any time.

Special Events Coverage for Instructors

Special events coverage is available for an additional fee to provide the liability insurance required by this agreement. Instructor can obtain additional information and cost from the City of Stockton.

Special or Low Risk Activities

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. The City of Stockton reserves the right to modify or waive insurance requirements for certain low risk recreational activities.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees and Volunteers

REV 2025-06-04

425 N El Dorado Street
Stockton, CA 95202

EXHIBIT C

GENERAL TERMS AND CONDITIONS

1. Goods, Equipment and Services. Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to City the services described in Exhibit A of the Agreement. Contractor shall provide said services at the time, place and in the manner specified in Exhibit A of the Agreement.

2. City Assistance, Facilities, Equipment and Clerical Support. Except as set forth in Exhibit A, Contractor shall, at its sole cost and expense, furnish and maintain all facilities and equipment that may be required for furnishing services pursuant to this Agreement. If applicable, City shall furnish to Contractor only the facilities and equipment listed in Exhibit A to the Agreement.

3. Compensation. City shall pay Contractor for services rendered pursuant to this Agreement as described more particularly in Exhibit A and Exhibit E to the Agreement.

3.1 Invoices submitted by Contractor to City must contain a brief description of work performed, time spent and City reference number. Within thirty (30) days of receipt of Contractor's invoice, City will review invoice, and if acceptable make payment on approved invoice.

3.2 Upon completion of work and acceptance by City, Contractor shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Contractor fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.

4. Sufficiency of Contractor's Work. All Contractor services, work, and deliverables shall be performed in a good and workmanlike manner with due diligence in accordance with the degree of skill normally exercised by similar contractors supplying services and work of a similar nature, and in conformance with applicable laws, codes and professional standards. Contractor's work shall be adequate and sufficient to meet the purposes of this Agreement.

5. Ownership of Work. All reports, work product, all other documents completed or partially completed by Contractor or its approved subcontractors, in performance of this Agreement, and if applicable, drawings, designs, and plan review comments shall become the property of the City. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Contractor and its approved subcontractors agree

to execute any additional documents that may be necessary to evidence such assignment. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Contractor shall replace them at its own expense. Contractor and its approved subcontractors shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent.

6. Timeliness. Time is of the essence in this Agreement. Further, Contractor acknowledges that the failure of Contractor to comply with the time limits described in Exhibit A and Exhibit F may result in economic or other losses to the City.

7. Changes. Both parties to this Agreement understand that it may become desirable or necessary during the term of this Agreement for City to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work. Until the amendment is so executed, City will not be responsible to pay any charges Contractor may incur in performing such additional services, and Contractor shall not be required to perform any such additional services.

8. Amendment. No variation of the terms of this Agreement shall be valid unless an amendment is made in writing and signed by both parties.

9. Contractor's Status.

9. 1 In performing the obligations set forth in this Agreement, Contractor shall have the status of an independent contractor and Contractor shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Contractor are its agents and employees and are not agents or employees of City. Contractor by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Except as expressly provided in Exhibit A, Contractor has no authority or responsibility to exercise any rights or power vested in the City. No agent, officer or employee of the City is to be considered an employee of the Contractor. It is understood by both Contractor and City that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

9.2 Contractor shall determine the method, details and means of performing the work and services to be provided by Contractor under this Agreement. Contractor shall be responsible to City only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to City's

control with respect to the physical action or activities of Contractor in fulfillment of this Agreement. Contractor has control over the manner and means of performing the services under this Agreement. If necessary, Contractor has the responsibility for employing other persons or firms to assist Contractor in fulfilling the terms and obligations under this Agreement.

9.3 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Contractor.

9.4 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor's assigned personnel under the terms and conditions of this Agreement.

10. Subcontractor.

10.1 Subcontractors shall not be recognized as having any direct or contractual relationship with City. Contractor shall be responsible for the work of subcontractors, which shall be subject to the provisions of this Agreement. Subcontractors will be provided with a copy of the Agreement and be bound by its terms. Contractor is responsible to City for the acts and omissions of its subcontractors and persons directly or indirectly employed by them.

10.2 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by Contractor.

10.3 It is further understood and agreed that all Subcontractors must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Subcontractors personnel.

11. Termination.

11.1 Termination for Convenience of City. The City may terminate this Agreement at any time by mailing a notice in writing to Contractor. The Agreement shall then be deemed terminated, and no further work shall be performed by Contractor. If the Agreement is so terminated, the Contractor shall be paid for the work actually completed at the time the notice of termination is received.

11. 2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party.

11.3 Funding- Non-Appropriation. It is mutually understood between the Parties that payment to the Contractor for performance shall be dependent upon the availability of appropriations by the City Council for the purposes of this Agreement. No legal liability on the part of the City for any payment may arise under this Agreement until funds are made available and until the Contractor has received funding availability, which will be confirmed in writing. If funding for any fiscal year is reduced or deleted, or if the City loses funding for any reason, the City, in its sole discretion, shall have the option to either (a) cause this Agreement to be canceled or terminated pursuant to applicable provisions of the Agreement; or (b) offer to amend the Agreement to reflect the reduced funding for this Agreement.

12. Non-Assignability. The Contractor shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written consent of the City, and then only upon such terms and conditions as City may set forth in writing. Contractor shall be solely responsible for reimbursing subcontractors.

13. Indemnity and Hold Harmless. To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in this agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City of Stockton. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this agreement. These obligations shall survive the completion or termination of this agreement.

14. Insurance. During the term of this Agreement, Contractor shall maintain in full force and effect at its own cost and expense the insurance coverage as set forth in the attached Exhibit B to this Agreement and shall otherwise comply with the other provisions of Exhibit B to this Agreement.

15. Notices. All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed in Exhibit A to this Agreement.

16. Conformance to Applicable Laws. Contractor shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Contractor shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

17. Licenses, Certifications and Permits. Prior to the City's execution of this Agreement and prior to the Contractor's engaging in any operation or activity set forth in this Agreement, Contractor shall obtain a City of Stockton business license, which must be kept in effect during the term of this Agreement. Contractor covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement. Such licenses, certificates and permits shall be maintained in full force and effect during the term of this Agreement.

18. Records and Audits. Contractor shall maintain all records regarding this Agreement and the services performed for a period of three (3) years from the date that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit. To the extent Contractor renders services on a time and materials basis, Contractor shall maintain complete and accurate accounting records, in a form prescribed by City or, if not prescribed by City, in accordance with generally accepted accounting principles, such records to include, but not be limited to, payroll records, attendance cards, time sheets, and job summaries.

19. Confidentiality. Contractor shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.

20. Conflicts of Interest. Contractor covenants that other than this Agreement, Contractor has no financial interest with any official, employee or other representative of the City. Contractor and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Contractor's services under this Agreement. If such an interest arises, Contractor shall immediately notify the City.

21. Waiver. In the event either City or Contractor at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation. No payment, partial payment, acceptance, or partial acceptance by City shall operate as a waiver on the part of City of any of its rights under this Agreement.

22. Governing Law. California law shall govern any legal action pursuant to this Agreement with venue for all claims in the Superior Court of the County of San Joaquin, Stockton Branch or, where applicable, in the Federal District Court of California, Eastern District, Sacramento Division.

23. No Personal Liability. No official or employee of City shall be personally liable to Contractor in the event of any default or breach by the City or for any amount due Contractor.

24. Severability. If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or city statue, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

25. Non-Discrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state, or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition (including genetic characteristics), marital status, age, political affiliation, gender identity, gender expression, sex or sexual orientation, family and medical care leave, pregnancy leave, or disability leave. Contractor and its officers, employees, agents, representative or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the City's nondiscrimination policy; the Fair Employment and Housing Act (Government Code sections 12990 (et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulation or Code of Federal Regulations. Title VI of the Civil Rights Act of 1964 requires that "no person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." (42 USC Section 2000d). http://www.dol.gov/oasam/regs/statutes/titlevi.htm. The City requires compliance with the requirements of Title VI in all of its programs and activities regardless of funding source.

26. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts of God, acts of civil or military authority, terrorism, fire, flood, strikes, war, epidemics, pandemics, shortage of power or other acts or causes reasonably beyond the control of that party. The party experiencing the force majeure event agrees to give the other party notice promptly following the occurrence of a force majeure event, and to use diligent efforts to re-commence performance as promptly as commercially practicable.

27. Taxes and Charges. Contractor shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of the Contractor's business.

28. Cumulative Rights. Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative of all other rights and remedies to which may be legally entitled.

29. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

30. Heading Not Controlling. Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

31. Entire Agreement, Integration, and Modification.

31.1 This Agreement represents the entire integrated agreement between Contractor and the City; supersedes all prior negotiations, representations, or agreements, either written or oral between the parties and may be amended only by a written Amendment signed by the Contractor and City Manager.

31.2 All Exhibits to this Agreement and this Agreement are intended to be construed as a single document.

32. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

33. Authority. The individual(s) executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

EXHIBIT D

GOODS AND SERVICES TERMS AND CONDITIONS

1. Definitions. The following words and phrases have the following meanings for purposes of this Agreement:

1.1 "Services" means, collectively, the services, duties and responsibilities described in Exhibit A of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

1.2 “Deliverable” means quantifiable goods or services that will be provided upon completion of a project. A deliverable is any tangible material, work or thing delivered by one party to the other, including associated technical documentation. A deliverable can be tangible or intangible parts of the development process, and often are specified functions or characteristics of the project.

2. General. The following terms and conditions are applicable for the purchase of goods and services only. The special conditions shall be read in conjunction with the Standard Agreement, General Terms and Conditions (“GTC”) Exhibit C, and all other Exhibits identified in the Standard Agreement.

2.1 Where any portion of the GTC is in conflict to or at variance with any provisions of the Special Conditions of the Agreement, then unless a different intention stated, the provision(s) of the Special Conditions of the Agreement shall be deemed to override the provision(s) of GTC only to the extent that such conflict or variations in the Special Conditions of the Agreement are not possible of being reconciled with the provisions of the GTC.

2.2 In the case of modification of a part or provision of the GTC, the unaltered part or provision, or both shall remain in effect. The Special Conditions shall relate to a particular project and be peculiar to that project but shall not weaken the character or intent of the GTC.

3. Time for Performance.

3.1 Contractor shall perform the services according to the schedule contained in Exhibit F.

3.2 Timeliness of Performance i) Contractor shall provide the Services, and Deliverables within the term and within the time limits required under this Agreement, pursuant to the provisions of Exhibit A and Exhibit F. ii) Neither Contractor nor Contractor’s agents, employees nor subcontractors are entitled to any damages from the City, nor is any party entitled to be reimbursed by the City, for damages, charges or other

losses or expenses incurred by Contractor by reason of delays or hindrances in the performance of the Services, whether or not caused by the City.

4. Standard of Performance

In addition to Exhibit C, Section 4 and 17, Contractor agrees as follows:

4.1 Contractor's Services shall be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of Contractor's profession currently practicing under similar conditions. Contractor shall comply with the profession's standard of performance, applicable laws, regulations, and industry standards. By delivery of completed work, Contractor certifies that the work conforms to the requirements of this Agreement and all applicable federal, state, and local laws. If Contractor is retained to perform services requiring a license, certification, registration or other similar requirement under California law, Contractor shall maintain that license, certification, registration, or other similar requirement throughout the term of this Agreement.

4.2 Contractor acknowledges that it is entrusted with or has access to valuable and confidential information and records of the City and with respect to that information, Contractor agrees to be held to the standard of care of a fiduciary. Contractor shall assure that all services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. Contractor must provide copies of any such licenses. Contractor remains responsible for the professional and technical accuracy of all Services or Deliverables furnished, whether by Contractor or its subcontractors or others on its behalf. All Deliverables must be prepared in a form and content satisfactory to the Using Agency and delivered in a timely manner consistent with the requirements of this Agreement.

4.3 If Contractor fails to comply with the foregoing standards, Contractor must perform again, at its own expense, all Services required to be re-performed as a direct or indirect result of that failure. Any review, approval, acceptance, or payment for any of the Services by the City does not relieve Contractor of its responsibility for the professional skill and care and technical accuracy of its Services and Deliverables. This provision in no way limits the City's rights against Contractor either under this Agreement, at law or in equity.

5. Compensation

5.1 In addition to Section 3 Compensation in Exhibit C – GTC, the Contractor shall be compensated for the services provided under this Agreement as follows:

5.1.1 Contractor shall be compensated for services rendered and accepted under this Agreement and shall be paid monthly, in arrears on a not to exceed

basis, based upon the rates set forth in Exhibit E attached hereto and made a part of this Agreement. Contractor may vary the compensation for each task in Exhibit E provided that the total project compensation listed in Exhibit E and the Standard Agreement is not exceeded.

6. Reports and Information

Contractor shall at such times and in such forms as the City may require furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred in connection therewith, and any other matters are covered by this Agreement as specified in Exhibit A and Exhibit E.

7. Findings Confidential

All the reports, information, data, et cetera, prepared or assembled by the Contractor under this Agreement are confidential and the Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the City. Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is required by applicable law or by proper legal or governmental authority, is already rightfully in the Contractor's possession without obligation of confidentiality, is independently developed by Contractor outside the scope of this Agreement or is rightfully obtained from third parties. Contractor shall give City prompt notice of any such legal or governmental demand and reasonably cooperate with City in any effort to seek a protective order or otherwise to contest such required disclosure.

8. Right of Inspection

All Deliverables furnished by Contractor must be as specified in Exhibit A and will be subject to inspection and approval of City after delivery. City reserves the right to reject and return, at the risk and expense of Contractor, the portion of any Deliverable which may be defective or fail to comply with specifications in Exhibit A without invalidating the remainder of the Deliverables. If rejected, Deliverable will be held for disposition at the expense and risk of Contractor. Payment for Deliverable prior to inspection shall not constitute acceptance of the Deliverable.

9. Warranty

Contractor warrants that (i) any Deliverable created or performed by Contractor for City under this Agreement will conform to specifications, drawings or samples furnished by City to Contractor for a minimum period of one year, and (ii) any standard Deliverable sold by Contractor to other customers besides City will meet or exceed any of the standards for such types of product in industry, any express or implied warranty stated or

advertised by Contractor or the actual manufacturer of such Deliverable, or any warranties implied by law. Contractor's warranty shall survive delivery of Deliverable and shall not be deemed waived by City's failure to discover defects, acceptance of the Deliverable, or payment, therefore.

10. Ownership

Contractor shall have title to and bear the risk of any loss or damage to the Deliverable until the Deliverable is delivered and accepted by City in conformity with this Agreement. Upon delivery and acceptance, Deliverable delivered by Contractor shall become the exclusive property of City. The ownership rights described herein shall include, but not be limited to, the right to copy, publish, display, transfer, or otherwise use the Deliverable. All artwork, patterns, dies, models, samples, materials, drawings, specifications, technical material, advertising material and any other personal property furnished by City to Contractor, or specifically paid for by City for use in performance of the Agreement, shall be and remain the property of City and said property shall be used only for Deliverables benefiting City. Contractor shall return to City or shall dispose of this property only according to City's instruction.

11. Applicable Laws

Under guidelines specified in 29 CFR 1910.1200 (f) and (g) City requests that Contractor label applicable Deliverables accordingly and provide associated Safety Data Sheets ("SDS") to City.

Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

12. Prevailing Wage

It shall be the responsibility of the Contractor to comply, when applicable, with the prevailing wage rates in accordance with the State of California Department of Industrial Relations. It shall further be the responsibility of the Contractor to monitor the prevailing wage rates as established by the California Department of Industrial Relations for any increase in rates during the term of this Agreement and adjust wage rates accordingly.

CONTRACTOR REGISTRATION REQUIREMENTS- Pursuant to Labor Code Section 1771.1(a): A Contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5. It is not a violation of this section for an unregistered Contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the Contractor is

registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.

No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
No contractor or subcontractor may be awarded a contract for public work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code Section 1725.5. Department of Industrial Relations- Contractor Registration information and web link: https://www.dir.ca.gov/public-works/publicworks.html. In compliance with Senate Bill 854 and the California Labor Code, all Bidders shall include with their Bid proof of registration from the Department of Industrial Relations (DIR) that includes the contractor's Legal Name, Registration Number, License Type/Number, Registration Date and Expiration Date, for every contractor and subcontractor, regardless of tier.

This project may be subject to compliance monitoring and enforcement by the Department of Industrial Relations. Contractors must submit their certified payroll records directly to the Division of Labor Standards Enforcement Compliance Monitoring Unit, as well as the City of Stockton.

13. Shipping Terms

City shipment terms are F.O.B. Destination, Freight Prepaid and Added unless otherwise specified in the Agreement. Contractor shall observe shipping instructions and, unless otherwise stated in the instructions, shall ship Deliverables in the safest and most economical manner necessary to meet the delivery date specified in the Agreement. Contractor shall provide an itemized packing list showing the Agreement number with the shipment. Contractor shall include the Agreement number on all packages, boxes, invoices, and shipping documents. Contractor shall label all individual boxes with stock number and quantity and items with different stock numbers shall be boxed separately. City reserves the right to refuse, at Contractor's expense, any shipments not containing the Agreement number or stock numbers as required under this section.

14. Deliveries

TIME IS OF THE ESSENCE IN THE PERFORMANCE OF ANY ORDER. If Deliverable is not provided or performed within the times specified in the Agreement, City may cancel the Agreement and hold Contractor liable for damages incurred due to the untimely delivery including, but not limited to, the additional costs resultant from City procuring substitute Deliverables elsewhere.

15. Price and Quantities

Prices and quantities set forth in this Agreement may not be altered by Contractor without the prior written authorization of City, with the exception that quantities of custom paper or printed Deliverables, chemicals, or fuel may deviate from those in the Agreement by the lesser of standard industry practices.

EXHIBIT E

COMPENSATION SCHEDULE

The Contractor shall be compensated for the services identified in Exhibit A, Exhibit C, and Exhibit D to this Agreement as follows:

1. Project Price

1.1 The maximum the Contractor shall be paid on this Agreement is $260,000 (hereafter the "not to exceed" amount). The "not to exceed" amount includes all payments to be made pursuant to this Agreement, including City approved reimbursable expenses, if any. Nothing in this Agreement requires the City to pay for work that does not meet the Standard of Performance identified in Exhibit D section 4 or other requirements of this Agreement.

1.2 Standard Reimbursable Items: Only the reimbursable items identified in Exhibit A, C, and D (Compensation), shall be compensated to the Contractor. Reimbursable expenses will be reimbursed without markup. Fees plus reimbursable expenses shall not exceed the amount set forth in section 1.1 of this Exhibit and a copy of the original invoice for the items listed in i, ii or iii below shall be attached to the invoice submitted to the City for reimbursement. Payments shall be based upon work documents submitted by the Contractor to the City and accepted by the City as being satisfactory to City's needs. The City shall not pay a markup on any of the items listed in i, ii or iii. Additionally, items such a telephone, fax, postage or freight are already included in the billable hourly rate. Contractor shall be reimbursed the direct expenses, which are the actual cost of the following items that are reasonable, necessary and actually incurred, by the Contractor in connection with the services:

i. Expenses, fees or charges for printing, reproduction or binding of documents at actual costs with no markup added to the actual cost.

ii. Any filing fees, permit fees, or other fees paid or advanced by the Contractor at actual costs with no markup added to the actual cost.

iii. Travel expenses shall be reimbursed in accordance with the City's travel policy, which is incorporated herein by reference. Reimbursement shall be made at actual costs with no markup added to the actual cost.

1.3 The Contractor shall be entitled to receive payments for its work performed pursuant to the Agreement. The City will pay Contractor based on invoices for acceptable work performed and approved until the "not to exceed" amount is reached. Thereafter, Contractor must complete services based on the Agreement without additional compensation unless there is a material change to the Statement of Work and Scope by a written Amendment.

1.4 If work is completed before the "not to exceed" amount is reached, the Contractor's compensation will be based on the Contractor's invoices previously submitted for acceptable work performed and approved.

1.5 Subcontractor Costs: Compensation for subcontractors shall be limited to the same restrictions imposed on the Contractor. Maximum markup Contractor may apply to subcontractor fees, minus reimbursable expenses, shall not exceed 0%.

2. **Task Price**. Below is the price for the services and reimbursable expenses as described in Exhibit A of this Agreement.

Task	Description	Task Price
1	Premier Surveillance Platform Upfit – Low Roof	$158,000
2	Custom – Ford Transit 250 low roof, regular wheelbase	$53,000
3	AntennaCam HD Extended Zoom Roof Mounted Camera	$9,900
4	Custom – 32" monitor on swing out arm with Flex Jr	$3,900
5	Modular Low Light with 4TB NVR	$11,500
6	Modular Disguise – commercial Product without battery	$0
7	Vehicle Interior Mounting Platform	$0
8	LiFePO4 100 amp hour battery	$925
9	LiFePO4 15 amp battery Charger	$160
10	Tax	$20,771
	TOTAL PRICE	**$258,156**

5. Invoice to Address. Each invoice submitted shall identify the specific task(s) listed in Exhibit A and this Exhibit, and the completed work product/deliverable for the agreed upon price listed in this Exhibit. Invoices shall be submitted to the below address:

City of Stockton Police Department
Attention: Fiscal Affairs
425 N. El Dorado Street
Stockton, CA 95202

EXHIBIT F

TIMELINE

1. Contractor shall complete the requested services identified in Exhibit A as follows:

1.1 TIMELINE FOR COMPLETION OF WORK

1.1.1 Delivery on all items shall be agency supplied or shipped via cargo carrier.

1.1.2 Remote training must be scheduled within 60 days of the delivery of the surveillance van.

EXHIBIT G
SPECIAL FUNDING & CONDITIONS

INDEPENDENT CONTRACTOR AGREEMENT
SAN JOAQUIN COUNTY

BOARD AGREEMENT# A-___-___

BOARD ORDER# B-___-____

Contract Amount $4,815,412.00

PARTIES:	COUNTY:	County of San Joaquin Purchasing & Support Services 44 N. San Joaquin Street Suite 540 Stockton, CA 95202-2931
	With copies to:	County of San Joaquin
	COUNTY DEPARTMENT:	Probation Department 575 W. Mathews Road French Camp, CA 95231 Steve Jackson 209-468-4070 scjackson@sjgov.org
	CONTRACTOR:	City of Stockton 22 E. Market Street Stockton, CA 95202 Stanley McFadden, Chief of Police 209-937-8218 stanley.mcfadden@stocktonca.gov
	With copies to:	City of Stockton City Manager's Office 425 N. El Dorado Street Stockton, CA 95202

This Agreement is made and entered into this _____ day of _____, 20__, by and between City of Stockton, as an independent contractor (hereinafter "CONTRACTOR"), and the County of San Joaquin, a political subdivision of the State of California for its Probation Department at the address referenced above (hereinafter "COUNTY").

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and promises contained herein, it is mutually agreed as follows:

I. THE PURPOSE OF THE AGREEMENT

The purpose of this Agreement is for CONTRACTOR to provide the Community Corrections Partnership (CCP) Task Force services for San Joaquin County's Public Safety Realignment program (AB109) which include reducing crimes committed by AB109 offenders, promoting the CCP, and supporting the premise of prison realignment.

II. ORDER FOR PRECEDENCE

A. In the event of an inconsistency in this Agreement, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable Federal and State of California statutes and regulations;

2. This Agreement; and

3. CONTRACTOR'S proposal ("hereinafter "Proposal"), attached hereto as Exhibit A.

Documents 3, referenced above, are hereby incorporated into this Agreement as if completely set forth herein.

III. THE SCOPE OF SERVICES

A. CONTRACTOR agrees to provide coordinate a Community Corrections Partnership (CCP) Task Force involving City Police Departments throughout San Joaquin County. CONTRACTOR will serve as the host agency and provide necessary office space.

B. CONTRACTOR shall assign 1 (1 FTE) Stockton Police Sergeant, 1 (1 FTE) Lodi Police Officer, 1 (1 FTE) Manteca Police Officer, 1 (1 FTE) SJ County Sheriff, 2 (2 FTE) Stockton Police Officers, 2 (2 FTE) Stockton Crime Analysts, and 2 (2 FTE) District Attorney Investigators. Overtime will be shared amongst the Task Force Members.

Police Departments that do not participate with full-time staff may contribute part-time staff on a voluntary and/or ad hoc basis. All police agencies in San Joaquin County will have access to the Task Force services and resources regardless of their level of participation.

C. CONTRACTOR will be responsible for the day-to-day operation of the Task Force. The Task Force supervisor (Stockton Police Department Sergeant) will report to a Stockton Police Department manager designated by the Stockton Police Chief. For general oversight and

administration purposes, the police manager will report to the Police Chief member of the CCP's Executive Board. The CCP's Police Chief Representative will report to the CCP Executive Board on Task Force activities, as necessary.

Mission and Scope:

The mission of the Task Force is to protect the quality of life in our communities by:
- Reducing crimes committed by AB 109 offenders;
- Promoting the work of the CCP; and
- Supporting the premise of prison realignment.

The Task Force will focus on problematic realignment offenders, including those who:
- Are wanted for a compliance violation and/or a new crime
- Have a history of violence
- Have been deemed a repeat offender
- Have been deemed at high risk of becoming a repeat offender.

The Task Force will use the well-known and effective Problem-Oriented Policing (POP) model. Activity and deployment strategies will include:
- Utilizing crime analysis data, offender data, and other information to prioritize work and ensure deployment practices and activities are conducted effectively and efficiently.
- Conducting frequent offender compliance checks, especially during weekends and evening hours.
- Initiate contact and become familiar with offenders recently released from custody.
- Actively searching for wanted persons, especially those identified as serious or habitual offenders or who are likely to commit new crimes.
- Working closely with patrol, investigations, and various special enforcement units in the area to gather, analyze, and exchange criminal intelligence information.
- Frequently deploy to community "hot spots" and other areas where offenders are likely to gather and crime often occurs.
- Working closely with the Probation Department and other agency partners to encourage offenders to comply with the terms of their release, participate in vast programming opportunities, and avoid committing new offenses.
- Serving as an individual and collective resource that can help educate members of each law enforcement agency on the purpose and intent of realignment.
- Working a flexible schedule which may include various evenings, nights, weekends, and holidays. This is necessary to provide attention to offenders when Probation Officers and other personnel are not at work.

D. CONTRACTOR shall perform the CONTRACTOR'S work in accordance with currently approved methods and standards of practice in CONTRACTOR'S professional specialty.

IV. GENERAL PROVISIONS:

A. Term of Agreement:

This Agreement shall commence when fully executed and end on the 30th day of June, 2026, unless Work is completed on a date prior thereto or unless terminated earlier as provided herein.

B. Interpretation:

This Agreement shall not be interpreted in favor of any Party by virtue of said Party not having prepared this Agreement.

C. Compensation:

1. COUNTY agrees to pay CONTRACTOR the amounts as indicated on the CONTRACTOR'S fees, Exhibit A. Notwithstanding the foregoing, the total payments under this Agreement shall not exceed **FOUR MILLION EIGHT HUNDRED FIFTEEN THOUSAND FOUR HUNDRED TWELVE DOLLARS AND NO CENTS** ($4,815,412.00) per Fiscal Year. A Fiscal Year is defined as a twelve-month continuous period from July 1 through June 30 of the following year.

2. COUNTY agrees to pay the CONTRACTOR federal and state payroll taxes such as social security and unemployment for staff performing services under the scope of this contract.

3. COUNTY agrees to pay CONTRACTOR benefit costs to staff performing services under the scope of this contract.

4. The COUNTY will issue a Form 1099 at year-end for fees earned.

5. Fixed Assets having a value of $10,000.00 or more, purchased by the CONTRACTOR and having the purchase cost reimbursed to CONTRACTOR by COUNTY under the terms of this Agreement are not considered part of CONTRACTOR compensation. All purchases over TEN THOUSAND DOLLARS ($10,000) including sales tax made during the life of this Agreement with funds paid pursuant to this Agreement and that will outlive the life of this Agreement, shall be identified as fixed assets with an assigned - inventory number. COUNTY shall retain these fixed assets as COUNTY property, in the event this Agreement is terminated or upon expiration of the Agreement. CONTRACTOR agrees to participate in an annual inventory of all COUNTY fixed assets and shall be physically present when fixed assets are returned to COUNTY possession at the termination or expiration of this Agreement. CONTRACTOR is responsible for returning to COUNTY all COUNTY inventoried fixed assets upon request of COUNTY, or the monetary value of said fixed assets if unable to produce the fixed assets at the expiration or termination of this Agreement. The CONTRACTOR may, at CONTRACTOR's option purchase the fixed asset from the COUNTY at the fair market value as determined by COUNTY.

   CONTRACTOR further agrees to the following:

   (1) To maintain all items of capital equipment in good working order and condition, normal wear and tear excepted.

   (2) To label all items of capital equipment, to perform periodic inventories as required by COUNTY and to maintain an inventory list showing where and how the capital equipment is being used, in accordance with procedures developed by COUNTY including, but not limited to all fixed assets under this Independent Contractor's Agreement (ICA) and any previous or successive contracts with Community Corrections Partnership Task Force program. All such lists shall be submitted to COUNTY within ten (10) days of any request therefor.

(3) To report in writing to COUNTY immediately after discovery, the loss or theft of any items of capital equipment. For stolen items, the local law enforcement agency must be contacted, and a copy of the police report submitted to COUNTY.

6. The purchase of any capital equipment by CONTRACTOR with funds provided hereunder shall require the prior written approval of COUNTY, and shall fulfill the provisions of this Agreement, which are appropriate and must be directly related to CONTRACTOR's services or activity under the terms of this Agreement.

D. Invoicing:

CONTRACTOR shall submit all invoices by email to sjcprobationAP@sjgov.org. Probation Department . All invoices must reference this Agreement Number/Contract ID #, assigned Purchase Order number, and the Work performed. Payments shall be made within 30 days of receipt of invoice from CONTRACTOR.

LATE FEES: California Government Code 926.10 provides the following "....any person having such a claim against a public agency, shall be entitled to interest commencing the 61st day after such public entity or person files a liquidated claim known or agreed to be valid when filed pursuant to such statute or contract, and such claim is due and payable. Interest shall be 6 percent per annum."

E. CONTRACTOR'S Status:

In the performance of Work, duties and obligations imposed by this Agreement, the CONTRACTOR and/or its employees are at all times acting as independent contractor(s) practicing his or her profession and not as an employee of COUNTY. **A copy of the CONTRACTOR'S current professional, local, state or other business licenses required to conduct the services stated herein, will be provided to the COUNTY.** CONTRACTOR shall not have any claim under this Agreement or otherwise against COUNTY for vacation, sick leave, retirement benefits, social security or workers' compensation benefits. CONTRACTOR shall be responsible for federal and state payroll taxes such as social security and unemployment. COUNTY will issue a Form 1099 at year-end for fees earned.

F. Assignments:

Inasmuch as this Agreement is intended to secure the specialized services of CONTRACTOR, CONTRACTOR may not assign, transfer, delegate or subcontract its obligation herein without the prior written consent of COUNTY. Any such assignment, transfer, delegation or subcontract without the prior written consent shall be considered null and void.

G. Non Exclusive Rights:

This Agreement does not grant to CONTRACTOR any exclusive privileges or rights to provide services to COUNTY. COUNTY may contract with other companies or individuals for similar services, including but not limited to any other party who may have submitted bids or proposals to any RFP/RFQ or other requests from COUNTY for the work or services performed under this agreement. CONTRACTOR may contract with other counties, private companies or individuals for similar services.

H. Indemnification:

CONTRACTOR shall, at its expense, defend, indemnify and hold harmless COUNTY, (defined as the County of San Joaquin and its employees, officers, directors, contractors and agents) from and against any losses, liabilities, damages, penalties, costs, fees, including without limitation reasonable attorneys' fees, and expenses from any claim or action, including without limitation for bodily injury or death, to the extent caused by or arising from the active and/or passive negligence or willful misconduct of CONTRACTOR, its employees, officers, agents or subcontractors.

CONTRACTOR shall hold the COUNTY, its officers and employees, harmless from liability, of any nature or kind on account of use of any copyrighted, or un-copyrighted composition, secret process, patented or un-patented invention articles or appliance furnished or used under this Agreement.

I. Insurance

1. CONTRACTOR, shall submit proof of insurance with liability limits as set forth below to COUNTY showing COUNTY, its officers, employees, agents and volunteers named as Additional Insured to include ongoing operations and products completed operations (On Additional Insured Endorsement CG 20 10 10 93), except for Workers' Compensation and professional Liabilities, and insurance policy shall contain provisions that such policy may not be canceled or reduced except after thirty (30) days written notice to COUNTY.

2. CONTRACTOR agrees to be responsible to ensure that the requirements set forth in this article/paragraph are also to be met by CONTRACTOR'S subcontractors, if any, who provide services pursuant to this Agreement.

3. General Liability Limits

a. BI & PD combined/per occurrence/Aggregate	$1,000,000 / $2,000.000
b. Personal Injury/Aggregate	$2,000,000
c. Automobile Liability/per occurrence	$1,000,000

1) CONTRACTOR agrees to defend, hold harmless and indemnify COUNTY for any and all liabilities associated with the use of any automobiles in relation to tasks associated with this Agreement.

4. Professional Liability

a. Professional Liability/as appropriately relates to services rendered. Coverage may include medical malpractice, cyber liability, and/or errors and omissions.	$1,000,000

5. Workers' Compensation and Employer's Liability — Statutory requirement

J. Discrimination:

CONTRACTOR shall not discriminate because of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, mental and physical disability, medical condition, genetic information, military or veteran status, age, pregnancy, denial of medical and family care leave, or pregnancy disability leave (California Government Code sections 12940,12945, 12945.2). CONTRACTOR shall not retaliate against any person for protesting illegal discrimination related to one of these categories, or for reporting patient abuse in tax supported institutions.

K. ADA Compliance:

CONTRACTOR shall comply with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. Sections 12101 et seq.)

L. Notices:

Any notice required to be given pursuant to the terms and conditions hereof shall be in writing, and shall be effected by one of the following methods: personal delivery, prepaid Certified First-Class Mail, or prepaid Priority Mail with delivery confirmation. Unless otherwise designated in writing by either party, such notice shall be mailed to the addresses shown on page one (1) of this Agreement.

M. Termination:

1. ***Termination for Cause***: If CONTRACTOR breaches or habitually neglects the CONTRACTOR'S duties under this Agreement without curing such breach or neglect upon fifteen (15) working days written notice, COUNTY may, by written notice, immediately terminate this Agreement without prejudice to any other remedy to which COUNTY may be entitled, either at law, in equity, or under this Agreement.

2. ***Termination for Convenience***: In addition, COUNTY may terminate this Agreement for its convenience upon thirty (30) days written notice to CONTRACTOR.

3. ***Funding out Clause:*** If the County Board of Supervisors fails to appropriate funds to enable the County Departments to continue to make purchases under this Agreement, this Agreement will be cancelled immediately and the CONTRACTOR will be given written notice of such termination.

4. If this Agreement is terminated under paragraphs 1, 2 or 3 above, CONTRACTOR shall only be paid for any Work completed and provided prior to notice of termination. In the event of termination under paragraph 1, 2 or 3 above, CONTRACTOR shall be paid an amount, which bears the same ratio to the total compensation authorized by the Agreement as the services actually performed bear to the total services of CONTRACTOR covered by this Agreement, less payments of compensation previously made. Except as stated above and except for any reasonable end-of-contract fees, CONTRACTOR shall have no other allowable charges under the terms and conditions of this Agreement.

5. CONTRACTOR shall not incur any expenses under this Agreement after notice of termination and shall cancel any outstanding expenses obligations to a third party

[related hereto] that CONTRACTOR can legally cancel; COUNTY shall not be liable for any expenses incurred by CONTRACTOR subsequent to the notice of termination.

N. Conflict of Interest Statement:

CONTRACTOR covenants that CONTRACTOR, its officers, employees or their immediate family, presently has no financial or other interest, in other project(s) or contract(s), or other activity(ies), nor shall it acquire any such interest, directly or indirectly, that would conflict or inhibit in any way, manner or degree with the performance of services under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement no person having any such a conflict of interest shall be employed or retained by CONTRACTOR under this Agreement. CONTRACTOR shall not hire COUNTY'S employees to perform any portion of the work or services provided for herein including secretarial, clerical and similar incidental services except upon the written approval of COUNTY.

O. Drug Free Workplace:

CONTRACTOR shall comply with the provisions of California Government Code Section 8350 et seq., otherwise known as the Drug-Free Workplace Act.

P. Force Majeure:

It is agreed that neither party shall be responsible for delays in delivery, acceptance of delivery, or failure to perform when such delay or failure is attributable to Acts of God, war, strikes, riots, lockouts, accidents, rules or regulations of any governmental agencies or other matters or conditions beyond the control of either CONTRACTOR or COUNTY.

Q. Compliance:

1. CONTRACTOR shall comply with all federal, state and local laws, regulations and requirements necessary for the provision of contracted services. Furthermore, CONTRACTOR shall comply with all laws applicable to wages and hours of employment, occupational safety, fire safety, health and sanitation. CONTRACTOR shall maintain current throughout the life of this Agreement, all permits, licenses, certificates and insurances that are necessary for the provision of contracted services.

2. CONTRACTOR shall comply with Assembly Bill 1522, known as the Healthy Workplaces, Healthy Families Act of 2014, codified at California Labor Code Section 245-249. With a few exceptions, the new law requires all employers to provide employees performing work in California with paid sick leave, beginning on July 1, 2015.

R. Disputes and Remedies:

1. Notice of any disputes, claims, or breach raised by CONTRACTOR, arising under this Agreement, must be submitted, in writing, to COUNTY within ninety (90) days of the alleged dispute, claim, or breach. If such issues cannot be resolved within ninety (90) days following written notice, and if the parties mutually agree, the alleged dispute, claim, or breach may be submitted to arbitration. Arbitration, if expressly agreed upon in writing by COUNTY and CONTRACTOR, shall be pursuant to the provisions of California Code of Civil Procedure Section 1280, et seq.

2. At the COUNTY's sole discretion, COUNTY may elect to raise a dispute, claim, or breach by submitting it, in writing, to CONTRACTOR. Such dispute, claim, or breach would include conditions and time constraints required of CONTRACTOR to remedy.

3. Neither the pendency of a dispute, claim, or breach nor its consideration will excuse the parties from full and timely performance in accordance with terms of this Agreement.

4. Any legal action or proceeding with respect to this Agreement shall be brought in the courts of the State of California for the County of San Joaquin, or the courts of the United States of America for the Eastern District of California, and in no other courts. CONTRACTOR hereby accepts such jurisdiction and venue and generally and unconditionally waives any objection, including, without limitation, any objection to the laying of venue or based on the grounds of forum non conveniens. The provision of this paragraph shall survive expiration or other termination of this Agreement regardless of the cause of such termination.

5. In any action brought by a party to enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs, including the reasonable value of any services provided by in-house counsel. The reasonable value of services provided by either party's counsel shall be capped at the hourly rate charged by Deputy County Counsel IV attorneys in the office of the County Counsel of San Joaquin County, California.

S. Public Record

All bids and proposal information is property of COUNTY. All such documents, including this Agreement, are public records per the requirements of the California Government Code, Sections 6250-6270, "California Public Records Act". CONTRACTOR'S Proprietary material must be clearly marked as such, but even so marked, it does not guarantee non-disclosure and may still be subject to disclosure pursuant to law. Pricing and service elements of the successful bid and/or proposal may not be considered proprietary information.

COUNTY will treat all information submitted in a bid/proposal as available for public inspection once the COUNTY has a contract finalized with the selected contractor. If CONTRACTOR believes that it has a legally justifiable basis under the California Public Records Act (Government Section 6250 et. seq.) for protecting the confidentiality of any information contained within its bid, Proposal, this Agreement, it must identify any such information, together with the legal basis of your claim to COUNTY. CONTRACTOR agrees to defend and indemnify COUNTY for any liability, costs, and expenses incurred in asserting such confidentiality to protect documents from public disclosure. The final determination as to whether COUNTY will assert your claim of confidentiality on your behalf shall be sole discretion of COUNTY.

T. Documents:

All drawings, specifications, documents and other memoranda or writings relating to the work and services hereunder, shall remain or become the property of COUNTY whether executed by or for CONTRACTOR for COUNTY, or otherwise by or for CONTRACTOR, or by or for a subcontractor operating under CONTRACTOR'S supervision, or direction, and all such documents and copies thereof shall be returned or transmitted to COUNTY

forthwith upon COUNTY written demand, termination or completion of the work under this Agreement.

U. San Joaquin County Green Purchasing Policy:

1. COUNTY has a Green Purchasing Policy; please go to website to view: https://www.sjgov.org/docs/default-source/purchasing-support-services-documents/policies-purchasing/2737---green-purchasing-policy-and-procedure.pdf?sfvrsn=3792e084_6

2. COUNTY has adopted an Environmentally Preferable Purchasing (EPP) Policy. EPP refers to the procurement of goods and services that lessen or reduce negative effect on human health and the environment when compared with competing goods and services that serve the same purpose. This comparison takes into consideration such things as: raw materials acquisition; production; manufacturing; packaging; distribution; reuse; disposal; energy efficiency; performance; safety and cost.

3. A primary goal of this policy is to encourage contractors/suppliers and departments to consider products and services that help minimize environmental impacts with price, performance and aesthetic considerations being equal. Contractors/suppliers are encouraged to offer products and services that meet legitimate "green" standards, e.g. products that possess independent third party certifications such as Energy Star, Green Seal, EcoLogo, EPEAT or FEMP (Federal Energy Management Program) standards. The County also encourages offers of products made with minimal virgin materials and maximum use of recycled materials – again, price and performance essentially being equal.

V. Work Product:

COUNTY and CONTRACTOR acknowledge and agree that "Work Product", and all components of it, provided or developed by CONTRACTOR hereunder or in connection herewith shall constitute "works made for hire" within the meaning of Title 17 United States Code Section 101 et seq. (the "Copyright Act"), and all right, title, and interest in and to the Custom Products shall vest in COUNTY immediately upon development. To the extent any such Custom Products may not be the sole and exclusive property of COUNTY and/or may not be a "work made for hire" as defined in the Copyright Act upon development, then CONTRACTOR agrees to and hereby does sell, transfer, grant and assign to COUNTY all copyrights, patents, trade secrets, inventions, and other proprietary rights, title, and interest in and to such Custom Products upon development. On all written material, whether in print, electronic, or any media form, constituting "Work Product", CONTRACTOR shall place or cause to be placed the following legend preferably in the lower right corner:

© 2025 County of San Joaquin. All rights reserved.

W. Data Security – Confidentiality

1. ***Acknowledgment of access to information characterized as covered data:*** CONTRACTOR acknowledges that this Agreement may allow CONTRACTOR access to confidential COUNTY information or COUNTY provided information including, but not limited to, personal information, records, data, or financial information ("Covered Data") notwithstanding the manner in which or from whom it is received by

CONTRACTOR, which is subject to state laws that restrict the use and disclosure of the COUNTY information, including the California Information Practices Act (California Civil Code Section 1798 et seq.), California Constitution Article 1, Section 1, and other existing relative or future adopted State and/or Federal requirements. CONTRACTOR shall maintain the privacy of, and shall not release, Covered Data without full compliance with all applicable state and federal laws, the provisions of this Agreement and prior written consent of COUNTY. CONTRACTOR agrees that it will include all of the terms and conditions contained in this clause in all subcontractor or agency contracts providing services under this Agreement. Where a federal, state or local law, ordinance, rule or regulation is required to be made applicable to this Agreement, it shall be deemed to be incorporated herein without amendment to this Agreement.

2. ***Prohibition on unauthorized use or disclosure of Covered Data:*** CONTRACTOR agrees to hold Covered Data received from or created on behalf of COUNTY in strictest confidence. CONTRACTOR shall not use or disclose Covered Data except as permitted or required by this Agreement or as otherwise authorized in writing by COUNTY. If required by a court of competent jurisdiction or an administrative body to disclose Covered Data, CONTRACTOR will notify COUNTY in writing prior to any disclosure in order to give COUNTY an opportunity to oppose any such disclosure. Any work using, or transmission or storage of, Covered Data outside the United States is subject to prior written authorization by COUNTY.

3. ***Safeguard standard:*** CONTRACTOR agrees that it will protect the Covered Data according to commercially acceptable standards and no less rigorously than it protects its own confidential information, but in no case less than reasonable care. CONTRACTOR shall develop, implement, maintain and use appropriate administrative, technical and physical security measures which may include but not be limited to encryption techniques, to preserve the confidentiality, integrity and availability of all such Covered Data.

4. ***Return or destruction of Covered D ata:*** Upon termination, cancellation, expiration or other conclusion of this Agreement, CONTRACTOR shall return the Covered Data to COUNTY unless COUNTY requests that such data be destroyed. This provision shall also apply to all Covered Data that is in the possession of subcontractors or agents of CONTRACTOR. CONTRACTOR shall complete such return or destruction not less than thirty (30) calendar days after the conclusion or termination of this Agreement. Within this thirty (30) day period, CONTRACTOR shall certify in writing to the COUNTY that the return or destruction has been completed.

5. ***Reporting of unauthorized disclosures or misuse of Covered Data:*** CONTRACTOR shall report, either orally or in writing, to COUNTY any use or disclosure of Covered Data not authorized by this Agreement or in writing by COUNTY, including any reasonable belief that an unauthorized individual has accessed Covered Data. CONTRACTOR shall make the report to COUNTY immediately upon discovery of the unauthorized disclosure, but in no event more than two (2) business days after CONTRACTOR reasonably believes there has been unauthorized use or disclosure. CONTRACTOR'S report shall identify: (i) the nature of the unauthorized use or disclosure, (ii) Covered Data used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what CONTRACTOR has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action CONTRACTOR has taken or shall take to prevent future similar unauthorized use or disclosure.

6. ***Examination of records***: COUNTY and, if the applicable contract or grant so provides, the other contracting party or grantor (and if that be the United States, or an agency or instrumentality thereof, then the Controller General of the United States) shall have access to and the right to examine any pertinent books, documents, papers, and records of CONTRACTOR involving transactions and work related to this Agreement until the expiration of five years after final payment hereunder. CONTRACTOR shall retain project records for a period of five years from the date of final payment.

7. **Assistance in litigation or administrative proceedings:** CONTRACTOR shall make itself and any employees, subcontractors, or agents assisting CONTRACTOR in the performance of its obligations under this Agreement available to COUNTY, at no cost, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings against COUNTY, its directors, officers, agents or employees based upon a claimed violation of laws relating to security and privacy and arising out of this Agreement.

8. ***No third-party rights:*** Nothing in this Agreement is intended to make any person or entity who is not signatory to the Agreement a third-party beneficiary of any right created by this Agreement or by operation of law.

X. Entire Agreement and Modification:

This Agreement and all documents incorporated by reference supersedes all previous Agreements either oral or in writing and constitutes the entire understanding of the parties hereto. No changes, amendments or alterations shall be effective unless in writing and signed by both parties.

THIS SPACE LEFT BLANK INTENTIONALLY

IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement effective on the day and year first written above.

COUNTY OF SAN JOAQUIN, a political subdivision of the State of California

By:_____
Chair, Paul Canepa
Board of Supervisors
San Joaquin County, California

Date: _____

"COUNTY"

City of Stockton, a municipal Corporation
22 E. Market Street
Stockton, CA 95202

By:_____
Steve Colangelo
Interim City Manager

By:_____
Print Name

"CONTRACTOR"

ATTEST: Rachel DeBord
Clerk of the Board of Supervisors
Of the County of San Joaquin, California

By:_____

Date: _____

APPROVED AS TO FORM
Office of County Counsel

By: _____
Jonathan N. King
Chief Deputy County Counsel

APPROVED AS TO FORM

By: _____
Lori M. Asuncion
City Attorney

Deputy Purchase Agent of record: MR
Drafted by: GB

EXHIBIT A

Attachment A

2025-2026 PROPOSED BUDGET - PHASE 13 PLAN

This document must be received by the Probation Budget Committee no later than 5:00 p.m. on February 14, 2025 for CBOs, and February 21, 2025 for government agencies. The Probation Budget Committee will review and address any corrections or revisions required before being submitted to the Chief of Probation.

AGENCY INFORMATION

NAME OF AGENCY	DATE SUBMITTED
Police Departments of San Joaquin County CCP Task Force	2/20/2025
NAME OF PROGRAM	**TELEPHONE NUMBER**
CCP Task Force	209-937-7174
NAME OF CONTACT	**E-MAIL ADDRESS**
Sergeant Robert Wong, Stockton Police Department/CCP Task Force Police Representative	robert.wong@stocktonca.gov

EXHIBIT A

Attachment A

SERVICE NEED AREAS

Please check which of the Service Need Areas this proposal covers. A separate proposal is required for each of the below listed areas.

- [ ] Pretrial Assessment and Monitoring - Probation
- [ ] Jail Beds -S/O
- [ ] Jail Programming -S/O
- [ ] Jail Alternatives to Incarceration (i.e. EM, GPS) -S/O
- [ ] Bailiffs -S/O
- [ ] AB109 Support -S/O
- [ ] Intensive Supervision (High Risk Unit) -Probation
- [ ] Intensive Supervision (Violent Crimes Unit) -Probation
- [ ] Transitional Age Youth - Probation
- [ ] Assessment Center - Probation
- [ ] Day Reporting Center -Probation
- [ ] Evidence Based Programming - Probation
- [ ] Correctional Health Services
- [ ] Mental Health Treatment/Services - BHS
- [ ] Job Training/Assistance/Search - EEDD
- [ ] Transportation - Probation
- [ ] GPS/EMP Contracts - Probation
- [ ] Screening for Human Services Agency Programs -HSA
- [ ] Transitional Housing - HSA
- [ ] Post Release Court -Superior Court
- [ ] Mandatory Supervision Court
- [ ] Monitoring Court -Superior Court
- [x] CCP Task Force -Local Law Enforcement
- [ ] Warrant Reduction and Advocacy Program - Friends Outside
- [ ] Case Management Services - Community Partnership for Families
- [ ] Case Management Services - El Concilio
- [ ] Case Management Services - Mary Magdalene Community Services
- [ ] Parole Revocation Process -District Attorney
- [ ] Parole Revocation Process -Public Defender
- [ ] Felony Case Management - Mary Magdalene Community Services
- [ ] Homelessness and Recidivism Prevention - Ready to Work
- [ ] Tattoo Removal Services - Inkoff.me
- [ ] Transdermal Monitoring - Intercept (Superior Court)
- [ ] Homeless Initiative -Health Care Services
- [ ] Cost Allocation Plan -Probation
- [ ] AB109 Administrative Services - Probation
- [ ] Community Supervision Unit (CSU) - Probation
- [ ] Mobile Support Services for Homeless - The Uplift All Foundation
- [ ] Housing Services - The Uplift All Foundation
- [ ] Workforce Development and Vocational Training Services - El Concilio
- [ ] Workforce Development and Vocational Training Services - Five Keys Schools and Programs
- [ ] Workforce Development and Vocational Training Services - San Joaquin County Office of Education
- [ ] Programs for Families and/or Women-Behavioral Health - El Concilio
- [ ] In-Custody/Reintegration Services - Leaders in Community Alternatives (LCA) - S/O

EXHIBIT A

PROGRAM JUSTIFICATION

Please answer the following questions to justify your Proposed Budget for the 2025-2026 Fiscal Year. Boxes are provided below to enter your narratives and data relevant to your program.

This section should be no more than three pages long.

I. PROGRAM DATA AND OUTCOMES

1. Workload Data FY 2023-2024 Actuals (e.g., number of referrals, caseload size, number of clients served, *number of clients successfully completing program*, etc.):

During the 2023 calendar year, the Task Force compiled the following statistics: 211 arrests, including 100 felony arrests, 12 misdemeanor arrests, 67 felony warrant arrests, 32 misdemeanor warrant arrests. The majority of these arrest were the result of 566 compliance checks conducted/attempted by the CCP Task Force. In 2023, the Task Force confiscated 57 firearms.

2. Workload Data FY 2024-2025: 6 Month Actuals/6 Month Estimated (e.g., number of referrals, caseload size, number of clients served, number of clients successfully completing program, etc.):

During the 2024 calendar year, the Task Force compiled the following statistics: 257 arrests, including 129 felony arrests, 7 misdemeanor arrests, 86 felony warrant arrests, 35 misdemeanor warrant arrests. The Task Force confiscated 101 firearms in 2024. The majority of these arrest were the result of 628 compliance checks that were conducted/attempted by the CCP Task Force.

3. Projected Workload Data FY 2025-2026 (e.g., number of referrals, caseload size, number of clients served, number of clients successfully completing program, etc.):

The Task Force completed over 200 compliance checks and attempted over 600 in the current year. The Task Force seized 101 firearms. The Task Force also provided law enforcement services and assistance to SJ County Cities and unincorporated areas that are not reflected in these numbers. The Task Force will continue to work with Federal, State, and Local municipalities to make the county safer. In addition to the traditional law enforcement responses, the Task Force will coordinate with the Community Based Organizations as well, in order to facilitate collaboration between law enforcement and the community. This also supports the premise of prison realignment. Through these collaborations, the Task Force has been able to locate many offenders who were otherwise missing and/or extremely difficult to find.

II. PROGRAM SERVICES AND ENHANCEMENTS

4. Brief description of the services to be provided during FY 2025-2026:

Over the last 12 years, the CCP Task Force has worked diligently to address the overwhelming effects of prison realignment felt by every city and community within San Joaquin County. The Task Force has proven to be a significant benefit to both the member agencies as well as the entire community. The mission of the Task Force is to reduce crimes committed by AB109 offenders, promote the work of the CCP Task Force, and support the premise of prison realignment. Utilizing contemporary police practices, The Task Force members meet with probationers in the field and at their residences where they conduct compliance checks. Offenders are referred to needed services through the SJ County Probation Department. The Task Force has a core membership of the following: one (1) Police Sergeant, three and fifty-five percent (3.55%) Police Officers, one (1) County Probation Officer, two (2) District Attorney Investigators, one (1) crime analyst, and one (1) SJ Sheriff Deputy. The Task Force is adding a forty five percent (.45%)Police Officer and one (1) crime analyst to the Task Force in FY 2025-2026. Responsiveness and flexibility continue to be essential to the success of the Task Force. While the Stockton Police Department (SPD) serves as the host agency, the Task Force is a resource for the entire county and is responsive to the needs of each community. Its members function as both a structured team that moves from one community to another, as well as individual officers who work within their home agencies, apart from the team. As such, the Task Force balances its time between the host agency (SPD) and the employer agencies. For example, the entire team may work together to conduct a variety of enforcement operations in Stockton, and then move to Lodi later in the same day. In contrast, on another day its members may report to their home agencies and work alongside their fellow employees who are engaged in work of the same scope. This hybrid deployment model is a force multiplier in that it maximizes effectiveness by periodically including additional police officers.

5. Please provide a high-level description of any significant enhancements and/or changes you are making to your program for FY 2025-2026. Identify what budget category the enhancement is in and the amount here. ***Then provide a more detailed description and justification in the narrative section of the corresponding budget category.***

1) Salary/Benefits Enhancement- Our current salary/benefits budget for nine Task Force Officers (3-Stockton PD, 1- Manteca PD, 1-Lodi PD, and 1-SJSO, 2- SJC District Attorney Investigators, and 1-SJC Probation Officer) is $2,278,135. The Probation Officer's salary/benefits are currently not funded through the task force. One Senior Administrative Analyst was approved in FY 2024-2025 and will be underfilled to a Crime Analyst with an additional Crime Analyst proposed in FY 2025-2026.

2) Overtime Enhancement- Our current overtime budget is $154,000 for the entire team of 7 officers (Probation overtime is not currently funded through the task force). Due to the shortage of officers with all the agencies throughout the county, the CCP Task Force has been requested to assist other units/agencies much more frequently. The task force regularly works special events, investigations, and missions that occur on their weekends. The task force is on schedule to exceed their yearly overtime budget. In addition, most of the agencies on the task force have received salary increases or are expecting salary increases in FY 2025-2026. Also, the second DAI investigator should be assigned to the task force full time by FY 2025-2026 so the overtime would be for 8 officers instead of 7. Due to the salary increases of the current task force members and the addition of the other DA Investigator, the current overtime budget is not sufficient.

3)Training/Equipment Enhancement- Increase by $780,626. AB109 Task Force's current Training/Equipment budget is $133,000. Last FY the initial budget was $108,000. There was a midyear enhancement for an additional $25,000 to account for increased training/equipment related to the addition of the boats. This gave a new total of $133,000 annually. Last FY Fusus, Peregrine, and Prepared 911 were approved as a one-time purchase and is requested to moved to an ongoing budget item.

One Time Request 4) Multipurpose Command /UAS/Surveillance Vehicle - AB109 Task Force works closely with the investigative units and specialized units from all the law enforcement agencies throughout San Joaquin County on regular basis. AB109 Task Force assists these agencies with enforcement, compliance searches, UAS support, and surveillance. AB109 Task Force works surveillance/enforcement operations daily where ground surveillance, surveillance cameras, UAS, and air support may be used. These operations are usually mobile and don't stay in one location. Having a vehicle that is able to stream numerous camera feeds from multiple sources all at once and has a computer inside, would be a force multiplier and extremely beneficial. The vehicle would be used for multiple roles such as a UAS vehicle, a mini command vehicle, and a surveillance vehicle. Officers currently don't have a single vehicle that fits their operational needs and fulfills all of these roles. Crime Point manufactures a Premier Surveillance Platform which is a vehicle that is purpose built for law enforcement to allow the monitoring of numerous surveillance camera feeds all at one time and can have computers mounted inside for instant follow up investigation. The vehicle looks like a regular civilian vehicle with a small command center inside where officers can control and view not only the cameras mounted on the vehicle, but can also view camera feeds from multiple other sources such as city cameras, UAS, helicopters/airplanes, etc. The Crime Point Premier Surveillance vehicle can go mobile immediately without the set up and take down time of traditional large command post vehicle. The Crime Point vehicle can also be unmanned and the cameras on the vehicle can be viewed remotely. The surveillance platform also comes with a compact mobile surveillance system. The Crime Point Premier Surveillance Platform is a single vehicle that can be utilized to fulfill numerous roles that would normally take several different vehicles. It can be used for surveillance, as a mini mobile command post, and as UAS vehicle.The estimated total cost of the Crime Point Premier Surveillance Platform with the Compact Mobile Surveillance System is approximately $260,000. The vehicle will become part of the

Stockton Police Department's (SPD) fleet and will be maintained by SPD.

5)The FATS AR Weapons Training System's is beneficial to all officers no matter what assignment they are in or how long they have been on the job. FATS AR's quick set up/take down time, quick reset of infinite fully customizable scenarios, real-time after-action reviews, portability, and the ability to be used anywhere will allow officers to get in much more repetitions in a short amount of time and get immediate feedback that they can visually see. This will aid in both tactical skills and de-escalation skills.The SPD Training Unit can implement in-service training with all sworn staff to include patrol and special assignment staff. Specific sessions will be established for groups as well as open dates for officers to receive additional training. The focus of the training will be de-escalation, force on force, and addressing specific concerns of officers.The ease of use, quick set up, and ability to move several officers through in a

short time frame, will allow for more effective training for our staff. This product will allow for a fast response to deficiencies and provide an avenue for remediation that we currently do not have.The estimated total cost of the FATS AR Weapons Training System is a one-time, all up front purchase price of approximately $260,000. This includes any combination of six weapons (any combo of rifles and pistols), four trainee headsets and vests, two instructor headsets, a laptop, and a three-day training course for the trainers. 6) Vehicle Radios for SJC DAI Vehicles- The San Joaquin County District Attorney Investigators have two DA Investigators assigned to the AB109 Task Force. DAI does not have hard mounted police radios for their two vehicles that are assigned to the AB109 Task Force. SJC DAI request a one-time funding for radios for their two vehicles at a cost approximately $22,000.

7) Falcon Cameras – SPD is requesting to add $390,000 budget for the expansion of infrastructure-free license plate reader cameras. This

technology will assist with the task force by increasing actionable evidence and providing real-time alerts. BUDGET ENHANCEMENT SUMMARY (Total increase of $486,651 + $46,000+$780,626=1,313,277)

1) Salary/Benefits Enhancement- Increase from $2,278,135 to $2,764,786 2) Overtime Enhancement- Increase from $154,000 to $200,000

3) Training/Equipment Enhancement- Increase from $133,000 to $913,626 ONE-TIME BUDGET REQUEST SUMMARY (Total request of $937,000)

1) Multipurpose Command/UAS/Surveillance Vehicle= $260,000 2) FATS Augmented Reality Training System= $265,000 3) Two radios for DAI= $22,000 4) Falcon Cameras=$390,000

6. Indicate any challenges your program has faced during FY 2024-2025 and if you have been able to address them.

1) During the 2024-2025 fiscal year, the law enforcement agencies throughout San Joaquin County continue to have a shortage of officers. The Task Force has been called upon to assist all the agencies/units in the county on a much more frequent bases to assist with enforcement, searches, surveillance, apprehensions, missions, etc. The Task Force is adding 45% of an SPD officer and an additional Crime Analyst to the team to help with the increased work load. The Task Force will request an increase to the Salary/Benefits budget to compensate for the additions plus the increase in the current salaries of the existing officers.

2) The Task Force's overtime budget was not sufficient due to salary increases and the addition of 2 more members. The Task Force will request overtime budget enhancement to fund 9 officers instead of 7 officers on the task force (Probation Officer Salary and OT is not funded though this budget). The Task Force's proposed overtime budget mirrors the same amount that all of the task force officers assigned the federal task forces are alotted.

EXHIBIT A

A. BUDGET LINE ITEM TOTALS: The **Proposed Budget Activities** table below details the total of each budget category. These totals will auto-populate when the corresponding tables are populated in the subsequent tabs.

PROPOSED BUDGET ACTIVITIES

Please only fill in the **blue** highlighted cells below under **Previous FY Budget.** All other cells are locked and will auto-populate. **Please remember to also include in your Previous FY Budget any enhancements you may have received during the year.**

Proposed Budget Line Items	Previous FY Budget	Proposed Budget 2025-2026	Increased Budget Amount
1. Salaries and Benefits	$ 2,462,191	$ 2,964,786	$ 502,595
2. Services and Supplies	**$ 904,500**	**$ 1,568,626**	**$ 664,126**
a. General Expenditures	$ 904,500	$ 1,568,626	$ 664,126
b. Client Related Expenditures	$ -	$ -	$ -
3. Professional Services	$ -	$ -	$ -
4. Administrative ***(Not to exceed 10% of Salaries and Benefits)***	$ -	$ -	$ -
5. Fixed Assets/Equipment	$ 946,000	$ 282,000	$ (664,000)
TOTAL	**$ 4,312,691**	**$ 4,815,412**	**$ 502,721**

Reminder: There are no limitations on budget enhancement amounts so long as the amount is reasonable and has been sufficiently justified through narrative and supportive data.

EXHIBIT A

B. BUDGET LINE ITEM DETAILS: Please provide details for each budget category that will sufficiently explain how the funds will be used. These totals will auto-populate to the **Proposed Budget Activities** table.

1. SALARIES AND BENEFITS, LABOR COSTS, and/or Productive Hourly Rate:
Compensation of employees for time devoted and identified specifically to this program. List number of staff, classification/title, FTE, productive hourly rate, salary and benefits, and any other labor expense.

Job Classification/Title	FTE	Proposed Productive Rate *(if applicable)*	Proposed Salary and Benefits
Stockton Police Sergeant	1.00	$ -	$ 379,034
Lodi Police Officer	1.00	$ -	$ 265,000
Manteca Police Officer	1.00	$ -	$ 331,000
SJ County Sheriff	1.00	$ -	$ 249,980
Stockton Police Officer	2.00	$ -	$ 629,688
Stockton Crime Analyst	2.00	$ -	$ 297,904
DA Investigators	2.00	$ -	$ 612,180
Task Force Overtime		$ -	$ 200,000
TOTAL	**10.00**		**$ 2,964,786**

Please provide narrative below to sufficiently explain the details of the above table. If using a Productive Hourly Rate, please itemize the assumptions used to calculate your rate. ***If there was an enhancement to this budget category, please provide details and sufficient justification below.***

EXHIBIT A

Salary and negotiated benefits for the following Task Force Members: Stockton Police Sergeant ($379,034); Lodi Police Officer ($265,000): Manteca Police Officer ($331,000); San Joaquin County Sheriff Deputy ($249,980); Stockton Police Officers ($629,688); Stockton Crime Analysts ($297,904); 2 DA Investigators ($612,180); and $200,000 in overtime costs shared amongst Task Force members. Having an additional analyst on the AB109 team would greatly enhance our efficiency, effectiveness, and safety.

An analyst would be able to assist us with various tasks, such as:

- Collecting, organizing, and analyzing data on probationers, such as their risk level, compliance, needs, and outcomes.
- Generating reports, dashboards, and visualizations that summarize and communicate our performance and impact.
- Identifying trends, patterns, and anomalies that could indicate potential problems or opportunities for improvement.
- Providing intelligence and recommendations to support our decision-making and mission planning.
- Developing and implementing tools and systems that automate and streamline our processes.

By having an analyst on our team, we would be able to:

- Save time and resources by reducing manual and redundant work.
- Improve our quality and accuracy by minimizing errors and biases in enforcement.
- Enhance our accountability and transparency by documenting and sharing our results and actions.
- Increase our effectiveness and impact by targeting our interventions and resources to the most appropriate and needy probationers.
- Ensure our safety and security by detecting and preventing threats and risks from certain high-risk individuals.

Additionally, the analyst could assist with monitoring and completing grant-related record keeping and ensure progress is being made regularly on grant use.

EXHIBIT A

2. SERVICES AND SUPPLIES: *General Expenditures and Client Related Expenditures.*

a) General Expenditures (e.g., office supplies, training costs, rent, communications, etc., for dedicated staff or clients). Please itemize this table in the same categories you will submit your reimbursement invoices.

General Expenditures	Estimated Budget 2025-2026
Task Force Training	$ 88,000
Task Force Supplies	$ 45,000
FUSUS	$ 108,326
Prepared 911	$ 438,800
Peregrine	$ 233,500
FATS Augmented Reality Training System	$ 265,000
Flock Falcon Cameras	$ 390,000
TOTAL	**$ 1,568,626**

Please provide narrative below to sufficiently explain the details of the above table. ***If there was an enhancement to this budget category, please provide details and sufficient justification below.***

Request the training/equipment budget to increase to $913,626, adding FUSUS, Prepared 911 and Peregrine to the ongoing budget (which were requested last year and approved as a one-time purchase). Request a one-time $265,000 budget to add FATS Augmented Reality Training. FUSUS is a real-time crime center integration application that digests and analyzes all camera footage into operational intelligence. FATS Augmented Reality Weapons Training System allows the user to see the real environment they are in and blends it with computer generated virtual characters through the AR glasses. Flock Falcon Cameras Flock Safety for our LPR needs. Flock Safety provides 1000+ Law Enforcement Agencies in over 2,000 cities a scalable solution for public safety that reduces crime by up to 60%. Flock Safety is an all-encompassing system that does not solely depend upon vehicle license plates to identify vehicles used in crimes. It also isn't dependent upon our mobile units to conveniently drive by suspect vehicles. Fixed cameras would strategically be placed in high-traffic areas and areas affected by high crime based on crime analysis and data-driven policing. Detectives would be able to search vehicle type, make, color, license plate state, missing/covered plates, and other unique features like bumper stickers, decals, and roof racks as it is uncommon to obtain a full license plate rather the norm is a suspect vehicle description.

b) Client Related Expenditures *(i.e., costs identifiable to clients):*

Client Related Expenditures	Estimated Budget 2025-2026
	$ -
TOTAL	**$ -**

Please provide narrative below to sufficiently explain the details of the above table. ***If there was an enhancement to this budget category, please provide details and sufficient justification below.***

3. PROFESSIONAL SERVICES: ***List each outside consultant or provider, the contract amount, and the services to be provided.***

Contractor/Provider Name	Professional Services	Estimated Budget 2025-2026
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
		$ -
TOTAL		**$ -**

Please provide narrative below to sufficiently explain the details of the above table. ***If there was an enhancement to this budget category, please provide details and sufficient justification below.***

4. ADMINISTRATIVE: Any administrative costs attributed to providing program services (e.g., Executive Management, Fiscal Services, Human Resources, etc.). Identify percentage and methodology for calculation. ***Costs should not exceed 10% of Category 1.***

Administrative	Estimated Budget 2025-2026
	$ -
	$ -
	$ -
	$ -
TOTAL	**$ -**

Please provide narrative below to sufficiently explain the details of the above table. ***If there was an enhancement to this budget category, please provide details and sufficient justification below.***

5. FIXED ASSETS/ EQUIPMENT: ***Any single item of $5,000.00 or greater that has a useful life of more than one year (e.g., computers and other office equipment necessary to perform program activities).***

Purchased assets should be kept in an inventory by the requesting entity

Fixed Assets/ Equipment	Estimated Budget 2025-2026
Multipurpose Command/UAS/Surveillance Vehicle	$ 260,000
Two Radios for DAI	$ 22,000
	$ -
	$ -
TOTAL	**$ 282,000**

Please provide narrative below to sufficiently explain the details of the above table. ***If there was an enhancement to this budget category, please provide details and sufficient justification below.***

EXHIBIT A

Request a one-time, $282,000 budget for a multipurpose command/UAS/Surveliance vehicle. The vehicles in this class are $260,000 to be outfitted and include sales tax and fees. Request a one-time, $22,000 budget for two radios to add to the DA Investigator vehicles that were purchased in FY 2024-2025. Request a one-time, $390,000 budget for expansion of Falcon Cameras.

File #: 25-0862, **Version:** 1

APPROVE MOTION TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH SAN JOAQUIN COUNTY FOR THE INSPECTION OF THE CITY'S EDIBLE FOOD RECOVERY PROGRAM

RECOMMENDATION

It is recommended that the City Council approve a motion to authorize the City Manager to execute a Memorandum of Understanding with San Joaquin County for the inspection of the City's Edible Food Recovery Program.

It is also recommended that the City Manager, or designee, be authorized to take appropriate and necessary actions to carry out the purpose and intent of this motion.

Summary

Senate Bill (SB) 1383 requires jurisdictions to implement edible food recovery programs and conduct inspections of Tier 1 and Tier 2 commercial food generators to ensure compliance. The legislation also allows jurisdictions to designate other qualified entities to assist with fulfilling this requirement.

San Joaquin County's Environmental Health Department (SJCEHD), the designated local enforcement agency overseeing retail food programs, has collaborated with jurisdictions across San Joaquin County to develop a template Memorandum of Understanding (MOU). This MOU outlines how SJCEHD incorporates a jurisdiction's edible food recovery inspections into its existing regulated retail facility inspections.

By entering into this MOU, the City would formally designate SJCEHD to perform inspections related to edible food recovery requirements on behalf of the City. Upon execution, compliance inspections would begin immediately for the estimated (55) Tier 1 and (130) Tier 2 food generators within the City. SJCEHD's role is limited to conducting inspections. City staff will perform all follow-up actions, including outreach and education, and, if necessary, enforcement action.

SJCEHD will provide these inspection services at no cost to the City.

DISCUSSION

Background

In September 2016, Governor Brown signed into law SB 1383, the Short-Lived Climate Pollutant Reduction Act, which established aggressive targets to reduce statewide disposal of organic waste beginning in 2025.

On June 14, 2022, Council adopted Ordinance No. 2022-06-14-1502 amending Title 8, Chapters 8.04 (Collection of Solid Waste, Recyclable Materials, and Organic Materials) and 8.28 (Construction and Demolition Debris Waste Reduction) to achieve compliance with SB 1383 legislative mandates.

Under SB 1383, jurisdictions must establish an inspection and enforcement program for Tier 1 and Tier 2 commercial food generators (e.g., grocery stores, wholesale food distributors, restaurants, and others) and food recovery organizations (e.g., food banks) to ensure that generators are recovering the maximum amount of edible food that would otherwise be disposed, and to confirm that generators have agreements in place with food recovery organizations to recover edible food.

SJCEHD, the designated local enforcement agency for retail food programs, issues permits and conducts routine inspections for commercial edible food generators throughout San Joaquin County. SJCEHD has taken the lead in identifying Tier 1 and Tier 2 food generators county-wide. Based on the county-wide list, approximately 55 Tier 1 and 130 Tier 2 food generators are within Stockton's city limits.

Several jurisdictions, including the Cities of Lathrop, Lodi, and Manteca, have entered into MOUs with San Joaquin County to streamline compliance and leverage existing infrastructure. These MOUs authorize SJCEHD to integrate edible food recovery inspections into its regular inspection schedule of permitted retail food facilities.

Present Situation

By entering into an MOU with San Joaquin County, the City designates SJCEHD to conduct inspections related to edible food recovery requirements on behalf of the City. Compliance inspections would begin immediately. SJCEHD will report the noncompliant Tier 1 and Tier 2 food generators to the City for appropriate follow-up. City follow-up may include additional outreach and education and, if necessary, enforcement action by City staff. It is important to note that SJCEHD's role is limited to conducting inspections. While SJCEHD offers general education on edible food recovery during each inspection, the City is responsible for ongoing outreach and education, enforcement, and maintaining all required records and reporting for its commercial businesses.

The Waste and Recycling Division of Public Works continues to expand its workforce to fulfill all responsibilities under SB 1383. SJCEHD's support in conducting Tier 1 and Tier 2 edible food generator inspections remains essential in meeting State-required mandates. SJCEHD will provide these inspection services at no cost to the City.

FINANCIAL SUMMARY

There is no impact to the City's General Fund or any other unrestricted fund as a result of taking the recommended action.

Attachment A - MOU with SJCEHD

MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF STOCKTON AND THE COUNTY OF SAN JOAQUIN FOR THE INSPECTION OF THE CITY'S EDIBLE FOOD RECOVERY PROGRAM

THIS MEMORANDUM OF UNDERSTANDING (the "MOU"), is entered into between the City of Stockton (the "City") and the County of San Joaquin (the "County");

RECITALS

WHEREAS, the City has established an edible food recovery program, within Chapter 8.04 of the Stockton Municipal Code, as required by the California Code of Regulations, Title 14, Division 7, Chapter 12 (the "SB 1383 Regulations") (the "Edible Food Recovery Program"); and

WHEREAS, the County, through its Environmental Health Department, has offered to conduct on-site inspections and records review pursuant to the City's Edible Food Recovery Program within the City on behalf of the City; and

WHEREAS, 14 CCR Section 18981.2 authorizes the City to designate a public entity, such as the County, to fulfill some of its regulatory responsibilities for the Edible Food Recovery Program through an MOU; and

WHEREAS Sections 8.04.195 and 8.04.355 of the Stockton Municipal Code provide that the City or its designee may inspect all premises within the City to determine compliance with and enforce the relevant provisions of Chapter 8.04 of the Stockton Municipal Code.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. Designation of County as the City's Designee

A. Pursuant to Stockton Municipal Code Section 8.04.195 and 14 CCR Section 18981.2(b)(2), the City hereby designates the County as the entity assigned and authorized to fulfill the City's regulatory responsibilities under the Edible Food Recovery Program as described in this MOU.

B. The City may limit or revoke the designation at any time upon thirty (30) days' written notice.

2. Responsibilities of the City

A. The City will develop a method to accept written complaints, including anonymous complaints, regarding an entity that may be potentially non-compliant with the Edible Food Recovery Program and forward those to the County.

B. The City shall be responsible for all investigations and enforcement of Stockton Municipal Code Chapter 8.04 as it pertains to the Edible Food Recovery Program.

3. Responsibilities of the County

A. The County will perform the following regulatory responsibilities pursuant to the City's Edible Food Recovery Program:

i. Inspect all premises and review records of Tier One and Tier Two Commercial Edible Food Generators and all Food Recovery Organizations and Food Recovery Services, as those terms are defined in Section 8.04.010 of the Stockton Municipal Code. Inspections shall begin as of the Effective Date of this MOU;

ii. As necessary, the County shall carry out the inspection responsibilities of the City pursuant to Sections 8.04.195, 8.04.196, and 8.04.355

iii. The County shall provide the City with any and all edible food recovery on-site inspection reports within two (2) business days from the date of inspection.

B. The County has only been designated to provide services as described in this MOU, and shall not perform other responsibilities identified in the Edible Food Recovery Program.

4. Compensation

A. The benefit of this MOU to both the City and the County is that this approach will create a joint uniform, standardized, and coordinated system for inspection and enforcement of the Edible Food Recovery Program, where the County will complete inspections and the City will handle enforcement.

B. Further, this MOU will significantly reduce the overhead costs to the City and the County by leveraging economies of scale.

C. The County may, by resolution, directly charge each individual Tier One and Tier Two Commercial Edible Food Generators a reasonable fee to recoup its costs in implementing inspection and recordkeeping provisions of the Edible Food Recovery Program.

5. Relationship of Parties

It is expressly understood that this is an agreement between two independent entities, the County and the City, and that no individual agency, employee, partnership, joint venture, or other relationship is established by this MOU. The intent of the parties is to create an independent collaborative relationship.

6. Indemnification

A. Both the County and the City (each an "Indemnified Party") agree to indemnify, hold harmless and defend the other Indemnified Party, its directors, officers, employees, affiliates, contractors, and partners, against any and all liabilities, suits, judgments, settlements, obligations, fines, damages, penalties, claims, costs, charges and expenses, including, without limitation, all reasonable legal fees and disbursements, which may

be imposed upon or incurred by or asserted against any Indemnified Party as a result of the party's actions arising from this MOU (the "Indemnifying Party"), brought for, or on account of, any of the following:

i. Injuries to or death of any person.

ii. Damage to any property.

B. The duty of the Indemnified Party is to indemnify and defend under this Section shall not apply to injuries or damage for which the Indemnified Party has been found to be liable by reason of its own negligence or willful misconduct.

C. The duty of the Indemnified Party is to indemnify and defend as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

D. Each Indemnified Party agrees to provide the other with prompt notice of any claim and give control of its defense and settlement to the Indemnified Party. Each Indemnified Party shall also cooperate in all reasonable respects with the Indemnified Party, its insurance company, and its legal counsel in its defense of such claim. The obligation to defend and indemnify pursuant to this section shall not cover any claim in which there is a failure to give the Indemnified Party prompt notice, but only to the extent that such lack of notice prejudices the defense of the claim.

E. The obligations imposed by this section shall survive termination or expiration of the MOU.

7. Entire Agreement

This MOU constitutes the sole MOU of the parties hereto and correctly states the rights, duties, and understanding of each party as of the Effective Date.

8. Modifications

Any modifications to this MOU shall be in writing and will become effective when signed by both parties.

9. Records

The County shall maintain and preserve all records relating to this MOU in its possession and those of any third party for a period of five (5) years from the termination of this MOU.

10. Notices

Any written notice, request, demand, or other communication regarding this MOU shall be deemed to be properly given when deposited with the United States Postal Service, postage prepaid, or when transmitted by email communication, addressed:

In the case of the County, to:
Muniappa Naidu, Assistant Director
County of San Joaquin Environmental Health Department
1868 E. Hazelton Ave.
Stockton, CA 95205
Email: mnaidu@sjgov.org

In the case of the City, to:
Steve Colangelo, Interim City Manager
City of Stockton
425 N. El Dorado St
Stockton, CA 95202
Email: city.manager@stocktonca.gov

11. Terms and Termination

Subject to compliance with the terms and conditions of the MOU, the term of this MOU shall commence on the Effective Date and shall automatically be renewed from year to year on the same terms and conditions. This MOU may be terminated without cause by either party's authorized representative at any time upon thirty (30) days' written notice to the other party.

12. Authority

The parties warrant that the signatories to this MOU have the authority to bind their respective entities.

13. Effective Date

The effective date of this MOU will be the date the last party signs the MOU (the "Effective Date.")

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have signed below.

COUNTY OF SAN JOAQUIN

By: _____ Date:_____
Jasit Kang
Director

By: _____ Date:_____
Steve Colangelo
Interim City Manager

Approved to Form:

_____
County Counsel

Approved to Form:

_____
Taryn J. Jones
Assistant City Attorney
CITY OF STOCKTON

File #: 25-0813, **Version:** 1

APPROVE MOTION FOR THE PURCHASE OF 30 POLICE INTERCEPTORS AND APPROVE CONTRACT CHANGE ORDER NO. 3 WITH STOMMEL FOR VEHICLE UP-FITTING

RECOMMENDATION

It is recommended that the City Council approve a motion to:

1. Approve findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process.

2. Approve the use of a Leveraged Purchasing Agreement through the State of California, Department of General Services, Contract No. 1-22-23-14C, in the amount of $1,723,930.20, from Folsom Lake Ford of Folsom, CA, for the purchase of 30 Police Interceptors.

3. Approve Contract Change Order No. 3 with Stommel, Inc. dba Lehr Auto Electric of Sacramento, CA, in the amount of $993,811.20, for the Police Department and City Vehicles Up-Fitting, Project No. OM-23-022, bringing the contract total to $6,368,083.91.

It is also recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of this motion.

Summary

Public Works is responsible for maintaining the City's fleet of vehicles and equipment, including Police vehicles. Staff recommends the replacement purchase of 30 Police Interceptors utilized by the Police Department (Attachment A). The proposed replacement units have surpassed their stated life cycles for performance and efficiency of six years or 100,000 miles or are non-operational due to a motor vehicle accident. This Leveraged Purchasing Agreement (LPA) will allow for the procurement of vehicles, meeting the needs of the Police Department.

An LPA is available to California State and local government agencies to streamline the procurement process and takes advantage of volume purchasing. LPA contracts have been competitively bid, reviewed, evaluated, and recommended to the State of California for consideration of award. The specifications for the vehicles with various equipment available through the State of California meet the City's requirements for this type of equipment.

Additionally, the City entered into a contract with Stommel, Inc. dba Lehr Auto Electric of Sacramento, CA, approved by Council on March 7, 2023, by Motion No. 2023-03-07-1206, in the amount of $2,158,045.80, to provide services for the Police Department and City Vehicle Up-Fitting, Project No. OM-23-022.

To date, two Contract Change Orders (CCOs) have been executed. The CCOs were needed to provide additional up-fitting of police vehicles. Council approval is required for CCO No. 3, in the amount of $993,811.20, as the cumulative amount of CCO Nos. 1 through 3 will exceed the administrative change order authority allowed under the existing contract.

It is recommended that Council approve a motion authorizing the City Manager to execute a Cooperative/Piggyback Purchase Agreement (COOP) through the State of California, Department of General Services (DGS), with Folsom Lake Ford of Folsom, CA, in the amount of $1,723,930.20, for the purchase of 30 Police Interceptors (Attachment B).

It is also recommended that Council approve CCO No. 3 with Stommel, Inc. dba Lehr Auto Electric of Sacramento, CA, in the amount of $993,811.20, for the Police Department and City Vehicle Up-Fitting, Project No. OM-23-022 (Attachment C).

DISCUSSION

Background

Public Works is responsible for maintaining the City's fleet of vehicles and equipment, including Police vehicles. The City's replacement criteria for Police Interceptors and other marked patrol vehicles is six years or 100,000 miles. Adherence to this standard replaces equipment before routine failures and breakdowns occur, reducing the demand for extensive mechanical repairs. The replacement standard increases the resources available for preventative maintenance and is critical to the availability and performance of all fleet equipment, which includes all public safety and emergency response vehicles.

The Fiscal Year (FY) 2025-26 replacement budget for the Fleet Internal Service Fund (ISF) Equipment Acquisition account includes funding to replace 30 marked patrol vehicles utilized by the Police Department. Public Works' staff have identified 30 Police Interceptors utilized by the Police Department that exceed the age and/or mileage criteria, have recurring mechanical or operational problems, and/or are non-operational due to a motor vehicle accident. A total of 30 units is recommended for replacement (Attachment A).

On March 7, 2023, by Motion No. 2023-03-07-1206, Council approved the Police Department and City Vehicle Up-Fitting, Project No. OM-23-022, with Stommel, Inc. dba Lehr Auto Electric of Sacramento, CA, as a multi-year Contract for Services for the up-fitting of police and other City vehicles. Up-fitting for the 30 new Police Interceptors has been budgeted for FY 2025-26.

CCO No. 1 was approved by Council on August 20, 2024, by Resolution No. 2024-08-20-1232, in the amount of $2,231,808.32, for the up-fitting of 71 Police Interceptor Utility vehicles for the Police Department.

CCO No. 2 was approved administratively by the City Manager on June 26, 2025, in the amount of $984,418.59, for the up-fitting of 21 vehicles for the Police Department and for the first contract extension effective July 1, 2025, through June 30, 2026. The total amount for CCO Nos. 1 and 2 is $3,216,226.91.

Present Situation

The use of LPA contracts streamline the procurement process and takes advantage of volume purchasing. LPA contracts have been competitively bid, reviewed, evaluated, and recommended to the State of California for consideration of award. The use of these contracts is optional and is available to California State and local government agencies.

It is recommended that Council approve a motion authorizing the City Manager to execute a COOP through the State of California, DGS, with Folsom Lake Ford of Folsom, CA, in the amount of $1,723,930.20, for the purchase of 30 Police Interceptors (Attachment B).

It is also recommended that Council approve CCO No. 3 with Stommel, Inc. dba Lehr Auto Electric of Sacramento, CA, in the amount of $993,811.20, for the Police Department and City Vehicle Up-Fitting, Project No. OM-23-022 (Attachment C). The revised contract amount will be $6,368,083.91.

Findings

Pursuant to Stockton Municipal Code section 3.68.070, Council may approve findings which support an exception to the competitive bidding process. Proposed findings for the LPA with Folsom Lake Ford findings include:

1. State of California, DGS, established an LPA with Folsom Lake Ford to provide access to preferential pricing for vehicles.

2. The LPA with Folsom Lake Ford was established pursuant to a formal competitive bidding process conducted by the State of California, DGS, on behalf of its governmental members, of which the City is one.

3. Taking advantage of the LPA negotiated by the State of California will save the administrative expense of City staff conducting separate procurements.

4. The specifications for the replacement equipment available through the State of California, DGS, contract meet the City's requirements for their equipment type.

FINANCIAL SUMMARY

There are sufficient funds in the Public Works FY 2025-26 Fleet ISF, Equipment Acquisition account, to award a COOP to Folsom Lake Ford, in the amount of $1,723,930.20, for the purchase of 30 Police Interceptors, and the issuance of CCO No. 3 to Stommel, Inc. dba Lehr Auto Electric, in the amount of $993,811.20, for the Police Department and City Vehicles Up-Fitting, Project No. OM-23-022.

There is no impact to the City's General Fund or any other unrestricted fund as a result of taking the recommended actions.

Attachment A - Vehicle Replacement List
Attachment B - COOP with Folsom Lake Ford
Attachment C - CCO No. 3 with Stommel, Inc. dba Lehr Auto Electric

VEHICLE REPLACEMENT LIST

ATTACHMENT A

UNIT	YEAR	MAKE	MODEL	DEPT	DIVISION	PURCHASE ACCOUNT
3914	2014	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
3915	2014	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
3925	2014	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
3930	2014	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
3942	2014	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
3943	2014	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
3945	2014	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
3948	2014	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
3950	2014	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4012	2015	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4034	2015	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4054	2015	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4096	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4100	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4105	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4117	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4121	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4122	2015	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4127	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4128	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4130	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4131	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4132	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4133	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4134	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4139	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4140	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4143	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4145	2016	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000
4181	2017	Ford	Police Interceptor	Police	Patrol	4530-718-800004-500-000-00-45-000-000

CITY OF STOCKTON

COOPERATIVE/PIGGYBACK PURCHASE AGREEMENT

AGREEMENT SUMMARY:

1. Cooperative/Piggyback Name:	State of California Department of General Services
2. Contractor:	Folsom Lake Ford
3. Cooperative Agency Agreement Name and Agreement Number:	DGS, Enforcement Vehicles, Police Pursuit - Ford Explorer V6 AWD & Ford Explorer V6 AWD – HEV, Contract ID 1-22-23-14C
4. Cooperative Agency Initial Agreement Term:	Start Date: 5/11/2022 End Date: 5/10/2026
5. Cooperative Agency's Agreement-Options to extend:	Agreement may be extended for an additional year.
6. Cooperative Agency Amended Term:	Amendment #5
7. Cooperative Agency Remaining Options to Renew:	1 one-year renewal option remaining.
8. City of Stockton Cooperative Purchase Agreement Term:	Start Date: Upon Execution End Date: 5/10/2026
9. City of Stockton Cooperative/ Piggyback Purchase Agreement Amount:	Not to Exceed $1,723,930.20 for the term of the Agreement.

AGREEMENT

The City of Stockton, a California municipal corporation on behalf of itself and its associated entities ("City"), and the above-named Contractor ("Contractor"), do hereby agree that City shall be granted the pricing, terms, and conditions under the above referenced DGS, Enforcement Vehicles, Police Pursuit - Ford Explorer V6 AWD & Ford Explorer V6 AWD – HEV, Contract ID 1-22-23-14C ("COOP") as such may be amended from time to time. The COOP and associated documents referenced in the agreement are incorporated herein as Exhibit A to this City Cooperative/Piggyback Purchase Agreement ("Agreement").

Contractor shall grant such pricing, terms, and conditions to City for all procurements of goods and services, whether taking place on a City purchase order, purchasing card (credit card), or other purchasing modality, whether via telephone, via the Contractor website, or via direct purchase at a Contractor retail location.

1. **Agreement Term:** The Term of this Agreement shall remain in effect from date of the signing of this Agreement through 5/10/2026 unless terminated earlier by the City. If the Cooperative/Piggyback Agency extends the COOP with Contractor by a written amendment, the City has the option to extend the term of this Agreement by written amendment not to go beyond the term stated in the COOP fully executed amendment.

2. **Insurance and Hold Harmless:** In addition to the pricing, terms and conditions stated in the COOP and the associated documents incorporated herein as Exhibit A, Contractor shall, at Contractor's sole cost and expense and for the full term of the Agreement or any extension thereof, obtain and maintain at least all the insurance requirements listed in attached Exhibit B.

To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City of Stockton. This obligation is independent of, and shall not in any way be limited by, the minimum Insurance obligations contained in this Agreement. These obligations shall survive the completion or termination of this Agreement.

3. **Compensation:** City and Contractor do hereby enter into this Agreement for Enforcement Vehicles, Police Pursuit - Ford Explorer V6 AWD & Ford Explorer V6 AWD – HEV vehicles available in the above-named COOP and associated documents incorporated herein as Exhibit A and referenced in the attached quote Exhibit C. In no way, shall payment to the Contractor exceed 5/10/2026 for the purchase of police interceptors. Any person signing this Agreement on behalf of City or Contractor does warrants that he or she has full authority to do so.

4. **Governing Law:** California law shall govern any legal action pursuant to this Agreement with venue for all claims in the Superior Court of the County of San Joaquin, Stockton Branch or, where applicable, in the Federal District Court of California, Eastern District, Sacramento Division.

5. **Applicable Law:** Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

This Agreement may be amended only by a written amendment, consistent with the COOP, signed by Contractor and City.

CITY OF STOCKTON

Steve Colangelo, Interim City Manager

Date:

ATTEST:

Katherine Roland, CMC, CPMC, City Clerk

APPROVED AS TO FORM:

Lori M. Asuncion, City Attorney

Print name

FOLSOM LAKE FORD

By: Jon Peterson
Signature

Jon Peterson
Print name

Title: GM / owner

[If Contractor is a corporation, signatures must comply with Corporations Code §313]

By:
Signature

Title: PRESIDENT / OWNER

EXHIBIT A

Department of General Services
Procurement Division
707 Third Street, 2nd Floor
West Sacramento, CA 95605-2811

State of California

STATEWIDE CONTRACT
USER INSTRUCTIONS
MANDATORY

Supplement 5

***(Incorporates Supplements 1 – 5) ***

ISSUE AND EFFECTIVE DATE: ***5/23/2025***
CONTRACT NUMBER: 1-22-23-14C
DESCRIPTION: Enforcement Vehicles, Police Pursuit
(Ford Explorer V6 AWD)
(Ford Explorer V6 AWD - HEV)
CONTRACTOR: Folsom Lake Ford
CONTRACT TERM: 5/11/2022 through 5/10/2026
STATE CONTRACT ADMINISTRATOR: Rudolph Jimenez
(279) 946-8312
Rudolph.Jimenez@dgs.ca.gov

The contract user instructions, products, and pricing are included herein. All purchase documents issued under this contract incorporate the contract terms and applicable California General Provisions:

Non-IT General Provisions, rev 06/08/2010

Cal eProcure link: www.caleprocure.ca.gov

ORDER PLACEMENT INFORMATION		
Mailing Address: Folsom Lake Ford 12755 Folsom Blvd. Folsom, CA 95630	**Fax/Email:** Fax: (916) 353-2078 Email: MarkPaoli@folsomlakeford.com	**Contact Information:** Folsom Lake Ford Mark Paoli Phone: (916) 351-4202 Email: MarkPaoli@folsomlakeford.com

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
PROCUREMENT DIVISION

Contract (Mandatory) 1-22-23-14C
Contract User Instructions, ***Supplement 5***

All changes to most recent Supplement are in *bold red italic*. Additions are enclosed in asterisks; deletions are enclosed in brackets.

SUMMARY OF CHANGES

Supplement Number	Description/Articles	Supplement Date
5	***Subject contract for Enforcement Vehicles, Police Pursuit is hereby modified to reflect the following change:*** ➢ ***Attachment A – Contract Pricing, Supplement 5 has been updated to reflect OEM ordering bank status***	***5/23/2025***
4	Subject contract for Enforcement Vehicles, Police Pursuit is hereby modified to reflect the following change: ➢ Article 38: has been updated to new title and language.	4/10/2025
3	Subject contract for Enforcement Vehicles, Police Pursuit is hereby modified to reflect the following changes: ➢ Cover Page: Contract expiration date has been updated to extend contract. ➢ Article 37, VETTED FORMS/CERTIFICATIONS has been added.	7/29/2024
2	Subject contract for Enforcement Vehicles, Police Pursuit is hereby modified to reflect the following changes: ➢ Cover Page Note ➢ Attachment A – Contract Pricing, Supplement 2 has been updated to reflect a price increase. ➢ Effective February 1, 2024, orders for 25MY will be accepted.	1/30/2024
1	Subject contract for Enforcement Vehicles, Police Pursuit is hereby modified to reflect the following changes: ➢ Attachment A – Contract Pricing, Supplement 1 has been updated to reflect a price increase. ➢ Effective September 9, 2022, orders for 23MY will not be accepted and 23MY vehicles will not be available until further notice. Note: The cut-off date to submit orders for 23MY is close of business September 8, 2022.	9/2/2022
N/A	Original Contract Posted	5/11/2022

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
PROCUREMENT DIVISION

Contract (Mandatory) 1-22-23-14C
Contract User Instructions, ***Supplement 5***

All other terms and conditions remain the same.

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STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
PROCUREMENT DIVISION

Contract (Mandatory) 1-22-23-14C
Contract User Instructions, ***Supplement 5***

1. SCOPE

The State's contract with (Contractor) provides Enforcement Vehicles, Police Pursuit at contracted pricing to the State of California and local governmental agencies in accordance with the requirements of Contract # 1-22-23-14C. The Contractor shall supply the entire portfolio of products as identified in the contract and will be the primary point of contact for data collection, reporting, and distribution of Enforcement Vehicles, Police Pursuit to the State.

The contract term is for three (3) years with an option to extend the contract for two (2) additional one (1) year period or portion thereof. The terms, conditions, and prices for the contract extension option shall be by mutual agreement between the Contractor and the State. If a mutual agreement cannot be met the contract may be terminated at the end of the current contract term.

2. CONTRACT USAGE/RULES

A. State Departments

- The use of this contract is mandatory for all State of California departments.
- State departments must adhere to all applicable State laws, regulations, policies, best practices, and purchasing authority requirements, e.g. California Codes, Code of Regulations, State Administrative Manual, Management Memos, and State Contracting Manual Volume 2, as applicable.
- Prior to placing orders against this contract, State departments must have been granted non-IT purchasing authority by the Department of General Services, Procurement Division (DGS-PD) for the use of this statewide contract. State departments that have not been granted purchasing authority by DGS-PD for the use of the State's statewide contracts may contact DGS-PD's Purchasing Authority Management Section by e-mail at pams@dgs.ca.gov.
- State departments must have a Department of General Services (DGS) agency billing code prior to placing orders against this contract. Ordering departments may contact their Purchasing Authority contact or their department's fiscal office to obtain this information.

B. Local Governmental Agencies

- Local governmental agency use of this contract is optional.
- Local government agencies are defined in Public Contract Code Chapter 2, Section 10298 (a) (b) and 10299 (b); this includes the California State Universities (CSU) and University of California (UC) systems, K-12 schools and community colleges empowered to expend public funds for the acquisition of products While the State makes this contract available to local governmental agencies, each local governmental agency should determine whether this contract is consistent with its procurement policies and regulations.

- Local governmental agencies shall have the same rights and privileges as State departments under the terms of this contract. Any local governmental agencies desiring to participate shall be required to adhere to the same responsibilities as do State departments and have no authority to amend, modify or change any condition of the contract.

- A DGS issued billing code is not required for local governmental agencies to place orders against this contract.

C. Unless otherwise specified within this document, the term "ordering agencies" will refer to all State departments and/or local governmental agencies eligible to utilize this contract. Ordering and/or usage instructions exclusive to State departments or local governmental agencies shall be identified within each article.

3. DGS ADMINISTRATIVE FEES

A. State Departments

The DGS will bill each State department an administrative fee for use of this statewide contract. The administrative fee should NOT be included in the order total, nor remitted before an invoice is received from DGS.

Current fees are available online in the Price Book & Directory of Services (https://www.dgs.ca.gov/OFS/Price-Book) (go to Price Book Download and click on Purchasing under Procurement Division).

B. Local Governmental Agencies

For all local government agency transactions issued against the contract, the Contractor is required to remit the DGS-PD an Incentive Fee of an amount equal to 1.25 percent of the total purchase order amount excluding taxes and freight. This Incentive Fee shall not be included in the local governmental agency's purchase price, nor invoiced or charged to the local governmental agency. All prices quoted to local governmental agencies shall reflect State contract pricing, including any and all applicable discounts, and shall include no other add-on fees.

4. SB/DVBE OFF-RAMP PROVISION

There is no SB/DVBE off ramp associated with this contract.

5. EXEMPT PURCHASES

There are no exempt purchases associated with this contract.

6. PROBLEM RESOLUTION/SUPPLIER PERFORMANCE

Ordering agencies and/or Contractor shall inform the State Contract Administrator of any technical or contractual difficulties encountered during contract performance in a timely manner. This includes and is not limited to informal disputes, supplier performance,

outstanding deliveries, etc. The ordering agency should include all relevant information and/or documentation (e.g., purchase documents).

7. CONTRACT ITEMS

All line items are listed on Attachment A – Contract Pricing.

8. SPECIFICATIONS

All products listed on Attachment A, Contract Pricing, conform to Attachment B1, Specifications 2310-5644, dated 9/30/2021 and Attachment B2, Specifications 2310-5712, dated 9/30/2021.

9. CUSTOMER SERVICE

Contractor will provide office and personnel resources for responding to requests, including telephone coverage weekdays during the hours of 8:00 AM through 5:00 PM (PT).

Contact	Phone	Email
Customer Service Unit	(916) 351-4202	MarkPaoli@folsomlakeford.com

10. PRODUCT SUBSTITUTIONS

Product substitution shall be in accordance with the General Provisions (rev 06/08/10), Article 16 entitled “Substitutions”.

11. PROMOTIONAL PRICING

During special pricing promotions, the Contractor shall offer the ordering agency the promotional pricing or the discount percentage off list, whichever is lower.

The Contractor shall notify the State Contract Administrator of all promotional pricing changes. Notification shall include at a minimum:

- Promotion start and end dates
- Models, products, and services included in the promotion
- Promotional pricing

Promotional pricing shall not be cause for a permanent change in pricing. Promotional pricing shall not be cause for Contractor refresh.

Promotional items shall come with all benefits of the statewide contract terms and conditions and shall include all provisions such as warranty and delivery.

12. PURCHASE EXECUTION

A. State Departments

1) Std. 65 Purchase Documents

State departments not transacting in FI$CAL must use the Purchasing Authority Purchase Order (Std. 65) for purchase execution. An electronic version of the Std. 65 is available at the Office of State Publishing web site (https://www.dgsapps.dgs.ca.gov/osp/StatewideFormsWeb/Forms.aspx) (select STD Forms).

All Purchasing Authority Purchase Orders (Std. 65) must contain the following:

- Agency Order Number (Purchase Order Number)
- Ordering Agency Name
- Agency Billing Code
- Purchasing Authority Number
- Leveraged Procurement Number (Contract Number)
- Supplier Information (Contact Name, Address, Phone Number, Fax Number, E-mail)
- Line Item number
- Quantity
- Unit of Measure
- Commodity Code Number
- Product Description
- Unit Price
- Extension Price

2) FI$CAL Purchase Documents

State departments transacting in FI$CAL will follow the FI$CAL procurement and contracting procedures.

3) Blanket Orders

The use of blanket purchase orders against this statewide contract is not allowed.

B. Local Governmental Agencies

Local governmental agencies may use their own purchase document for purchase execution. The purchase documents must include the same data elements as listed above (Exception: Purchasing Authority Number and Billing Code which are used by State departments only).

13. MINIMUM ORDER

The minimum order shall be one (1) vehicle

14. ORDERING PROCEDURE

Ordering agencies are to submit appropriate purchase documents directly to the Contractor via one of the following ordering methods:

- U.S. Mail
- Facsimile
- Email

The Contractor's Order Placement Information is as follows:

ORDER PLACEMENT INFORMATION		
U.S. Mail: Folsom Lake Ford 12755 Folsom Blvd. Folsom, CA 95630	Facsimile: (916) 353-2078	Email: MarkPaoli@folsomlakeford.com

When using any of the ordering methods specified above, all State departments must conform to proper State procedures.

15. ORDER ACCEPTANCE

The Contractor shall accept orders from any ordering agency. The Contractor shall not accept purchase documents for this contract that:

- Are incomplete
- Contain non-contract items
- Contain non-contract terms and conditions

The Contractor must not refuse to accept orders from any ordering agency for any other reason without written authorization from the State Contract Administrator.

16. ORDER RECEIPT CONFIRMATION

The Contractor will provide ordering agencies with an email or facsimile order receipt confirmation within forty-eight (48) hours of receipt of purchase document. The Order Receipt Confirmation shall include the following information:

- Ordering agency name
- Agency order number (purchase order number)
- Purchase order total cost
- Anticipated delivery date

17. OUT OF STOCK REMEDY

Upon receipt of an order acknowledgment identifying out of stock items, the ordering agencies shall have the following options:

- Request a back order
- Cancel the item from the order with no penalty

The Contractor will provide notification to the ordering agencies regarding out-of-stock items which have been back ordered.

Under no circumstance is the Contractor permitted to make substitutions with non-contract items or unauthorized products.

18. DISCONTINUED ITEM REMEDY

Upon receipt of an order acknowledgment identifying discontinued items, the ordering agencies shall have the following options:

- Amend purchase document to reflect State-approved substitute item (per Article 10, Product Substitutions)
- Cancel the item from the order

Under no circumstance is the Contractor permitted to make substitutions with non-contract items or unauthorized products without approval from the State Contract Administrator.

19. DELIVERY SCHEDULES

Delivery for orders placed against this contract shall be in accordance with the following:

A. Pre-Delivery Checklist

Prior to delivery, each vehicle shall be completely inspected, serviced, and detailed by the delivering dealer and/or the manufacturer's pre-delivery service center. A copy of the pre-delivery checklist shall be completed for each vehicle, signed by a representative of the organization performing the inspection/service, and delivered with the vehicle.

B. Delivery Documents

The following documents shall be delivered to the receiving agency with the vehicle:

- Completed and signed pre-delivery service checklist, including the order number and Vehicle Identification Number (VIN)
- "Line Set Tickets" or "Window Sticker" showing all options installed
- One (1) copy of the vehicle warranty
- One (1) Owner's Manual
- Speed Calibration documentation for each vehicle

C. Locations

Deliveries are to be made (statewide) to the location specified on the individual purchase order, which may include, but not limited to inside garages and parking lots.

D. Schedule

Delivery made to any State department is to begin within ninety (90) days after receipt of order (ARO). State departments may limit delivery to a maximum of ten (10) units per working day.

Delivery to local agencies is to be completed in full within 150 days ARO.

Since receiving hours for each ordering agency will vary by facility, it will be the Contractor's responsibility to check with each facility for their specific delivery hours before delivery occurs. The Contractor must notify the ordering agency within twelve (12) hours of scheduled delivery time, if delivery cannot be made within the time frame specified on the Order Confirmation.

Contractor is requested to make deliveries in Los Angeles County, Orange County, San Bernardino Metropolitan Area, and San Diego Metropolitan Area during off-peak hours. Off-peak hours are Monday through Friday, 10:00 AM to 4:00 PM.

E. Security Requirements

Deliveries may be made to locations inside secure grounds that require prior clearances or special entry procedures for delivery drivers.

Security procedures may vary from facility to facility. The Contractor will be responsible for contacting the secure location for security procedures, hours of operation for deliveries and service, dress code, and other rules of delivery.

Deliveries that are delayed due to drivers not being cleared to enter secure grounds may be cause for contract default.

20. FREE ON BOARD (F.O.B.) DESTINATION

All prices offered shall be F.O.B. destination; freight prepaid by the Contractor, to the ordering agency's receiving point. Responsibility and liability for loss or damage for all orders shall remain with the Contractor until final inspection and acceptance, when all responsibility shall pass to the ordering agency, except the responsibility for latent defects, fraud, and the warranty obligations.

The Contractor will be required to deliver vehicles to State agencies or local agencies FOB Destination, Sacramento County. Additionally, delivery shall be FOB Destination to the California Highway Patrol (CHP), Fleet Operations, 3300 Reed Ave., West Sacramento, California 95605.

Vehicles shall be delivered from the factory to the Contractor's place of business. If the purchase order indicates delivery outside an FOB point, the Contractor and agency will negotiate for delivery beyond the FOB point. This delivery may be subject to an additional delivery charge by the resulting contractor(s). This charge shall be shown as a separate item on the purchase order and invoice.

State agencies requesting delivery outside the FOB area must contact the Transportation Management Unit for freight rate comparisons if the Contractor is delivering the vehicle. These delivery instructions will be provided on the purchase order. Contractors receiving a purchase order without specific transportation instructions must contact the ordering agency.

Caravan or drive-away method of delivery from the factory to a dealer is not acceptable.

The supplier shall insure that each vehicle reaches its delivery point with no less than five (5) gallons of fuel in the fuel tank.

Drop ship deliveries shall not be made without prior State inspection.

Vehicles delivered from a Contractor with more than 50 miles on the odometer will be charged 50 cents for each mile exceeding 50 miles. This charge shall be deducted from the order price for each vehicle delivered against each order. Vehicles delivered with more than 250 miles on the odometer will not be accepted.

21. SHIPPED ORDERS

All shipments shall be in accordance with the General Provisions, Article 12 entitled "Packing and Shipment".

22. PACKING SLIP

A packing slip will be included with each shipment, which will include at least the following information in no particular order:

- Agency order number (purchase order number)
- Ordering agency name
- Line item description
- Quantity ordered
- Quantity included in shipment
- Any back ordered or out of stock items and availability date of unfilled and partial shipment
- Number of parcels
- Destination
- All information contained on the packing label

23. PACKING LABEL

A packing label will also be included with each order shipped and include the following items, visible on the outside of the box:

- Ordering agency name
- Delivery address, unit, and/or floor
- Department and floor
- Ordering agency contact name
- Ordering agency telephone number

24. SAFETY DATA SHEET

The Contractor shall provide a Safety Data Sheet for product(s) subject to Title 8 of the California Code of Regulations, Section 5194, Hazard Communication. The Safety Data Sheet is to be prepared and delivered in accordance with this Section.

25. INSPECTION AND ACCEPTANCE

Vehicles ordered for State use will be inspected by a State Inspector at the Contractor's place of business. Inspection by local agencies will be at the Contractor's place of business or as otherwise agreed to by the dealer and local purchasing agency. Inspection will commence within five (5) State working days of notification that a vehicle is ready for inspection. Inspection will include: specification compliance, workmanship, appearance, proper operation of all equipment and systems, and that all documents are present. In the event deficiencies are detected, the vehicle will be rejected and the delivering Contractor will be required to make the necessary repairs, adjustments or replacements. Payment and/or the commencement of a discount period (if applicable) will not begin until the defects are corrected and the vehicle is re-inspected and accepted.

Completion of inspection or acceptance by the State Inspector shall in no way release the Contractor from satisfying the requirements of the contract, specifications, and warranty. Deviations from the specified requirements that are detected by the inspection shall be corrected by the Contractor in an expeditious manner at no expense to the owning agency.

Inspection by local agencies will be at the dealer's place of business or as otherwise agreed to by the dealer and local purchasing agency.

26. CONTRACT ADMINISTRATION

Both the State and the Contractor have assigned contract administrators as the single points of contact for problem resolution and related contract issues.

Administrator Information	DGS-PD	Folsom Lake Ford
Contact Name:	Rudolph Jimenez	Mark Paoli
Telephone:	(279) 946-8312	(916) 951-4202
Facsimile:	(916) 375-4613	(916) 353-2078
Email:	Rudolph.Jimenez@dgs.ca.gov	MarkPaoli@folsomlakeford.com
Address:	DGS/Procurement Division Attn: Rudolph Jimenez 707 Third Street, 2nd Floor, MS 201 West Sacramento, CA 95605	Folsom Lake Ford Attn: Mark Paoli 12755 Folsom Blvd. Folsom, CA 95630

27. RETURN POLICY

The Contractor will accept all products for return at no cost to the ordering agency within thiry (30) calendar days of delivery, and refund the customer in full.

Products returned should be in the packaging as delivered and include all documentation. Lost or damaged packaging materials and/or documentation shall be supplied by the Contractor. The Contractor shall not charge for these materials in excess of the Contractor's cost or the 10 percent restocking fee, whichever is lower. The Contractor shall provide the State Contract Administrator and/or ordering agency a copy of the Contractor's material cost, if requested, within ten (10) days of request.

All returns shall be picked up within seven (7) working days of notification. Notification is defined as notice in writing, by facsimile, or e-mail.

28. CREDIT POLICY

The Contractor shall offer a credit/refund for the following items:

- Items shipped in error
- Items that are returned within thirty (30) calendar days of delivery
- Defective or freight-damaged items

In all cases, the ordering agency shall have the option of taking an exchange or receiving a credit, or receiving a refund.

The Contractor will be responsible for the credit or replacement of all products, including those covered by manufacturer warranties. The Contractor cannot require the ordering agency to deal directly with the manufacturer.

29. RESTOCKING FEES

The Contractor will not impose a restocking fee on the ordering agency for the following situations:

- Items returned that were damaged upon receipt
- Incorrect items shipped
- Items that are returned within thirty (30) calendar days of delivery
- Items that are returned, but exchanged for other items within thirty (30) calendar days

Re-stocking fees for all other reasons shall be 10 percent of the value of the items to be re-stocked.

The packaging and documentation provisions in accordance with Article 27, Return Policy, shall apply to re-stocked items.

The Contractor will not be required to accept returns more than sixty (60) days after delivery. The ordering agency will be responsible for return transportation costs to the Contractor if so accepted after sixty (60) days after delivery.

30. INVOICING

Ordering agencies may require separate invoicing, as specified by each ordering agency. Invoices will contain the following information:

- Contractor's name, address and telephone number
- Leveraged Procurement Agreement Number (Contract Number)
- Agency order number (purchase order number)
- Item and commodity code number
- Quantity purchased
- Contract price and extension
- State sales and/or use tax
- Prompt payment discounts/cash discounts, if applicable
- Totals for each order

31. PAYMENT

A. Terms

Payment terms for this contract are net forty-five (45) days. Cash Discount of $500 per unit for payment within twenty (20) days. Payment will be made in accordance with the provisions of the California Prompt Payment Act, Government Code Section 927, et seq. Unless expressly exempted by statute, the Act requires State departments to pay properly submitted, undisputed invoices not more than forty-five (45) days after the date of acceptance of goods, performance of services, or receipt of an undisputed invoice, whichever is later.

B. CAL-Card Use

Use of the CAL-Card for payment of invoices is not allowed under this statewide contract.

C. State Financial Marketplace

State departments reserve the right to select the form of payment for all procurements, be it either an outright purchase with payment rendered directly by the State, or a financing/lease-purchase or operating lease via the State Financial Marketplace (GS $Mart and/or Lease $Mart). If payment is via the financial marketplace, the Contractor will invoice the State department and the State department will approve the invoice and the selected Lender/Lessor for all product listed on the State's procurement document will pay the Contractor on behalf of the State.

D. Payee Data Record

Each State department's accounting office must have a copy of the Contractor's Payee Data Record (Std. 204) in order to process payments. State departments should forward a copy of the Std. 204 to their accounting offices. Without the Std. 204, payment may be unnecessarily delayed. **State departments should contact the Contractor for copies of the Payee Data Record.**

32. CALIFORNIA SELLER'S PERMIT

The California seller permit number for the Contractor is listed below. Ordering Agencies can verify that permits are currently valid at the following website: www.cdtfa.ca.gov. State departments must adhere to the file documentation identified in the State Contracting Manual Volume 2.

Contractor Name	Seller Permit #
Folsom Lake Ford	26-797640

33. WARRANTY

The manufacturer's regular new vehicle warranty shall apply to all vehicles procured against the resulting contract.

The warranty shall be factory authorized and shall cover not less than 3 years/36,000-mile bumper to bumper, no charge parts and labor. All emission-related components shall be warranted in compliance with the California Air Recourses Board (CARB) and Federal requirements. Bids offering independent insurance or a statement indicating self-insurance will be deemed non-responsive and will be rejected.

This warranty shall be honored by all franchised dealers of the vehicle within the State of California. The State's established preventative maintenance procedures and practices shall be acceptable to the manufacturer/dealers in lieu of the manufacturer's prescribed

procedures, which may form a part of the warranty. All warranty certificates and/or cards shall be supplied with each vehicle delivered.

If an additional extended warranty is purchased, a warranty certificate, warranty card, or a statement indicating the extended warranty has been recorded with the manufacturer shall be furnished with each vehicle delivered.

Normal wear items such as tires, belts, hoses, headlamps, light bulbs, brake linings, brake discs/drums, etc. are excluded from warranty coverage. All other items not subject to normal wear or gross operator neglect and abuse, such as window, seat or wiper motors, chassis electrical switches (door, trunk lid), paint, hinges, locks, etc., shall be covered.

The State reserves the right to use re-refined lubrication oils, where available, in lieu of the virgin equivalent oils. The re-refined oils used by the State will meet all API and SAE standards and specifications as set forth by the vehicle manufacturer. The use of said oils shall in no way void or degrade the original manufacturer's minimum 3-year/36,000-mile warranty.

The State reserves the right to use recycled content antifreeze/coolant, where available, in lieu of virgin equivalent antifreeze/coolant, in servicing its vehicles. The recycled antifreeze/coolant used by the State will meet all ASTM standards and specifications as set forth by the vehicle manufacturer. The use of said recycled antifreeze/coolant shall in no way void or degrade the original manufacturer's minimum 3-year/ 36,000-mile warranty.

"Manufacturer's Warranty Policy and Procedures Manual" shall be made available upon customer request. The solicitation shall also require each awarded Bidder to designate by name, a responsible contact and alternate assigned for the duration of the contract, who will resolve State warranty-related claims on a priority basis.

Note: Vehicles not placed in service immediately upon receipt shall be warranted from the date the unit is placed in service. The receiving agency shall notify the dealer in writing of the actual "in-service" date.

34. WARRANTY REPAIR PARTS

It shall be the responsibility of the Contractor to maintain an adequate stock of all regular and special parts to meet the continuing service and warranty repair parts needs of the State without undue delay. A special system shall be set up for expediting the procurement of back order items needed to repair an inoperative vehicle including a system to air freight parts at the Contractor's expense when parts are not in stock in California parts depots. Warranty replacement parts shall be available within three (3) working days after telephone notification.

35. RECYCLED CONTENT

There is no recycled content associated with this contract.

36. SB/DVBE PARTICIPATION

There is no Small Business (SB) or Disabled Veteran Business Enterprise (DVBE) participation for this contract.

37. VETTED FORMS/CERTIFICATION

The DGS-PD, as the awarding department, has assessed the Contractor and subcontractor forms, certifications, and compliance to performing a commercially useful function (CUF) during the solicitation evaluation process. Consequently, when executing purchase documents pursuant to this contract, it is not necessary for State departments operating under statewide contract purchasing authority to conduct a CUF evaluation or request the completion of the following required certifications and forms:

- GenAI Disclosure & Factsheet (STD 1000)
- Bidder Declaration Form (GSPD 05-105)
- DVBE Declaration Form (DGS-PD 843)
- Darfur Contracting Act Form
- California Civil Rights Certification Form
- Iran Contracting Act Certification
- Russian Sanctions Agreement
- Federal Debarment

38. GENERATIVE ARTIFICIAL INTELLIGENCE (GENAI) PROCUREMENT PROCEDURES

Contractor does not intend to utilize GenAI as a deliverable. If GenAI is disclosed by the Contractor, state departments must follow the required GenAI purchase procedures outlined in SCM Vol.2, Chapter 23, Generative Artificial Intelligence.

39. ATTACHMENTS

Attachment A – Contract Pricing, Supplement 5*
Attachment B1 – Specifications 2310-5644, dated 9/30/2021
Attachment B2 – Specifications 2310-5712, dated 9/30/2021

Document Summary

Detail Type	Detail
Event ID	0000020265
Commodity	MIDSIZE UTILITY VEHICLE, LAW ENFORCEMENT HIGH SPEED VEHICLE POLICE PURSUIT
Attachment (Exhibit)	Attachment B1
Group-Class	23-10
Bid Specification	2310-5644
Revision Level	Original
Revision Date	September 30, 2021
Agency Name	Statewide

Revision History

Bid Spec	Rev Level	Revision Date	Author	Summary of Changes
2310-4264	Original	April 12, 2018	MADUELL, R	First Bid Development
2310-5644	Original	Sept 30, 2021	Lai, Y	Bid Development

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1.0 SCOPE

This specification describes the State of California minimum requirements for an **all or rear wheel drive** midsize utility vehicle (UV) to be used in high-speed highway traffic and general law enforcement work. The vehicle will at times be operated at speeds in excess of 100 miles per hour for both short and long durations. It will be driven on all types of roads, and road surfaces and at altitudes ranging from approximately 200 feet below sea level to 10,000 feet above sea level. Ambient temperatures to which the vehicle will be exposed will range from approximately 0°F to 120°F.

The manufacturer shall use components, materials and design practices that are the best available in the industry for the type of operational conditions to which the vehicles will be subjected. Engine, transmission, driveline, differential, brake, suspension, wheel, tire and other component parts of the vehicle shall be selected to give maximum performance, service life, as well as safety and not merely meet the minimum requirements of this specification. Where necessary, the component parts shall exceed the usual quantity, quality, or capacity generally supplied with standard production vehicles in order to withstand the unusual strain, exposure, temperature, wear and use required for a police application.

2.0 APPLICABLE LAWS and INDUSTRY STANDARDS

Specifications, standards and codes referenced in this document in effect on the opening of the 'Invitation for Bid', form a part of this specification.

2.1 LAWS and REGULATIONS

2.1.1 Applicable California Vehicle Code (CVC).

2.1.2 Code of Federal Regulations, Title 49, "Federal Motor Vehicle Safety Standard" (FMVSS)

2.1.3 California Code of Regulations, Title 13, "Motor Vehicles" rules and regulations (except emissions regulations)

2.1.4 Federal and State rules, regulations, and safety standards applicable to the vehicle type in effect on the date of the opening of the invitation for bid.

2.1.5 Vehicles shall meet 50 State emissions requirements that allow the resale of these vehicles to the general public as originally equipped upon emergency vehicle "service life" completion

2.2 INDUSTRY STANDARDS

2.2.1 Society of Automotive Engineers (SAE) J 1100, "Motor Vehicle Dimensions" and other applicable SAE standards.

3.0 TECHNICAL REQUIREMENTS

All vehicles offered in compliance with these specifications shall be the manufacturer's "Police Pursuit" rated midsize UV model and shall be suitable for high-speed pursuit and emergency driving. All vehicles shall meet the following minimum specifications:

3.1 GENERAL REQUIREMENTS

3.1.1 Each vehicle shall be new (unused), current model year production. Each vehicle shall be supplied with all equipment and accessories indicated as standard equipment in the manufacturer's published literature unless specifically deleted as stated in this specification. Optional equipment necessary to meet the requirements of this specification shall also be installed.

3.2 ENGINE

3.2.1 The engine shall be a manufacturer's **"Police Package"** configuration and shall have a displacement, to be determined by the manufacturer, sufficient so that all performance requirements described in Section 1.0, Scope and Section 3.25, Performance Requirements are achieved.

3.2.2 The engine shall be designed to operate knock free at all engine and vehicle speeds on unleaded fuel with a minimum octane rating of 87 [(RM + MM) ÷ 2].

3.3 ENGINE OIL COOLER

3.3.1 An auxiliary engine oil cooler shall be installed if required to maintain oil operating temperatures ≤ 300°F, under operating conditions described in the Section 1.0 of this specification.

3.4 FUEL SUPPLY SYSTEM

3.4.1 The fuel supply system shall be of such a design to eliminate vapor lock when the engine is operating in high ambient temperatures or during periods of extended idling.

3.5 FUEL TANK

3.5.1 The fuel tank furnished shall be the largest capacity available.

3.6 COOLING SYSTEM

3.6.1 The cooling system shall be liquid pressurized, forced circulation type. The manufacturer shall provide the heaviest duty cooling system components and recovery system applicable to the model offered. The cooling system design and capacity shall maintain the engine at optimum temperature, under all operating conditions specified, without any loss of coolant or overheating of engine or components. The cooling system shall be free of contaminants that may affect cooling system component longevity and performance. Optimum engine temperature shall be maintained with the vehicle loaded to the vehicle manufacturer's published maximum gross vehicle weight rating (GVWR) and continually operated in all operating environments described within the scope of this specification.

3.7 ELECTRICAL SYSTEM

3.7.1 The electrical system shall be 12-volt negative ground. All wiring shall include weather-proof connectors.

3.7.2 The vehicle battery shall be the optional heaviest duty type available, compatible with the vehicle charging system and intended for police service. The vehicle battery shall have a minimum of 700 cold cranking amps, with a manufacturing date not exceeding six (6) months prior to vehicle delivery. Vehicles will not be accepted with batteries exhibiting less than 90 percent of full charge at time of delivery.

3.7.3 The generator/alternator shall be the highest capacity optional generator/alternator listed in the manufacturer's current police package brochure applicable to the vehicle bid. It shall have a minimum 200-amp output.

3.8 TRANSMISSION

3.8.1 The transmission shall be fully automatic transmission equipped with auxiliary transmission fluid coolers, if necessary, to maintain oil operating temperatures not to exceed 275°F, maximum. Console or floor mounted shifters are acceptable but must be capable of allowing the installation of California Highway Patrol (CHP) radio and equipment.

3.9 BRAKES

3.9.1 The brakes shall be power assisted and feature an anti-lock brake system (ABS). All four wheels shall be equipped with disc brakes. Friction material shall be designed for police applications.

3.10 WHEELS AND TIRES

3.10.1 Each vehicle shall be supplied with five (5) matching wheels and tires. One (1) of the five (5) shall be a matching full-size wheel and spare tire. A space saver type spare tire is not acceptable. The wheels shall have a safety ridge rolled into the rim or otherwise designed to prevent the tire from separating from the wheel in the event of a flat. Wheels shall be steel construction, designed for police applications. Lug nuts shall be covered with a center cap. Manufacturer's standard Tire Pressure Monitoring System shall be supplied. If a tire pressure activation tool is needed to reset the light on the tire pressure monitoring system, one tool shall be provided for each vehicle as part of this requirement.

3.10.2 The vehicle manufacturer shall test and certify tires as acceptable for original equipment and replacement installation on the police package vehicle specified in this invitation for bid.

3.10.3 Any wheel weights used shall be "non-lead" type.

3.11 SUSPENSION

3.11.1 The front and rear suspension including shock absorbers shall be designed for police work. Front and rear stabilizer bars are required.

3.12 DIFFERENTIAL

3.12.1 The differential shall be the conventional type, ring and pinion gears, with a ratio designed to give the best overall performance for the transmission and tire size installed on the vehicle. The gear ratio shall be the same on all vehicles.

3.13 RADIO SUPPRESSION

3.13.1 The vehicle shall not cause the radio system to be affected by any electromagnetic interference (EMI) or radio frequency interference (RFI) including but not limited to the following radio frequencies currently in use by CHP vehicles:

a) Low Band: 39 - 46 MHz Transmit and Receive.

b) Repeaters: 153 -155 MHz Transmit and Receive.

c) Radio, UHF 440 - 490 MHz Transmit and Receive.

d) Allied Radio 806 - 870 MHz Transmit and Receive.

e) Allied Radio 581 - 866 MHz Transmit and Receive.

f) Allied Radio 159 - 173 MHz Transmit and Receive.

g) Allied Radio 150 - 174 MHz Transmit and Receive.

h) Radio / Repeater 764 - 806 MHz Transmit and Receive.

i) Canines 26 - 28 MHz Receive.

j) Canines 303.9 MHz Receive.

k) Computers: 896-901 MHz Transmit, 935-940 MHz Receive.

l) Canines: 303.875 MHz Receive.

3.13.2 The vehicle should not cause the radio system more than one (1) dB of radio degradation at the antenna whether it be radiated or conducted radio frequency interference (RFI), or electromagnetic interference (EMI). If the vehicle causes the radio system any two or all three types of interference, the total combined allowable receiver degradation is 1 dB at all CHP frequencies. See Exhibit 2 for radio degradation testing details.

3.14 BODY

3.14.1 The body shall be a four door, midsize SUV with center post. Protective side molding shall not be installed on the vehicle. This is to permit installation of an Agency insignia (33” long by 20” high) without trim interference.

3.14.2 The wheel wells shall be constructed so that OEM approved tire chains or cables may be installed in a conventional manner, without clearance problems and without causing body or structural damage to the vehicle.

3.15 EXTERIOR COLOR

3.15.1 The body shall be painted manufacturer’s gloss black. The roof panel and lower portion of both front doors below the window belt line shall be painted manufacturer’s gloss bright white. After-factory applied paint to accomplish the white portion of the two-tone paint scheme is acceptable if factory applied black and white two-tone paint configuration is unavailable from the manufacturer.

3.16 INTERIOR/SEAT UPHOLSTERY

3.16.1 Front seats shall be bucket type accommodating the installation of a center console by the end user. A 60/40 split bench/bucket type seat is not acceptable. The driver’s seat shall be power adjustable and shall be designed for maximum comfort, support and durability. **The front and rear seats shall be the manufacturer’s standard cloth upholstery (A vinyl rear set is acceptable provided the manufacturer warranties the vinyl seat material against sun and heat damage for not less than three (3) years).**

3.17 SPEEDOMETER

3.17.1 The vehicle described in this specification will be used in law enforcement and speedometer accuracy is essential. The speedometer shall be calibrated and be accurate within two (2) miles per hour at speeds from 15 to 100 miles per hour of the true vehicle speed, within the environmental operating conditions specified in Section 1.0 Scope. A digital only speedometer is preferred and shall be installed if offered. If equipped with an analog speedometer, the dial face shall be marked up to a minimum of 140 miles per hour and the face markings shall be in increments no greater than two (2) miles per hour. The design of the speedometer, whether analog or digital, shall be such to ensure accuracy throughout the life of the vehicle. A letter of certification of accuracy shall be provided with each unit and shall be applicable to both digital and analog displays. The bidder shall specify the size of tires for which the speedometer is certified.

3.18 PAYLOAD

3.18.1 The vehicle shall have a minimum payload of 1500 lbs when configured in the standard Police Pursuit rated version.

3.19 RADIO

3.19.1 Vehicle shall be factory equipped with the factory base radio and at least two (2) front mounted radio speakers and two (2) rear mounted radio speakers.

3.20 SPOTLIGHTS

3.20.1 Factory installed A-Pillar incandescent spotlights with 2 wire handles, one spotlight on each A-Pillar. Shall be a glass sealed beam incandescent bulb H-7635. The two wire handles shall have one black and one red color wire each 48 inches in length and non-terminated. If factory is unable to install the spotlights, factory shall prepare the vehicle structure ready for spotlight installation (i.e. manufacturer shall at a minimum install spotlight brackets and drill A-pillar through-holes) and send the spotlight assemblies to CHP for installation.

3.21 HOOD-LATCH RELEASE

3.21.1 The hood latch release shall be mounted inside the front passenger compartment so that the hood cannot be readily opened from outside the vehicle. The release shall be readily accessible to the seated driver.

3.22 FLOOR COVERING

3.22.1 The floor covering of the front and rear floor shall be standard rubber, vinyl or carpet. The color shall be keyed to the upholstery color. OEM floor mats shall be included for carpeted vehicles.

3.23 INTERIOR AREA

3.23.1 The Vehicle shall be equipped with 1st and 2nd row seats only and shall have a seating capacity of minimum 5.

3.24 CONTROLLER AREA NETWORK (CAN) SYSTEM

3.24.1 At a minimum, the vehicle shall make available in usable format the following vehicle signals via the vehicle's CAN for use by the CHP's emergency vehicle equipment (Whelen CenCom Core ® or similar): engine running, vehicle speed, brake-service (indicator of brake pedal being applied), doors (open/closed state of all doors and hatch), turn signal (right, left), transmission selector position (park, reverse, neutral, drive), and key position (off, accessory, run, crank).

3.25 MISCELLANEOUS EQUIPMENT

3.25.1 The vehicle shall be equipped with the following miscellaneous equipment:

a) Backup camera with display.

b) Reverse sensing.

c) Heated driver and passenger mirrors.

d) Tilt steering wheel.

e) Fresh air type heater and defroster. Refrigeration air conditioning of a size and type recommended and installed by the manufacturer of the vehicle.

f) Intermittent windshield wiper system.

g) Fuel level and water temperature indicator gauges.

h) 12-volt DC power outlet in front compartment.

i) Ballistic Door Panels (left front and right front doors), threat level 3+ or better. (Door Panels shall meet and pass National Institute of Justice Certification level III plus test standards. Testing certification shall be provided upon request).

j) Cruise control.

k) Dual electric horns or dual note horn.

l) Headlight wigwag capability.

m) Map/dome/courtesy light(s) which provide the following functions:

- When vehicle front doors are opened, none of the interior map/dome/courtesy light(s) shall illuminate automatically.
- At least one map/dome/courtesy light (at both front and second row) that shall be manually operated to illuminate the seating areas.

n) Quick release style driver's side inside door handle to allow the driver's door to be unlocked by pulling on the inside handle.

o) Driver and front passenger front impact air bag.

p) Driver and front passenger side impact air bag.

q) All four (4) doors shall contain power locking and unlocking mechanisms controlled by switches located on the driver's side door control panel.

r) All four windows shall be power actuated and controlled from the driver's side door control panel with a lockout feature to prevent other windows from being operated when locked out by the driver.

s) Rear window defogger/defroster on a separate switch.

t) The vehicle shall use the same single key or fob for ignition, door, rear, and glove box (if vehicle includes). A set of four (4) total keys or fobs shall be supplied for each vehicle. Each vehicle shall be keyed individually.

u) Arm rests on each of the four (4) doors (arm rests in rear passenger compartment may be mounted on other than the door if vehicle is so designed).

v) Left and right remote control outside mirrors. Similar in appearance and mounted on left and right front doors. Both mirrors shall be controllable from the driver's seat.

w) Windshield and all windows shall feature tinted glass.

x) Light in rear cargo area with rear cargo door actuated switch.

y) Standard tool kit including wheel changing tools and jack adequate to safely lift the vehicle.

3.26 PERFORMANCE REQUIREMENTS: See Exhibit 1 for testing methodology

3.26.1 All vehicles shall meet the following **Top Speed and Acceleration** requirements:

a) 0 to 60 miles per hour in 9.0 seconds or less.

b) 0 to 100 miles per hour in 23.0 seconds or less.

c) 50 to 100 miles per hour in 18.0 seconds or less.

d) Attain a top speed of not less than 130 miles per hour within a distance of two (2) miles.

e) 0 to 60 miles per hour in 11.0 seconds or less at approximately 5,500-6,000 feet of elevation.

3.26.2 All vehicles shall be tested for the following **Vehicle Dynamics**:

a) Steering – Response, Road Feel.

b) Suspension – Roll Resistance, Front-end Dive, Rear-end Squat.

c) Handling – High-speed Curves, Medium-speed Curves, Tight Cornering, Predictability.

3.26.3 All vehicles shall meet the following **Braking** requirements/tests:

a) **ABS Braking**:

- Full ABS stop from 90 MPH. Stopping distance shall not to exceed 325 feet.
- Vehicle stops in a straight line, within its own lane and without evidence of brake fade or excessive pedal travel.

b) **Pursuit Course Testing**:

- No evidence of excessive brake pedal travel or brake fade.
- Braking system provided acceptable stopping power.
- No steering pull or wheel lock-up.
- No flame occurring within the test.

Document Summary

Detail Type	Detail
Event ID	0000020265
Commodity	MIDSIZE HYBRID ELECTRIC VEHICLE (HEV) OR PLUG-IN HYBRID ELECTRIC VEHICLE (PHEV), LAW ENFORCEMENT HIGH SPEED VEHICLE POLICE PURSUIT
Attachment (Exhibit)	Attachment B2
Group-Class	23-10
Bid Specification	2310-5712
Revision Level	Original
Revision Date	September 30, 2021
Agency Name	Statewide

Revision History

Bid Spec	Rev Level	Revision Date	Author	Summary of Changes
2310-5712	Original	Sept 30, 2021	Lai, Y	First Bid Development

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1.0 SCOPE

This specification describes the State of California minimum requirements for an **all- or rear-wheel drive** midsize Hybrid Electric Vehicle (HEV) or Plug-in Hybrid Electric Vehicle (PHEV) to be used in high-speed highway traffic and general law enforcement work. The vehicle will at times be operated at speeds in excess of 100 miles per hour for both short and long durations. It will be driven on all types of roads, and road surfaces and at altitudes ranging from approximately 200 feet below sea level to 10,000 feet above sea level. Ambient temperatures to which the vehicle will be exposed will range from approximately 0°F to 120°F.

The manufacturer shall use components, materials and design practices that are the best available in the industry for the type of operational conditions to which the vehicles will be subjected. Engine, transmission, driveline, differential, brake, suspension, wheel, tire and other component parts of the vehicle shall be selected to give maximum performance, service life, as well as safety and not merely meet the minimum requirements of this specification. Where necessary, the component parts shall exceed the usual quantity, quality, or capacity generally supplied with standard production vehicles in order to withstand the unusual strain, exposure, temperature, wear and use required for a police application.

2.0 APPLICABLE LAWS and INDUSTRY STANDARDS

Specifications, standards and codes referenced in this document in effect on the opening of the 'Invitation for Bid', form a part of this specification.

2.1 LAWS and REGULATIONS

2.1.1 Applicable California Vehicle Code (CVC).

2.1.2 Code of Federal Regulations, Title 49, "Federal Motor Vehicle Safety Standard" (FMVSS)

2.1.3 California Code of Regulations, Title 13, "Motor Vehicles" rules and regulations (except emissions regulations)

2.1.4 Federal and State rules, regulations, and safety standards applicable to the vehicle type in effect on the date of the opening of the invitation for bid.

2.1.5 Vehicles shall meet 50 State emissions requirements that allow the resale of these vehicles to the general public as originally equipped upon emergency vehicle "service life" completion

2.2 INDUSTRY STANDARDS

2.2.1 Society of Automotive Engineers (SAE) J 1100, "Motor Vehicle Dimensions" and other applicable SAE standards.

2.2.2 STATE OF MICHIGAN Department of State Police and Department of Technology, Management and Budget, Police Vehicle Evaluation Program.

3.0 TECHNICAL REQUIREMENTS

All vehicles offered in compliance with these specifications shall be the manufacturer's "Police Pursuit" rated midsize HEV or PHEV utility model and shall be suitable for high-speed pursuit and emergency driving. All vehicles shall meet the following minimum specifications:

3.1 GENERAL REQUIREMENTS

3.1.1 Each vehicle shall be new (unused), current model year production. Each vehicle shall be supplied with all equipment and accessories indicated as standard equipment in the manufacturer's published literature unless specifically deleted as stated in this specification. Optional equipment necessary to meet the requirements of this specification shall also be installed.

3.2 ENGINE

3.2.1 The engine shall be a manufacturer's **"Police Package"** configuration and shall have a displacement, to be determined by the manufacturer, sufficient so that all performance requirements described in Section 1.0, Scope and Section 3.25, Performance Requirements are achieved.

3.2.2 The engine shall be designed to operate knock free at all engine and vehicle speeds on unleaded fuel with a minimum octane rating of 87 [(RM + MM) ÷ 2].

3.3 ENGINE OIL COOLER

3.3.1 An auxiliary engine oil cooler shall be installed if required to maintain oil operating temperatures ≤ 300°F, under operating conditions described in the Section 1.0 of this specification.

3.4 FUEL SUPPLY SYSTEM

3.4.1 The fuel supply system shall be of such a design to eliminate vapor lock when the engine is operating in high ambient temperatures or during periods of extended idling.

3.5 BATTERY SYSTEM

3.5.1 The battery pack shall be optimized for best performance of the vehicle.

3.5.2 The heating and cooling system shall keep the components operating at optimum temperature under operating conditions specified within the scope of this specification.

3.6 FUEL TANK

3.6.1 The fuel tank furnished shall be the largest capacity available.

3.7 COOLING SYSTEM

3.7.1 The cooling system shall be liquid pressurized, forced circulation type. The manufacturer shall provide the heaviest duty cooling system components and recovery system applicable to the model offered. The cooling system design and capacity shall maintain the engine at optimum temperature, under all operating conditions specified, without any loss of coolant or overheating of engine or components. The cooling system shall be free of contaminants that may affect cooling system component longevity and performance. Optimum engine temperature shall be maintained with the vehicle loaded to the vehicle manufacturer's published maximum gross vehicle weight rating (GVWR) and continually operated in all operating environments described within the scope of this specification.

3.8 ELECTRICAL SYSTEM

3.8.1 The electrical system shall be 12-volt negative ground. All wiring shall include weather-proof connectors.

3.8.2 The vehicle battery shall be the optional heaviest duty type available, compatible with the vehicle charging system and intended for police service. The vehicle battery shall have a minimum of 800 cold cranking amps, with a manufacturing date not exceeding six (6) months prior to vehicle delivery. Vehicles will not be accepted with batteries exhibiting less than 90 percent of full charge at time of delivery.

3.8.3 The generator/alternator shall be the highest capacity optional generator/alternator listed in the manufacturer's current police package brochure applicable to the vehicle bid. It shall have a minimum 200-amp output.

3.9 TRANSMISSION

3.9.1 The transmission shall be fully automatic transmission equipped with auxiliary transmission fluid coolers, if necessary, to maintain oil operating temperatures not to exceed 275°F, maximum. Console or floor mounted shifters are acceptable but must be capable of allowing the installation of radio and equipment.

3.10 BRAKES SYSTEM

3.10.1 The brakes shall be power assisted regenerative braking and feature an anti-lock brake system (ABS). All four wheels shall be equipped with disc brakes. Friction material shall be designed for police applications.

3.11 WHEELS AND TIRES

3.11.1 Each vehicle shall be supplied with five (5) matching wheels and tires. One (1) of the five (5) shall be a matching full-size wheel and spare tire. A space

saver type spare tire is not acceptable. The wheels shall have a safety ridge rolled into the rim or otherwise designed to prevent the tire from separating from the wheel in the event of a flat. Wheels shall be designed for police applications. Lug nuts shall be covered with a center cap. Manufacturer's standard Tire Pressure Monitoring System shall be supplied. If a tire pressure activation tool is needed to reset the light on the tire pressure monitoring system, one tool shall be provided for each vehicle as part of this requirement.

3.11.2 The vehicle manufacturer shall test and certify tires as acceptable for original equipment and replacement installation on the police package vehicle specified in this invitation for bid.

3.11.3 Any wheel weights used shall be "non-lead" type.

3.12 SUSPENSION

3.12.1 The front and rear suspension including shock absorbers shall be designed for police work. Front and rear stabilizer bars are required.

3.13 DRIVE SYSTEM

3.13.1 The drive system shall be designed to give the best overall performance for the transmission and tire size installed on vehicle.

3.14 RADIO SUPPRESSION

3.14.1 No standardize radio suppression requirements. Successful bidder shall work with the Agencies that have specific radio suppression requirements post award.

3.15 BODY

3.15.1 The body shall be a four door, utility vehicle with center post. Protective side molding shall not be installed on the vehicle. This is to permit installation of an Agency insignia (33" long by 20" high) without trim interference.

3.15.2 The wheel wells shall be constructed so that OEM approved tire chains or cables may be installed in a conventional manner, without clearance problems and without causing body or structural damage to the vehicle.

3.16 EXTERIOR COLOR

3.16.1 The body shall be painted manufacturer's gloss black. The roof panel and lower portion of both front doors below the window belt line shall be painted manufacturer's gloss bright white. After-factory applied paint to accomplish the white portion of the two-tone paint scheme is acceptable if factory

applied black and white two-tone paint configuration is unavailable from the manufacturer.

3.17 INTERIOR/SEAT UPHOLSTERY

3.17.1 Front seats shall be bucket type accommodating the installation of a center console by the end user. A 60/40 split bench/bucket type seat is not acceptable. The driver's seat shall be power adjustable and shall be designed for maximum comfort, support and durability. **The front and rear seats shall be the manufacturer's standard cloth upholstery (A vinyl rear set is acceptable provided the manufacturer warranties the vinyl seat material against sun and heat damage for not less than three (3) years).**

3.18 SPEEDOMETER

3.18.1 The vehicle described in this specification will be used in law enforcement and speedometer accuracy is essential. The speedometer shall be calibrated and be accurate within two (2) miles per hour at speeds from 15 to 100 miles per hour of the true vehicle speed, within the environmental operating conditions specified in Section 1.0 Scope. A digital only speedometer is preferred and shall be installed if offered. If equipped with an analog speedometer, the dial face shall be marked up to a minimum of 140 miles per hour and the face markings shall be in increments no greater than two (2) miles per hour. The design of the speedometer, whether analog or digital, shall be such to ensure accuracy throughout the life of the vehicle. A letter of certification of accuracy shall be provided with each unit and shall be applicable to both digital and analog displays. The bidder shall specify the size of tires for which the speedometer is certified.

3.19 PAYLOAD

3.19.1 The vehicle shall have a minimum payload of 1500 lbs when configured in the standard Police Pursuit rated version.

3.20 RADIO

3.20.1 Vehicle shall be factory equipped with the factory base radio and radio speaker(s).

3.21 SPOTLIGHTS

3.21.1 Factory installed A-Pillar incandescent spotlights with 2 wire handles, one spotlight on each A-Pillar. Shall be a glass sealed beam incandescent bulb H-7635. The two wire handles shall have one black and one red color wire each 48 inches in length and non-terminated. If factory is unable to install the spotlights, factory shall prepare the vehicle structure ready for spotlight installation (i.e. manufacturer shall at a minimum install spotlight brackets

and drill A-pillar through-holes) and send the spotlight assemblies to agency for installation.

3.22 HOOD-LATCH RELEASE

3.22.1 The hood latch release shall be mounted inside the front passenger compartment so that the hood cannot be readily opened from outside the vehicle. The release shall be readily accessible to the seated driver.

3.23 FLOOR COVERING

3.23.1 The floor covering of the front and rear floor shall be standard rubber, vinyl or carpet. The color shall be keyed to the upholstery color. OEM floor mats shall be included for carpeted vehicles.

3.24 INTERIOR AREA

3.24.1 The Vehicle shall be equipped with 1st and 2nd row seats only and shall have a seating capacity of minimum 5.

3.25 CONTROLLER AREA NETWORK (CAN) SYSTEM

3.25.1 At a minimum, the vehicle shall make available in usable format the following vehicle signals via the vehicle's CAN for use by the agency's emergency vehicle equipment (Whelen CenCom Core ® or similar): engine running, vehicle speed, brake-service (indicator of brake pedal being applied), doors (open/closed state of all doors and hatch), turn signal (right, left), transmission selector position (park, reverse, neutral, drive), and key position (off, accessory, run, crank).

3.26 MISCELLANEOUS EQUIPMENT

3.26.1 The vehicle shall be equipped with the following miscellaneous equipment:

a) Backup camera with display.

b) Reverse sensing.

c) Heated driver and passenger mirrors.

d) Tilt steering wheel.

e) Fresh air type heater and defroster. Refrigeration air conditioning of a size and type recommended and installed by the manufacturer of the vehicle.

f) Intermittent windshield wiper system.

g) Fuel level and water temperature indicator gauges.

h) 12-volt DC power outlet in front compartment.

i) Ballistic Door Panels (left front and right front doors), threat level 3+ or better (Door Panels shall meet and pass National Institute of Justice Certification level III plus test standards. Testing certification shall be provided upon request).

j) Cruise control.

k) Dual electric horns or dual note horn.

l) Headlight wigwag capability.

m) Map/dome/courtesy light(s) which provide the following functions:

- When vehicle front doors are opened, none of the interior map/dome/courtesy light(s) shall illuminate automatically.
- At least one map/dome/courtesy light (at both front and second row) that shall be manually operated to illuminate the seating areas.

n) Quick release style driver's side inside door handle to allow the driver's door to be unlocked by pulling on the inside handle.

o) Driver and front passenger front impact air bag.

p) Driver and front passenger side impact air bag.

q) All four (4) doors shall contain power locking and unlocking mechanisms controlled by switches located on the driver's side door control panel.

r) All four windows shall be power actuated and controlled from the driver's side door control panel with a lockout feature to prevent other windows from being operated when locked out by the driver.

s) Rear window defogger/defroster on a separate switch.

t) The vehicle shall use the same single key or fob for ignition, door, rear and glove box (if vehicle includes). A set of four (4) total keys or fobs shall be supplied for each vehicle. Each vehicle shall be keyed individually.

u) Arm rests on each of the four (4) doors (arm rests in rear passenger compartment may be mounted on other than the door if vehicle is so designed).

v) Left and right remote control outside mirrors. Similar in appearance and mounted on left and right front doors. Both mirrors shall be controllable from the driver's seat.

w) Windshield and all windows shall feature tinted glass.

x) Light in rear cargo area with rear cargo door actuated switch.

y) Standard tool kit including wheel changing tools and jack adequate to safely lift the vehicle.

3.27 PERFORMANCE REQUIREMENTS

3.27.1 All vehicles must pass the tests in the latest version of the STATE OF MICHIGAN Department of State Police and Department of Technology, Management and Budget, Police Vehicle Evaluation Program (see Exhibit 3 for testing methodology).

3.27.2 All vehicles shall meet the following **Top Speed and Acceleration** requirements:

a) 0 to 60 miles per hour in 9.0 seconds or less.

b) 0 to 80 miles per hour in 15.0 seconds or less.

c) 0 to 100 miles per hour in 23.0 seconds or less.

d) Attain a top speed of not less than 130 miles per hour within a distance of two (2) miles.

3.27.3 All vehicles shall be tested for the following **Vehicle Dynamics**:

a) Steering – Response, Road Feel.

b) Suspension – Roll Resistance, Front-end Dive, Rear-end Squat.

c) Handling – High-speed Curves, Medium-speed Curves, Tight Cornering, Predictability.

3.27.4 All vehicles shall meet the following **Braking** requirements/tests:

a) **ABS Braking**:

- Full ABS stop from 60 MPH. Stoping distance shall not exceed 140 feet.

- Vehicle stops in a straight line, within its own lane and without evidence of brake fade or excessive pedal travel.

b) **Pursuit Course Testing**:

- No evidence of excessive brake pedal travel or brake fade.
- Braking system provided acceptable stopping power.
- No steering pull or wheel lock-up.
- No flame occurring within the test.

Statewide Contract 1-22-23-14C Enforcement Vehicles, Police Pursuit

Attachment A - Contract Pricing, Supplement 5

Contractor: Folsom Lake Ford

Non-core discount = 0% off catalog list price. To access a complete list of contract Non-Core catalog pricing contact Folsom Lake Ford

CORE ITEMS

Contact Line Item # (CLIN)	Commodity Description	Manufacturer (OEM)	Model	SKU # / Item #	Unit of Measure	Quantity in Unit of Measure	Contract Price
C1	**Law Enforcement Mid-size Utility Vehicle with Police Package** in accordance with specification #2310-5644 dated 9/30/2021.	Ford	Explorer	K8A	Each	1	*CURRENTLY UNAVAILABLE*
C2	**Law Enforcement HEV Police Pursuit/Interceptor** in accordance with specification #2310-5712 dated 9/30/2021	Ford	Explorer	K8A	Each	1	*CURRENTLY UNAVAILABLE*
C3	5yr. / 100,000 mi. - Extended Powertrain Warranty Utility Vehicle	Ford	N/A	N/A	Each	1	$ -
C4	OPTIONAL BADGE DELETE: Manufacturer's nameplate(s) / badge(s) shall be removed from the vehicle on both front doors below the window belt molding and on the tailgate. "After-factory" dealer nameplate / badge removal is acceptable if factory badge delete is unavailable from the manufacturer **Note: Option not available for Ford Explorer HEV, Item T2**	Ford	16D	N/A	Each	1	$ -
C5	BALLISTIC DOOR PANEL DELETE OPTION: Remove front driver and passenger door mounted ballistic panels	Ford	Level 3 +	N/A	Set	2	$ 2,853.00

End of Sheet

EXHIBIT B
INSURANCE REQUIREMENTS

NOT APPLICABLE – PURCHASE OF GOODS

EXHIBIT C

PRICE QUOTATION
FOLSOM LAKE FORD
12755 FOLSOM BLVD.
FOLSOM, CA 95630
(916) 351-4202 - Direct

Date: 4/29/2025

To: Alanna Bindi / Fleet Manager / City of Stockton for Stockton P.D.
From: Mark A. Paoli / Fleet Director / Folsom Lake Ford
Subject: Pricing for 2025 Ford Interceptor (State of California Contract #1-22-23-14C)

$49,313.00 - Bid Price (2025 Ford Police Interceptor Utility AWD / 3.3L V6 Gas Eng)
995.00 - Front Doors Painted White - Remainder of Vehicle Agate Black (CAL)
930.00 - Front Headlamp Lighting Solution (66A) - Includes Pre-Wiring (60A)
640.00 - Spot Lamps - Dual Unity LED (51S)
352.00 - Underbody Deflector Plate (76D)
84.00 - Rear-Door Controls Inoperable - Locks/Handles/Windows (68G)
52.00 - Keyed Alike - Code 1284X (59B)
$52,366.00 - Selling Price (Agate Black Metallic Paint w/White Front Doors)
85.00 - Documentation Fee
$52,451.00 - Subtotal
4,720.59 - Sales Tax (9.0%) Subject to Change
250.00 - Delivery to Stockton, CA
34.00 - DMV Electronic Filing Fee
8.75 - California Tire Fee
$57,464.34 - Total Price (EACH) Valid thru 6/13/25 or until '25 PIU order bank closes
X30
$1,723,930.20 - Total Price (30-Interceptors) F.O.B. Stockton, CA

Payment Terms: $500.00 Discount Per Vehicle for Payment Within 20 Days / Net 30

Included: Ballistic Door Panels (Level III+), BLIS (Blind Spot Monitoring with Cross Traffic Alert), Dark Car Feature, Ford Pro Upfit Integration Feature, Ford Telematics (Includes Complimentary Two-Year Subscription), Front License Plate Bracket, Noise Suppression, Police Engine Idle Feature, Police Perimeter Alert, Police Pursuit Mode, Power Passenger Seat (4-Way), Red/White Dome Lamp In Cargo Area, Rear Auxiliary Air Conditioning, Rear View Camera with Washer (Displayed In 8" Center Stack Screen) Includes On-Demand Feature, Remote Keyless Entry with Four Keys and FOBs, Reverse Sensing, SYNC (Bluetooth), Trailer Hitch (Class III - Includes Wiring), Upfitter Switches(4) Mounted on Steering Wheel and 5yr/100k/0ded Powertrain Warranty.

CITY OF STOCKTON

Contract Change Order #: 3

Resolution/Motion No. 2023-03-07-1206 *(If not required enter "N/A")* **Contract No. 423000428** *Contract #*

OM-23-022 – Police Department and City Vehicle Up-Fitting

Project Number / Project Name / Activity

Original Contract Price	$2,158,045.80
Approved Change Order Total	$5,374,272.71
This Change Order	$993,811.20
Revised Contract Price	$6,368,083.91

TO **Stommel DBA Lehr Auto Electric** (Contractor). You are hereby directed to make the herein described changes from the plans and specifications or do the following described work not included in the plans and specifications of this contract.

Additional Work Performed for Above Referenced Project

Upfitting of 30 police interceptor police vehicles at $33,127.04 for each unit.

Total Cost is $993,811.20

We, the undersigned contractor, have given careful consideration to the change proposed and hereby agree, if this proposal is approved that we will provide all equipment, furnish all materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment therefore the prices shown above.

By reason of this proposed change, 0 months extension of time will be allowed.

Accepted Date_____

_____
Stommel DBA Lehr Auto Electric

By_____

Title_____

Note: This contract change order is not effective until approved by the City Manager.

Internal Approval Routing

_____ Date:_____
Submitted by: *Alanna Bindi, Fleet Manager*

_____ Date:_____
Approval by: *Nguyet Pham, Department Fiscal Division*

_____ Date:_____
Approval by:
Rosa Alvarez, Deputy Public Works Director

Approval Recommended by:

_____ Date:_____
Chad Reed, Public Works Department Director

APPROVED AS TO FORM & CONTENT:
OFFICE OF THE CITY ATTORNEY

BY_____

Date:_____

ATTEST:

_____
KATHERINE ROLAND, CMC, CPMC
CITY CLERK OF THE CITY OF STOCKTON

Change Order Approved By:

_____ Date:_____
***Interim City Manager*, Steve Colangelo**

File #: 25-0690, **Version:** 1

STOCKTON ECONOMIC STIMULUS PROGRAM (SESP) UPDATE AND CONSIDERATION OF POTENTIAL PROGRAM AMENDMENTS

RECOMMENDATION

It is recommended that City Council receive a program update and consider information regarding program performance to determine what, if any, amendments are warranted and act accordingly.

Summary

Stockton established a Public Facility Fee (PFF) program in 1988 to fund mitigation efforts associated with new development and to provide the public amenities (i.e. infrastructure) required to serve new development. In 2010, City Council adopted the program's first fee waiver program to provide an incentive to develop the "Greater Downtown Stockton Area" and single-family residential projects citywide. The Stockton Economic Stimulus Program (SESP) was introduced in 2015 by the Building Industry Association of the Greater Valley (BIA) and championed by then Mayor Silva.

The original goal of SESP was to accelerate the development of 1,000 single-family homes and 500 multi-family residential units throughout the City, subject to specific terms. The residential permit component of SESP was originally set to run for 36 months from the date of City Council adoption, with a review by the Council within 18 months of the program adoption. SESP was extended in 2018 and again in 2019. The current iteration of SESP is in effect until the Council adopts and implements new fees as outlined in an updated Public Facility Fee Nexus Report.

Since its inception in January of 2016 to December 31, 2024 (9 years), 3,461 single-family and 548 multi-family units were issued fee waivers under the SESP program. Further, 737,036 square feet of Commercial and 17,191,291 square feet of Industrial development also received fee waivers.

As a part of SESP adoption, the BIA forecasted (via a UOP Study - Attachment A) that the construction of 1,000 single-family homes would lead to 3,700 jobs, with more than 2,138 attributable to the direct effect of construction. Based on submitted SESP recipient self-certifications, the unduplicated count of individuals employed by SESP-assisted projects is 5,525, of those employed 2,883 reside in Stockton.

Over the 9 years of SESP, an average of 385 single-family units were constructed and 614 unduplicated jobs reported (of which 320 were Stockton residents) were reported annually. Compared to the UOP study ratio of 2.138 construction jobs per single-family unit, job creation projections were not met. Based on said ratio the average should be approximately 823 jobs, based on SESP's construction average of 385 single-family units per year (2016 - 2024).

Part of the rationale for the SESP program was that City Council recognized that the Envision Stockton 2040 General Plan Update would be different from the 2035 General Plan in effect at the time of SESP creation. The 2035 General Plan was prepared at a time of rapid growth under different conditions. The 2040 General Plan (adopted in 2018) encourages infill and focuses on smart growth to achieve public health and Climate Action Plan goals. This revised approach was forecasted to result in reduced mitigation requirements and different PFF fee amounts.

SESP reduced certain PFFs to provide an incentive to accelerate residential building in hopes of increasing local employment and economic growth. Additionally, SESP was approved in part because developers believed existing fees were too high and ultimately would be lowered as a result of an updated PFF program (i.e. Nexus Study) reflecting the 2040 General Plan. An updated nexus study and new PFF program is presently being drafted, and public drafts will be released this calendar year for stakeholder comment and input.

As of December 31, 2024, the total amount of fees waived by SESP is $94,009,668, resulting in reduced revenues for police stations, fire stations, street improvements, parks, libraries, recreation centers, city facilities, and repayment of prior PFF loans. A breakdown of said waivers by land use is itemized in the following tables:

PFF Category	**Single Family Residential**		**Multi-Family Residential**	
	Waived Amount (per unit)	*3,461 SFR Permits*	*Waived Amount (per unit)*	*548 MFR Units*
City Office Space	$467	$1,616,287	$391	$214,268
Community Recreation Centers	$481	$1,664,741	$405	$221,940
Library	$902	$3,121,822	$761	$417,028
Police Stations	$591	$2,045,451	$497	$272,356
Street Improvements	$13,226	$45,775,186	$9,656	$5,291,488
Fire Stations	$781	$2,703,041	$658	$360,584
Parkland	$2,798	$9,683,878	$1,712	$938,176
Administrative Fee (3.5%)	$673.61	$2,331,365	$492.80	$270,053
TOTAL $ WAIVED	$19,919.61	**$68,941,771**	$14,572.80	**$7,985,893**

Council has the option to maintain, extend or otherwise modify the existing SESP program. Council does not have the option to add or increase fees at this time as the public hearing notice did not include information pertaining to new or increased fees.

DISCUSSION

Background

Legal Framework for PFF

Public Facilities Fees provide revenue to implement the goals and objectives of the City of Stockton General Plan and to mitigate impacts as a result of new development within the City. The fees ensure that new development projects pay their fair share of public amenities (i.e. infrastructure) required to mitigate development and serve Stockton residents. Title 7, Chapter 5, Section 66000 et seq. (Mitigation Fee Act) of the California Government Code provides that Public Facilities Fees may be enacted and imposed on development projects. In 1988, the City of Stockton found and determined that new development projects cause the need for construction, expansion, or improvement of public facilities within the City and create new permanent spending obligations. PFFs are established as new development causes the need for construction, expansion or improvement of public facilities within the City of Stockton. In some jurisdictions, PFFs are known as Impact Fees or Development Impact Fees.

Utilization of a PFF program allows for the allocation of improvement costs across development projects. Absent a city-wide PFF program, improvement costs would not be apportioned, and the full cost of mitigation improvements would be borne by the first project that established the need for the improvement. Such an approach would be a barrier to development given the disproportionate costs to early development projects.

If the fees collected for construction, expansion, or improvement of Public Facilities to accommodate the increased demands of new development are waived, the requirement to mitigate the impact of development does not go away. To elaborate, under AB 602 (2021), said waived funds must be supplanted by alternate city funding sources. If PFFs are waived, installation of public amenities could be indefinitely delayed absent another funding source and the result could be inadequate Public Facilities within the City and noncompliance with State law.

Complete or partial waivers of PFFs effectively eliminate/reduce the benefits of the cost allocation model described above and delay public facility development. In other cases, it could violate City contractual obligations or fail to meet California Environmental Quality Act requirements (i.e. mitigations) - creating significant new issues. The PFF program enables individual projects to move at their own pace based on the proportionate cost and allows for incremental development.

Prior to a city approving new or increased development impact fees or establishing or increasing other fees which have no specific statutory notice requirement, a city is required to hold at least one public hearing with appropriate legal notice published at least 10 days prior to the public hearing. A waiver, reduction or elimination of a fee does not require a public hearing.

Program Adoption

On August 18, 2015, former Mayor Silva introduced the Stockton Economic Stimulus Program (SESP) for City Council consideration. Sponsored by the BIA, SESP is an incentive-based program to promote economic development through residential construction through the reduction of certain

Public Facilities Fees (PFF). At the time, the hope was that the economic benefits of home construction would offset lost PFF revenues.

The City of Stockton uses PFF revenues to provide community benefit through the completion of capital projects required to serve or mitigate new development. SESP was not the first incentive program implemented in Stockton. In September 2010, the City Council adopted Resolution No.10-0308 to authorize a reduction program providing incentives for development in the Greater Downtown Area, and non-residential development and residential development citywide. A multi-family housing PFF reduction program was added in October 2010.

On November 17, 2015, the City Council adopted the SESP program (Attachment B-Resolution No. 2015-11-17-1602). The adopted program reduced certain PFFs by 100 percent for applicants that comply with program requirements. Fees totaling more than $57,000 were reduced by almost $20,000. SESP was not expected to overcome prevailing economic forces because the existing 2010 fee reduction program had not resulted in a notable increase in development. There was hope that SESP could accelerate planned residential development and stimulate economic activity in the City. SESP was originally authorized for 36 months and went into effect on January 19, 2016.

The specific fees reduced by SESP are as follows:

	100% WAIVER (REDUCTION)		**50% WAIVER (REDUCTION)**			
	Residential		**Commercial**			**Industrial**
	Single Family	Multi-Family	Office	Retail	Guest Rooms	
PFF CATEGORY	*Waived Amount (per Unit)†*		*Waived Amount (per 1,000 SF) †*		*Waived Amount (per Room) †*	*Waived Amount (per 1,000 SF) †*
City Office Space	$467	$391	$ 43.75	$ 22.50	$ 49.00	$25.50
Community Recreation Centers	$481	$405	$39.50	$ 20.25	Exempt	$23.25
Library	$902	$761	$ 94.50	$ 48.50	$ 85.50	$56.00
Police Stations	$591	$497	$ 105.50	$ 54	$ 99.50	$62.00
Street Improvements	$13,226	$9,656	$ 2,412.00	$ 3,177	$ 5,157.50	$931.50
Fire Stations	$781	$658	$ 118.50	$ 61	$ 44.50	$54.00
Parkland	$2,798	$1,712	Exempt	Exempt	Exempt	Exempt
Administrative Fee (3.5%)	$673.61	$492.80	$ 98.48	$ 118.41	$ 190.26	$40.33
TOTAL $ WAIVED	**$19,919.61***	**$14,572.80**	**$ 2,912.23**	**$ 3,501.66**	**$ 5,626.26**	**$1,192.58**

**Or up to $19,997, whichever is less*
†Decimals included where the fee amount was not a whole dollar

SESP program terms and requirements have evolved since 2015 as follows:

2015 (Resolution 2015-11-17-1602 - Attachment B)

- Program to expire on December 31, 2018
- SESP waivers only apply to the first 1,000 single-family and 500 multi-family permits issued citywide
- Only units within the existing City Limits as described in the 2008 General Plan Settlement Agreement are eligible
- Developers must comply with local hire and disadvantaged individual requirements:
    - At least 50% of the workforce on a permit residing within Stockton.
    - By permit issuance, builder(s) must provide a list of all employees (including names and addresses) that worked on SESP permits
        - From the time that the first residential building permit is issued to a developer, quarterly reports identifying the above must be submitted to the City
    - Disadvantaged communities will be included in the local workforce to the greatest extent feasible. Projects (i.e. developers) participating in this program shall work with the BIA and NAACP to coordinate the hiring of disadvantaged Stockton residents.
        - To be considered disadvantaged, an individual or firm must be a member of one of the following groups:
            - African American
            - Asian Pacific American
            - Native American
            - Women
    - The BIA shall provide opportunities to youth from SJCOE YouthBuild, Lincoln High School's Engineering Construction Academy, SUSD Edison's woodworking and construction program, and Jane Fredrick's masonry program.
- A monthly report to the City identifying the total number of lots in their project, the number of permits issued, the number of homes under construction and the number of homes with a final permit.
- Applicants must start construction within six months of permit issuance unless an extension is approved.
- Builders may receive no more than twenty (20) building permits at any given time for each final map, or forty (40) citywide for builders involved in more than one subdivision under SESP.
- Builders must start and receive a first inspection for each permit within six months of the permit being issued, unless an extension is approved (permits in SB 535 disadvantaged areas exempt)
- Noncompliance with SESP regulations result in builder reimbursement of all waived fees (during noncompliance period) back to the City and ineligibility for future program waivers

2018 (Resolution 2018-07-17-1302 - Attachment C)

- SESP expiration extended to December 31, 2020.
- Increase of developer's permit limitations in non-disadvantaged areas to 30 per subdivision and 80 citywide.
- All other program components remained "as is"

2019 (Motion 2019-08-20-1405 - Attachment D)

- Removal of specific program expiration date; expiration is now triggered by adoption of new PFF nexus study and associated PFF fee schedule
- Elimination of the program cap of 1,000 single-family residential permits
- Elimination of the program cap of 500 multi-family residential permits
- Removal of local hire requirement for multi-family projects
- Removal of permit limitations for builders (i.e., construction and inspection timing requirements)
- All other program components remained "as is"

The current iteration of SESP is in place until adoption of a new Development Impact Fee Nexus Study and associated PFF fee schedule.

University of the Pacific (UOP) Study

Presented by the BIA in 2015, the UOP Study analyzed the economic benefit of constructing 1,000 single-family units and quantified the effect of a PFF reduction program on permit fees. The study highlights economic benefits of constructing 1,000 new Single-Family Homes, including: 3,700 jobs in San Joaquin County, $492 million in economic output for San Joaquin County, $244 million value added, $56 million in permit and fee revenue for local governments, and $64 million in tax revenue to federal, state, and local government. However, the author of the study was quoted as being “neutral” on SESP and commented that the study was “not meant as a policy analysis on how to achieve that” (Stockton *Record* quote of Dr. Jeffrey Michael, October 12, 2015).

The UOP study estimated the broad economic benefits of home construction and did not distinguish the economic effect in Stockton from the whole of San Joaquin County. Further the UOP study did not illustrate baseline information such as underlying market conditions or projections. In 2013, the City commissioned Economic Planning Systems (EPS) to prepare an analysis of the market conditions of the City’s housing market. EPS estimated that upon economic recovery, new housing construction would normalize at 700 units per year. Additionally, EPS analyzed how fees affect the feasibility of housing construction and concluded that impact fees do not directly influence price. The analysis stated that the housing market determines the price.

Since SESP was implemented, the median market price of new single-family residential construction exceeded the amount of PFFs waived. The median sales price of new single-family residential construction increased by $234,950, from $224,600 in 2015 to $459,550 in 2024 - more than 104.6 percent. Given that new single-family home pricing is based on market conditions, and market price increases outpaced the PFF fee waiver amount by over eleven times, there is a possibility that the SESP fee waivers are no longer necessary to “close the gap” for new residential construction.

The UOP study also did not consider the ongoing cost to the City of providing services. Statewide, the cost to serve residential development exceeds the revenues generated from development. In Stockton new residential development is estimated to add net General Fund costs not included in the Long-Range Financial Plan (L-RFP). In 2018, it was calculated that the annual service and maintenance General Fund deficit created by residential development ranges from $453 to $787 per unit depending on the specifics of the single-family construction. Consequently, while the UOP study accurately forecasted an increase in local tax revenues, it did not call out the net negative effect on

the City's General Fund and ability to provide services. On April 2, 2019, the Stockton City Council formally approved the formation of a city-wide Community Facilities District (CFD No. 2018-3) to address the net cost of new residential development and improve the ability to provide long-term citywide services.

2025 Update

On June 3, 2025, a City Council Public Hearing was scheduled for the Council to receive a SESP update which included the consideration of potential program amendments. The item was continued to allow staff time to meet with industry representatives to obtain feedback and develop options for Council consideration on either July 29th or August 12th, 2025. Representatives were selected from the City's Industry Working Group (IWG) which is comprised of stakeholders that represent residential developers, the Building Industry Association (BIA) of the Greater Valley, the City Planning Commission, the San Joaquin Builders Trade Commission, and a General Contractor.

Staff met with representatives on both July 8 and July 22, 2025, to discuss the SESP program as well as the ongoing PFF Update effort. Items of note included the costs of development, ongoing market pressures, and the desire to find a solution to meet the needs of both the City and development industry.

Present Situation

The following data was prepared to inform on the current program. The following information is derived from statistics dating from January 1, 2016, through December 31, 2024.

Counts: A total of 3,649 single-family residential permits, 1,343 multi-family residential permits, 164 commercial permits, and 118 industrial permits were issued between January 2016 and the end of December 2024.

Nearly all single-family residential building permits (3,461 or 95 percent) were issued under the SESP program. SESP vs. Non-SESP Building Permit Residential Unit Counts from January 2016 to December 2024 are as follows:

	SESP	Non-SESP	Total
Single Family Units	3,461	188	3,649
Multi-Family Units	548	795	1,343

Approximately 41 percent (548) of multi-family residential units constructed during this period were issued permits under the SESP program (this lower ratio can be attributed to other available waiver programs for multi-family development). A report showing the monthly residential counts (SFR and MFR) is included as Attachment E (SESP Summary Unit Counts for Issued Residential Permits).

Total Single-Family and Multi-Family SESP Unit Counts by Council District from January 2016 to December 2024:

Single-Family			Multi-Family			Total Units	Total
District 1	2,321	$ 46,233,415	District 1	168	$ 2,448,230	2,489	$ 48,681,645
District 2	21	$ 418,312	District 2	218	$ 3,176,870	239	$ 3,595,182
District 3	80	$ 1,593,569	District 3	156	$ 2,273,357	236	$ 3,866,926
District 4	354	$ 7,051,542	District 4	2	$ 29,146	356	$ 7,080,688
District 5	254	$ 5,059,581	District 5	4	$ 58,291	258	$ 5,117,872
District 6	431	$ 8,585,352	District 6	0	$ -	431	$ 8,585,352
Total	**3,461**	**$ 68,941,771**	**Total**	**548**	**$ 7,985,894**	**4,009**	**$ 76,927,665**

All figures are rounded to the nearest whole dollar

All commercial and industrial (nonresidential) permits automatically receive the 50 percent SESP reduction.

Total Nonresidential SESP Counts by Council District from January 2016 to December 2024:

Council Districts	Commercial					
	Permits (Office)	Sq Ft	Permits (Retail)	Sq Ft	Permits and Rooms (Guest Rooms)	Sq Ft
1	3	33,349	15	79,339	-	-
2	2	4,638	6	11,617	-	-
3	10	25,303	14	78,585	-	-
4	4	9,014	11	37,247	-	-
5	43	171,573	21	60,635	1 (47 rooms)	13,545
6	12	100,994	21	53,717	1 (99 rooms)	57,480
Grand Total	74	344,871	88	321,140	2	71,025

Table Continued

	Industrial (Warehouse)		Total Permits (Commercial & Industrial)	Total Sq Ft (Commercial & Industrial)
Council Districts	Permits	Sq Ft		
1	16	$107,990	34	$220,678
2	5	$93,559	13	$109,814
3	3	$5,482	27	$109,370
4	10	$767,465	25	$813,726
5	26	$687,585	91	$933,338
6	53	$15,529,21	87	$15,741,401
Grand Total	**113**	**$17,191,29**	**277**	**$17,928,327**

Summary of Distribution: The tables below identify recipients of SESP waivers from program inception through December 31, 2024.

Approximately 79 percent of single-family residential building permits issued under the SESP program were built by housing developers, the remainder by individuals or small builders. Further, approximately 21 percent of all SFR permits issued under SESP were issued to builders located in Stockton.

Single-Family SESP Permit Distribution by Recipient:

Company	%	Total Fees Waived
KB	21.8%	$15,039,306
FCB*	13.1%	$9,063,423
LGI	10.5%	$7,230,818
Lennar	10.3%	$7,111,301
Richmond American	5.9%	$4,083,520
K Hovnanian	5.5%	$3,764,806
Sea Breeze Capital Investments*	2.7%	$1,872,443
Meritage	2.4%	$1,673,247
Florsheim*	2.3%	$1,613,488
Affordable Luxury Homes*	2.3%	$1,553,730
Caresco*	1.3%	$916,302
DR Horton	1.0%	$717,106
Visionary Homes*	0.12%	$79,678
Other	20.8%	$14,222,602
	100.0%	**$68,941,771**

**Company based in Stockton*
All figures are rounded to the nearest whole dollar

All multi-family residential building permits issued under the SESP program were built by housing developers. Further, 57 percent of all MFR permits issued under SESP were issued to builders located in Stockton.

Multi-Family SESP Permit Distribution by Recipient:

Company	%	Total Fees Waived
American Capital Group	39.4%	$3,147,725
Patmon Eight Mile House LP*	30.7%	$2,448,230
Patmon Stonebrier LP*	26.3%	$2,098,483
Other	3.6%	$291,456
	100.0%	**$7,985,894**

**Company based in Stockton*
All figures are rounded to the nearest whole dollar

SESP Credits: As of December 31, 2024, the total amount of fees waived under the SESP program is $94,009,668. As displayed in the table below, the City has foregone resources that could have been used for city facilities, recreation centers, libraries, police stations, street improvements, fire stations, and parks.

Total PFF Fees Waived by Category:

PFF Category	Residential		Commercial			Industrial	TOTAL WAIVED BY CATEGORY
	Single Family	Multi-Family	Office	Retail	Guest Rooms		
	3,461 Permits	*548 Permits*	*74 Permits*	*88 Permits*	*2 Permits*	*113 Permits*	
City Office Space	$1,616,287	$214,268	$18,621	$7,248	$512,896	$438,025	**$2,807,345**
Community Recreation Centers	$1,664,741	$221,940	$12,456	$6,291	$ -	$400,243	**$2,305,671**
Library	$3,121,822	$417,028	$28,148	$15,623	$8,424	$963,852	**$4,554,897**
Police Stations	$2,045,451	$272,356	$44,903	$17,395	$13,141	$1,067,122	**$3,460,368**
Street Improvements	$45,775,186	$5,291,488	$1,129,851	$920,585	$252,253	$9,653,681	**$63,023,044**
Fire Stations	$2,703,041	$360,584	$37,572	$19,649	$6,943	$929,429	**$4,057,218**
Parkland	$9,683,878	$938,176	$ -	$ -	$ -	Exempt	**$10,622,054**
Administrative Fee (3.5%)	$2,331,365	$270,053	$44,504	$34,538	$27,778	$470,833	**$3,179,071**
TOTAL $ WAIVED BY LAND USE	**$68,941,771**	**$7,985,894**	**$1,316,055**	**$1,021,329**	**$821,435**	**$13,923,184**	**$94,009,668**

All figures are rounded to the nearest whole dollar

In 2015, one of the justifications for SESP was that City Council recognized the Envision Stockton 2040 General Plan update would differ from the 2035 General Plan in place at the time. The 2035 General Plan was prepared at a time of rapid growth under different conditions. The 2040 General Plan (adopted 2018) encourages infill and focuses on smart growth to achieve public health and Climate Action Plan goals. This revised approach was forecasted to impact PFF fee calculations and reduced mitigation requirements.

Further, SESP was adopted in part because developers believed existing fees were too high and that an updated PFF Nexus Study and accompanying PFF Fee Schedule would result in reduced fee amounts. The study is currently being developed and will be available for public comment during this calendar year.

From 2015 to 2024, the increase in median sales price for single-family homes was $234,950, approximately over eleven times the amount of fees waived ($19,919.61). Remembering the BIA's prior comments to Council that builders would sell new homes at market rates, there is a possibility that the SESP fee waivers are no longer necessary to "close the gap" for new residential construction.

Further, taking into account that approximately 79 percent of the SFR SESP and 43 percent of MFR permits went to builders located outside of Stockton, not only did the City forego $94 million for needed improvements but at least $59 million of waived fees left the local economy.

SESP Employment Effect: The UOP study estimated that nearly 3,700 jobs (2,138 attributed to the direct effect of construction) would be created by the construction of 1,000 single-family homes per year. Based on submitted SESP recipient self-certifications, the unduplicated count of individuals employed by SESP-assisted projects (attributed to construction) is 5,525, of those, 2,883 reside in Stockton.

Over 9 years of the SESP, an annual average of 385 single-family units were constructed, with 614 unduplicated jobs reported (of which 320 were Stockton residents). Compared to the UOP study ratio of 2,138 construction jobs per 1,000 new units, job creation projections were not met. Based on the above ratio (2.138 jobs per unit) that average should be approximately 823 jobs based on the program's annual construction average of 385 single-family units.

SESP Compliance: All participants of the SESP program are required to submit monthly reports to the City. Participation in the SESP program is contingent on at least 50 percent of the workforce for a permit residing in Stockton (excluding multi-family). Based on the reported data, the Local Hire requirement is being met. If a participant does not satisfy the conditions of the SESP program, they will be required to reimburse the City the equivalent PFF fee reduction for each permit issued during the period of noncompliance.

The adopted SESP program included the direction that individuals from disadvantaged communities within Stockton be included in the local workforce to the extent possible. An agreement between the BIA and the Stockton Branch of the National Association for the Advancement of Colored People (NAACP) was referenced in the enacting resolution, but not subject to the monthly reporting requirements or City enforcement. Either the BIA or the NAACP would have to comment on the relative success of the agreement to employ individuals from disadvantaged communities.

2025 Update

Staff met with IWG representatives on both July 8 and July 22, 2025 to discuss the SESP program as well as the ongoing PFF Update effort. Items of note included the costs of development, ongoing market pressures, and the desire to find a solution to meet the needs of both the City and development industry. Upon review of program data and potential impacts, three options (listed below) were developed by the group.

Conclusion

It is recommended that Council receive information from the public hearing, consider the impacts/results of the SESP to-date, and provide staff direction on how to move forward. Council has the option to maintain, eliminate, extend, or otherwise modify the existing SESP program. Through collaboration with IWG representatives, potential options include:

Summary: Maintain current SESP
Result: All waivers will remain until new PFF fees are adopted (per Motion No. 2019-08-20-1405).
PFF fund balances will continue to accrue at current rates.

Option 2 - Amend SESP - Grandfathered & Phased

Summary: All active entitled projects and projects deemed complete for processing (that currently qualify for SESP) at the time of Council action shall receive SESP waivers.

New (future) projects shall receive reduced SESP waivers (at Building Permit issuance) as follows:

75% waiver next 6 months
50% waiver following 6 months
25% waiver following 6 months, or until new PFF fees are adopted.

Option 2 Table

Current SESP Waiver by Category			75% Waiver	50% Waiver	25% Waiver
Single Family	100%	$19,919.61	$14,939.71	$9,959.81	$4,979.90
Multi Family	100%	$14,572.80	$10,929.60	$7,286.40	$3,643.20
Commercial Office	50%	$2,912.23	$2,184.17	$1,456.12	$728.06
Commercial Retail	50%	$3,501.66	$2,626.25	$1,750.83	$875.42
Commercial Guest Rooms	50%	$5,626.26	$4,219.70	$2,813.13	$1,406.57
Industrial	50%	$1,192.58	$894.44	$596.29	$298.15

Result: PFF fund balances projected to increase as waiver reductions decrease.

Provides an 18-month phaseout timeframe for new projects

Option 3 - Gradual Phase Out

Summary: From effective date onward, SESP waivers will gradually be phased out:
85% waiver next four months
70% waiver following four months
55% waiver following four months
40% waiver following four months
25% waiver following four months
10% waiver following four months
0% waiver moving forward

Option 3 Summary Table

Current SESP Waiver by Category			85% Waiver	70% Waiver	55% Waiver	40% Waiver	25% Waiver	10% Waiver	0% Waiver
Single Family	100%	$19,919.61	$16,931.67	$13,943.73	$10,955.79	$7,967.84	$4,979.90	$1,991.96	$0
Multi Family	100%	$14,572.80	$12,386.88	$10,200.96	$8,015.04	$5,829.12	$3,643.20	$1,457.28	$0
Comm. Office	50%	$2,912.23	$2,475.40	$2,038.56	$1,601.73	$1,164.89	$728.06	$291.22	$0
Comm. Retail	50%	$3,501.66	$2,976.41	$2,451.16	$1,925.91	$1,400.66	$875.42	$350.17	$0
Comm. Guest Rooms	50%	$5,626.26	$4,782.32	$3,938.38	$3,094.44	$2,250.50	$1,406.57	$562.63	$0
Industrial	50%	$1,192.58	$1,013.69	$834.81	$655.92	$477.03	$298.15	$119.26	$0

Result: PFF fund balances projected to increase as waiver reductions decrease.

Provides a 24-month phaseout timeframe for all projects (entitled, deemed complete, and new)

Option 4 - Elimination of SESP

Summary: Adoption of an immediate or future SESP sunset date

Result: Waivers will cease immediately (upon Council action) or at a specified date.

PFF fund balances projected to increase due to increased revenues.

FINANCIAL SUMMARY

As of December 31, 2024, the total amount of fees waived under the SESP program is $94,009,668. As a result, the City has foregone resources that could have been used for city facilities, recreation centers, libraries, police stations, street improvements, fire stations, and parks.

For example, these resources could have been used towards the new City Hall or funded a portion of the new Northeast Library. If PFF fees were available and utilized for the Northeast Library, City Council could have an additional $4.5 million in available Strong Communities (Measure M) funding to immediately expand or improve library and recreation services at existing locations. Furthermore, had the $10.6 million in parkland PFFs been collected, additional park space could have been developed for residents as identified in the Capital Improvement Plan (CIP). If continued, the reduced PFF collections will further delay public infrastructure, and absent other resources, a permanent facility deficit will exist.

Public Comments

Notice for this public hearing was published in The Record on August 3, 2025, and a mailed notice was sent to all SESP recipients, the Building Industry Association of the Greater Valley (BIA GV) and NAACP Stockton - San Joaquin Branch at least ten (10) days prior. As the writing of this staff report, no written comments have been submitted to the Community Development Department.

Attachment A - UOP Study
Attachment B - Resolution No. 2015-11-17-1602
Attachment C - Resolution No. 2018-07-17-1302
Attachment D - Motion No. 2019-08-20-1405
Attachment E - SESP Summary Unit Counts

ECONOMIC IMPACT STUDY OF THE PROPOSED HOUSING DEVELOPMENT IN STOCKTON, CALIFORNIA

March 25, 2015

Prepared By:
Dr. Jeffrey Michael, Dr. Thomas Pogue, and Jesse Neumann
Center for Business and Policy Research
Eberhardt School of Business
University of the Pacific

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EXECUTIVE SUMMARY

This report estimates the potential economic impact of building 1,000 homes per year in the City of Stockton, a reasonable expectation in a healthy economy with moderate growth. We find this home building activity would have the following annual economic impact in San Joaquin County.

- 3,700 jobs
- $492 million in economic output
- $244 million value added
- $56 million in permit and fee revenue for local governments
- $64 million in tax revenue to federal, state and local governments

While this analysis was done at the County level, we estimate that approximately 80% of these economic impacts would be within the City of Stockton itself. This report looks only at the economic impact of construction activity. It does not estimate on-going economic impacts from the spending of new households that occupy the homes after they are built, tax payments that would be made by those households or the cost of providing government services to the households.

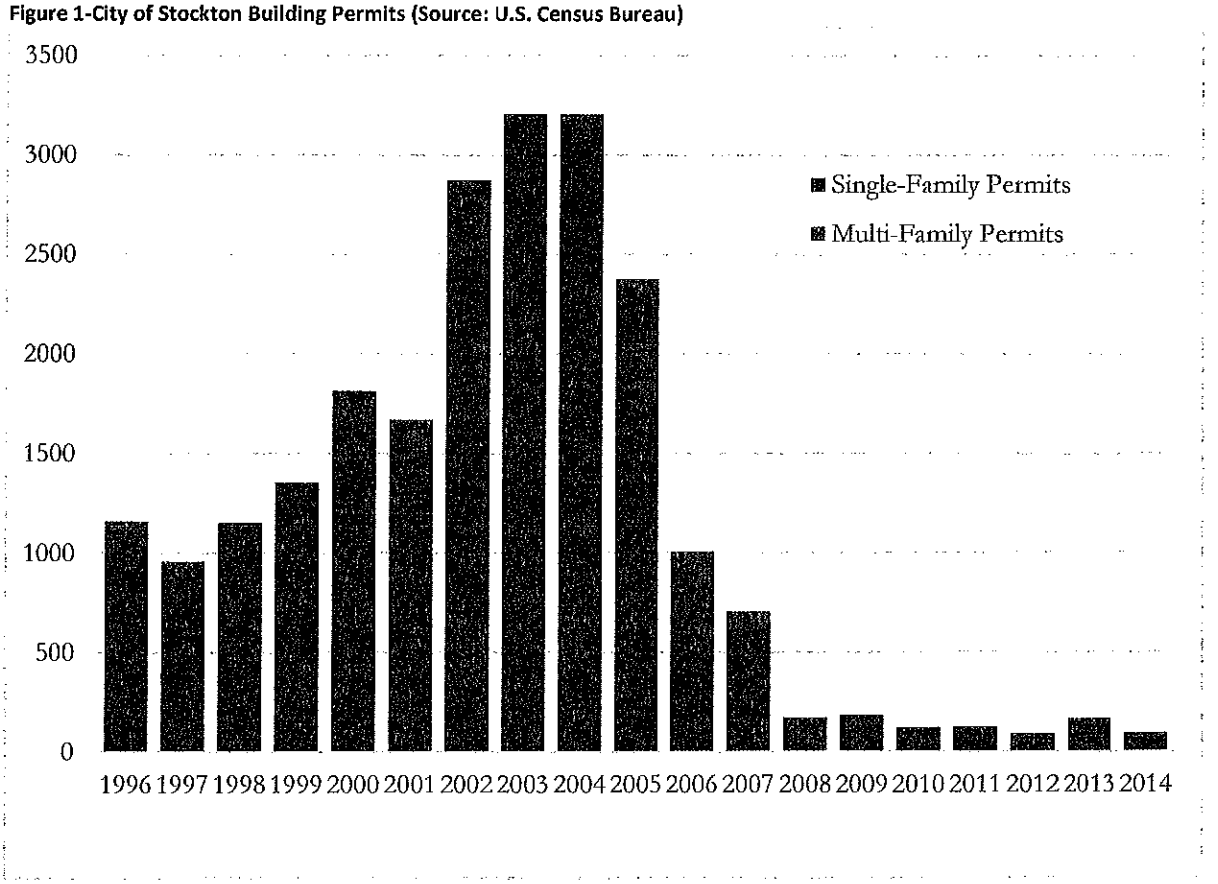
1. INTRODUCTION

New home construction is a significant part of the economy. Historically, new residential investment has accounted for about 5% of U.S. GDP. Likewise, new home construction has been a significant part of Stockton's economy over the years, and the dramatic swings in this sector are strongly correlated with the ups and downs of the City's economy. This report details the potential economic impact of new home construction in the City by examining a scenario where one thousand new homes are built in the City each year. One thousand new homes in the City each year is a reasonable future scenario given historic trends and current projections of growth in the County.

As shown in Figure 1, new building permits in Stockton have fallen precipitously from the peak of over 3,000 new units in 2003-04. New single-family permits have remained under 100 units for the past 3 years in Stockton. The City averaged about one thousand new units per year in the late 1990s before a period of rapid growth driven by the housing bubble. The Census Bureau reports the City of Stockton had a population of 298,118 and 99,637 housing units in 2013. Thus, one thousand units per year would represent a modest 1% annual growth rate which is less than projections of 1.3% annual growth in households for San Joaquin County recently released by the California Department of Finance.[1]

[1] http://www.dof.ca.gov/research/demographic/reports/projections/view.php

Figure 1-City of Stockton Building Permits (Source: U.S. Census Bureau)



2. DATA, METHODOLOGY AND ASSUMPTIONS

The economic impact analysis is based on the costs to construct a typical new home in Stockton. Cost information was obtained from the Building Industry Association of the Greater Valley (BIAGV) with input from area builders and contractors. The size of the home (2,070 square feet) is the same as used by consultants to the City of Stockton in a 2013 analysis of development fees, with costs adjusted to reflect builders' estimates of 2015 conditions[2]. The costs paid by developers include the direct construction costs of the home, site development costs such as sidewalks and underground utilities, and indirect/soft costs such as marketing, management, insurance, financing, and closing costs. Developer costs also include building permit fees. We used the City of Stockton permit fee estimator[3], and added fees for schools and habitat conservation that are not included in

[2] http://www.stocktongov.com/files/StocktonDevFeeStudyPhase1.pdf
[3] http://www.stocktongov.com/government/departments/permitCenter/bpfe.html

the City's estimator.[4] As shown in Table 1, the estimated construction cost for a typical 2,070 square foot new home in Stockton is about $322,000 without considering the cost of land. If an allowance of 10% of construction cost is made for the cost of land, the total cost to the builder is estimated at $354,000. While the value of land is a real cost to the builder, the land's use as a residential lot does not represent new economic production and is thus not included in the economic impact analysis.

Table 1-Estimated Cost to Construct a 2,070 Square Foot New Home in Stockton

Construction @ $78 per square foot	$161,460
Site Costs	$42,000
Indirect/Soft Costs	$62,706
Government Permits and Fees	$55,817
Total Costs (not including land)	**$321,983**
Allowance for Land Value (10% of construction cost)	$32,198
Estimated Total Cost to Developer	**$354,181**

Based on this typical home, the costs of building 1,000 homes is approximately $322 million. The economic impact of these developer expenditures was performed using an input-output model calibrated to reflect the County economy across which impacts were assessed. We utilized IMPLAN Version 3.1 with data for calendar year 2013. Input-output models are in a sense, general accounting systems of transactions between industries, businesses, and consumers that estimate the range of economic impacts. We use the IMPLAN software to create complete, extremely detailed Social Accounting Matrices and Multiplier Models of the San Joaquin County economy that enable in-depth examinations of the impacts of the proposed housing development.

IMPLAN was developed in the late-1970s by the United States Forest Service and researchers at the University of Minnesota. The software was initially based on input-output accounts whose analysis was pioneered in the Nobel Prize winning work of Wassily Leontief. As the software evolved, it began using Social Accounting Matrices in its analysis. Currently, IMPLAN is among the most widely used economic impact modeling systems. It provides a transparent and detailed approximation of economic impacts that is widely utilized by businesses and government agencies.

[4] We used the fees of Lodi Unified School District and the San Joaquin Multi-Species Habitat Conservation and Open Space Plan. The current fee schedules are published on the websites for Lodi Unified School District and the San Joaquin Council of Governments.

The full range of economic impacts that result from the expenditures—the **Total Effect**—is the sum of the direct, indirect, and induced effects:

- **Direct Effects** are the changes in jobs and income directly supported by the builder, such as the jobs held by the homebuilders' employees.
- **Indirect Effects** represent the iterative impacts of inter-industry transactions as supplying industries respond to demand from the sector(s) where the initial expenditures occurred. An example of an indirect impact would be employees of a building material wholesaler.
- **Induced Effects** reflect the expenditures made by recipients of wages in the direct and indirect industries. Examples of induced impacts include employees' expenditures on items such as retail purchases, housing, food, medical services, banking, and insurance.

In this analysis, the total, direct, indirect, and induced effects are reported by output, labor income, and employment:

- **Output** represents the value of industry production. It accounts for the total change in the value of production in an industry for a given time period. Output varies as a measure across industries. For manufacturers, the value of production is sales plus or minus any change in inventories. For service sectors, the value of production equals their sales. While for retail and wholesale trade, the value of production equals their gross margin and not their gross sales.
- **Value Added** is the contribution of to GDP of an individual producer, industry or sector. It is the difference between the value of Output and the cost of intermediate inputs. In terms of income, Value Added is equal to the sum of employee compensation, gross operating margin, and net taxes.
- **Labor Income** is the sum of employee compensation and proprietor income. Employee compensation includes wages, salaries, benefits, and all other employer contributions, while proprietor income consists of payments received by self-employed individuals and unincorporated business owners.
- **Employment** is the number of full- and part-time jobs based on an annual average of monthly jobs. In other words, employment is measured as a full year of employment. Thus, 3 temporary jobs that lasted for 4 months are reported as 1 job.

The input-output model is defined for a specific geographic area, and economic impacts are calculated for that area. Indirect and induced effects are calculated using regional purchase coefficients calculated by IMPLAN, and thus economic impacts do not include spending outside the region analysis even if the purchases are made by individuals or businesses located within the region.

The definition of the geographic area is limited by the available data. In general, the smallest geography used for economic impact analysis is a County. However, the IMPLAN model can now develop regions at the zipcode level.

For this analysis, all of San Joaquin County was chosen as the study area even though all the direct construction activity in the scenario takes place in the City of Stockton. This was done for multiple reasons. First, the City boundaries do not follow zipcode boundaries closely, so it is only possible to make a rough approximation of the City. Second, the zipcode level source data is more limited leading to less confidence in the model results. Finally, many suppliers of building inputs and employees could be located just outside of the City so that a model looking solely at the boundaries of Stockton would ignore these areas that are still very much integrated with the City and understate local economic impacts.

The inputs to the IMPLAN model were created by multiplying the expenditures in Table 1 by 1,000 homes and allocating the spending across sectors in the IMPLAN model. Direct construction, site costs and indirect/soft costs were combined and input into IMPLAN sector 59, "Construction of new single-family residential structures," because the industry spending pattern in IMPLAN already expenditures on site and soft costs. The expenditures on Government permits and fees were allocated according to the use of the funds. Much of the fees are for construction of public facilities such as roads, schools, and police stations and the share of fees for these purposes was allocated to the appropriate construction sector as displayed in Table 2. Other fees, such as plan checks, were allocated to support the local government, non-education sector. Fees that are allocated for the purchase of land or easements to preserve habitat or open space were not included in the economic impact model just as land costs are excluded from construction impacts. These land related fees excluded from the economic impact calculation total about $7 million across 1,000 homes. Land costs are excluded because shifting the use of land does not represent new economic production in an economic impact model. All together, the construction of 1,000 homes supports just under $315 million in new production as shown in Table 2.

Table 2-IMPLAN Inputs

Sector	Description	Value
59	Construction of new single-family residential structures	$265,903,000
58	Construction of other new nonresidential structures	$16,386,840
533	Employment and payroll of local government, non-education	$11,646,140
56	Construction of new highways and streets	$9,697,580
55	Construction of new educational and vocational structures	$6,955,000
57	Construction of new commercial structures, including farm structures	$4,187,000
	Total Expenditures	**$314,775,560**

3. ECONOMIC IMPACT RESULTS

Table 3 presents an overview of total economic impacts in San Joaquin County attributable to building 1,000 homes in Stockton in a year. We estimate that approximately 80% of these countywide economic impacts would accrue within the City of Stockton itself.

Table 3-Overview of BIAGV Housing Development's County-Wide Economic Impact

Economic Impact				
Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	2,138	$129,868,744	$136,261,120	$314,775,552
Indirect Effect	842	$29,372,220	$53,362,048	$87,938,072
Induced Effect	717	$28,623,700	$54,719,872	$88,863,008
Total Effect	**3,696**	**$187,864,664**	**$244,343,296**	**$491,576,632**

The production of 1,000 homes in Stockton is estimated to directly support 2,138 jobs, and a total of nearly 3,700 jobs when including multiplier effects. These 3,700 jobs average nearly $51,000 per year in total compensation for total labor income of $188 million in the County. An additional $57 million in profits and indirect business taxes brings the total value added in the County up to $244 million. The total output related to home building is $492 million.

4. GOVERNMENT REVENUE IMPACTS

As discussed earlier and detailed in the appendix, the developer of a typical house in Stockton would pay a total of $56,000 in permits and fees to local governments, so that our 1,000 home scenario would generate nearly $56 million in revenue to local governments in permits and fees alone. The majority of the fees are used to pay for public infrastructure such as water systems and roads.

In addition to these direct payments from developers, the income and economic activity created by the new home construction generates income, sales, social insurance, property and other taxes for local, state and federal governments. The IMPLAN model estimates for these other sources of tax revenue is shown in Table 4.

The total tax payment from this planned development is $63.5 million. The state and local tax payment is $24.8 million, or 39% of the total tax payments. The federal tax payment is $38.7 million or 61% of the total tax payment. Of the $24.8 million in state and local payments, indirect business taxes account for approximately two-thirds of the revenue; this tax consists mostly of sales (49%) and property (41%) taxes paid to state and local governments by the companies involved in the development. This is followed by personal tax payments (28%), social insurance tax payments (3%), corporate profit taxes (2.6%) and net dividend payments (less than 1%). Of the $38.7 million in federal tax payments, social insurance is the largest revenue component at nearly 50%; these payments go to programs such as Social Security, Medicare and unemployment insurance. This is followed by personal tax payments (38%), corporate tax payments (6.9%) and indirect business tax payments (6.3%).

Table 4-Overview of BIAGV Housing Development's County-Wide Tax Impact

Line	Description	Value
1	**State and Local Taxes Resulting from the Planned Housing Development**	
1.1	Net Dividend Payments to Government (Payments from Envestments)	$43,262
1.2	Social Insurance Tax Payments (Retirement, Health & Disability Insurance)	$745,553
1.3	Corporate Profit Tax Payments (Corporate Net Income Tax)	$634,702
1.4	Personal Tax Payments (Income & Property Tax)	$7,023,260
1.5	Indirect Business Tax Payments (Sales, Property & Motor Vahicle Tax)	$16,388,180
1.6	*Total State and Local Tax Payments (Lines 1.1 through 1.5)*	*$24,834,957*
2	**Federal Payments Resulting from the Planned Housing Development**	
2.1	Indirect Business Tax Payments (Customs & Excise Taxes)	$2,446,841
2.2	Corporate Profit Tax Payments (Corporate Net Income Tax)	$2,685,292
2.3	Personal Tax Payments (Income Tax)	$14,930,310
2.4	Social Insurance Tax Payments (Retirement, Health & Disability Insurance)	$18,633,430
2.5	*Total Federal Tax Payments (Lines 2.1 through 2.4)*	*$38,695,873*
3	**Grand Total of Tax Payments (Lines 1.6 & 2.5)**	**$63,530,830**

5. SUMMARY AND CONCLUSION

Home building is an important part of the local economy that has yet to recover from the effects of the Great Recession. This report estimates the potential economic impact of building 1,000 homes per year in the City of Stockton, a reasonable expectation in a healthy economy with moderate growth. We find this home building activity would support nearly 3,700 jobs in San Joaquin County, about 3,000 of these within the City itself. The new home construction would support $492 million in output, and $244 million in value-added or GDP within the County.

The construction activity would generate $56 million in permit and fee revenue for local governments, and an additional $64 million in tax revenue to the federal, state and local governments. This report does not estimate tax payments that would be made by individuals that would occupy the homes after they were built or the cost of providing government services to the households.

APPENDIX

Table 5-Estimated Permit and Fee Costs for a 2,070 Square Foot Single-Family Home in Stockton

Fee Type	Amount
Permit fee	$2,202.70
Plan Check fee	$1,585.94
Planning fee	$728.15
Strong Motion Instrumentation Program (SMIP) fee	$31.55
Technology fee	$284.15
Permit tracking fee	$14.00
Land update fee	$3.25
Microfilm fee	$50.00
Capital preservation fee	$242.72
Green Building fee	$10.00
Community Rating System Admin fee (CRS)	$44.05
Development Code Maintenance fee	$242.72
Development Oversight Commission fee	$242.72
Climate Action Plan Implementation fee	$242.72
Housing Element Preparation & Monitoring fee	$121.36
Permit Issuance fee	$39.00
Water *	$2,135.84
Sewer	$6,172.00
Delta Water Supply Project *	$8,079.00
Water and Sewer - Administrative fee (3.5%)	$290.77
Air Quality	$187.00
City Office Space	$233.50
Community Recreation Center	$240.50
Fire Station	$781.00
Libraries	$451.00
Police Station Expansion	$591.00
County fee	$1,890.00
Agricultural Land Mitigation fee	$2,059.23
Parkland	$2,798.00
Street Improvements	$6,613.00

Surface Water	$4,196.00
Traffic Signal	$110.00
Fee Area - Administrative fee (3.5%)	$705.26
Regional Transportation fee	$3,084.58
Public Works Residential Construction	$72.10
School District (Lodi)	$6,955.00
Multi-Species Habitat Conservation and Open Space	$2,087.00
Total Permits and Fees	**$55,816.81**

Resolution No. 2015-11-17-1602

STOCKTON CITY COUNCIL

RESOLUTION ADOPTING A STOCKTON ECONOMIC STIMULUS PROGRAM SUPERSEDING EXISTING PUBLIC FACILITIES FEE REDUCTION PROGRAM FOR RESIDENTIAL AND NON-RESIDENTIAL PROJECTS

In 1988 the City Council adopted Stockton Municipal Code section 16.72.260, which established the authority for imposing and charging public facilities fees for new development; and

In 2005 the City Council increased these fees in response to a nexus study. The fee increases resulted in a significant increase in residential and nonresidential public facility fees; and

On September 14, 2010, the City Council adopted Resolution No. 10-0309, which established a temporary reduction of certain public facilities fees for non-residential projects Citywide, exempted certain public facilities fees for residential projects in the "Greater Downtown Stockton Area," reduced certain public facilities fees for single-family residential projects developed within the existing City limits, as of October 14, 2008, and increased the Public Facilities Administrative Fee to 3.5% until December 2012; and

On November 16, 2010, the City Council adopted Resolution No. 10-0377, which expanded the program to include multi-family projects with a sunset date of December 31, 2012; and

On December 11, 2012, the City Council adopted Resolution No. 2012-12-11-1601, which extended certain components of the fee reduction program through December 31, 2013, which were scheduled to sunset on December 31, 2012; and

On December 17, 2013, the City Council adopted Resolution No. 2013-12-17-1502, which extended certain components of the fee reduction program through December 31, 2014, which were scheduled to sunset on December 31, 2013; and

On November 18, 2014, the City Council adopted Resolution No. 2014-11-18-1501, which extended certain components of the fee reduction program through December 31, 2015, which were scheduled to sunset on December 31, 2014; and

On August 18, 2015, the Mayor introduced the Stockton Economic Stimulus Plan (SESP) for City Council consideration, the City Council directed the City Manager to return to Council on October 6, 2015 and report on the financial impacts of the SESP and the status of the General Plan; and

On October 6, 2015, the Council members scheduled a study session for October 13, 2015 to discuss the SESP. At the study session, Council discussed the SESP (Item 15-2115. On November 3, 2015, Council further debated the SESP and an alternative proposal (Item 15-2124) and moved to continue the public hearing to November 17, 2015 so that further analysis related to the alternative could be considered.

At the continued public hearing of November 17, 2015, the Building Industry Association (BIA) submitted a revised proposal which was further discussed and deliberated by Council.

In order to stimulate new development, attract new business, improve the unemployment rate, and jump start the local economy, the City Council of the City of Stockton desires to implement the following Stockton Economic Stimulus Plan; now therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

The Stockton Economic Stimulus Program (SESP) proposal is hereby adopted as follows:

1. Residential.

2. This program supersedes the City's 2010 Economic Development Department (EDD) Public Facilities Fee Reduction Program adopted in 2010 and extended through December 31, 2015. However, the current EDD program remains in force until such time the SESP is fully implemented.

3. Under the program, applicants will receive a reduction of City Building, Street Improvement and Parks Public Facilities Fees (PFF) for single family and multi-family permits up to a total of $19,997 or 100% of these fees whichever is less.

More specifically, the PFF fees to be reduced are:

a. City Office Space
b. Community Recreation Centers
c. Libraries
d. Police Stations
e. Fire Stations
f. Street Improvements
g. Parks

4. The program for residential permits will last for 36 months from the date of Council adoption and shall be reviewed by Council within 18 months of program adoption. The reduction program applies to the first 1,000 single family permits issued citywide for

builders who comply with the terms of the program. The reduction program also applies for the first 500 multi-family units issued citywide for builders who comply with the terms of the program. Only units within the existing City Limits as described in the 2008 General Plan Settlement Agreement shall be eligible to participate in this program.

5. To participate in the residential component of the SESP, a developer must comply with the following local hire and disadvantaged individual requirements.

6. Local Hire Requirement. Participation in the Program is contingent on at least 50% of the workforce on a permit residing within Stockton. Employees residing within the City of Stockton city limits are considered local hires. By time of permit issuance, the builder must provide a list of all employees to work on a particular permit with names and addresses of the employees and identify which employees reside within Stockton city limits.

Should the number of local hires fall under 50%, the applicant has 30 days to cure the deficiency. If the applicant is unable to cure this within the 30 days, the applicant will be deemed non-compliant and subject to the penalties set out in paragraph 11, below.

From the time of the first residential building permit issued to an applicant, the applicant must make a quarterly report to the City. The report will identify the total number of workers employed on the project and the number of those employees who reside within the City of Stockton.

7. Disadvantaged Requirement. Disadvantaged communities will be included in the local workforce to the greatest extent feasible. Projects participating in this program shall work with the BIA to coordinate the hiring of disadvantaged Stockton residents to appropriate positions matching skills and experience to job requirements and staffing needs. In order to facilitate the inclusion of disadvantaged communities, the BIA has entered into an agreement with the NAACP. (See Attachment A for details).

To be considered as disadvantaged for the purposes of this requirement, an individual or firm must be a member of one of the following groups as listed within the City's Public Works Disadvantaged Enterprise (DBE) Program:

1. African American
2. Asian Pacific American
3. Native American
4. Women

The BIA shall provide opportunities to youth from SJCOE YouthBuild, Lincoln High School's Engineering Construction Academy, SUSD Edison's woodworking and construction, and Jane Fredrick's masonry program.

8. On a monthly basis, the applicant will submit a report to the City identifying the total number of lots in their project, the number of permits issued, the number of homes under construction and the number of homes with a final permit.

9. Once a permit is issued, the applicant must start construction within six months of issuance unless an extension, authorized by state law and local ordinance is approved.

10. A builder may receive no more than twenty (20) building permits at any given time for each final map, or forty (40) citywide for builders involved in more than one subdivision under the SESP. The builder must start and receive a first inspection for each permit within six months of the permit being issued, unless the builder receives an extension as provided by state law and local ordinance. Permits in SB 535 disadvantaged areas are exempt from this paragraph.

11. If a participating builder does not satisfy the conditions of the Program, then the builder will be required to reimburse the City the equivalent reduction of 100% of City Buildings, Street Improvement and Parks PFF, as detailed above, for each issued permit that was in a stage prior to final permit inspection during the non-compliant period and shall not be eligible to further participate in the Program.

12. In the event the Program expires, or the numerical count of 1,000 single family unit permits and 500 multifamily unit permits is reached, or a developer chooses to not participate in the Program, or a developer is no longer eligible to participate in the program due to noncompliance with the local hire requirement of the SESP, the city will require payment of fees in the full, unabated amount.

13. Commercial/Industrial.

14. The current Commercial and Industrial fee reduction shall remain in effect until a new nexus study is completed and new Public Facility Fees (PFF) are adopted in conjunction with the current General Plan Update.

A 50% reduction of the following PFF for Commercial and Industrial permits shall remain in place until new fees are adopted under the General Plan Update:

i. City Office Space
ii. Community Recreation Centers
iii. Libraries
iv. Police Stations
v. Fire Stations
vi. Street Improvements

15. The fee reduction program set out in this resolution shall take effect 60 days following Council adoption.

16. All other provisions of the Public Facilities Fees Program shall remain in full force and effect.

17. The City Manager is authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED AND ADOPTED. November 17, 2015.

ANTHONY SILVA, Mayor
City of Stockton

ATTEST:

BONNIE PAGE, City Clerk
City of Stockton

Attachment A

To facilitate the hiring of disadvantaged Stockton residents the BIA will collaborate with the NAACP and other such organizations to match workers to jobs. All projects participating in this program shall submit to the BIA all vacant positions and all new positions to be filled for the project prior to any other type of solicitation or recruitment efforts by the project general contractors and each and every subcontractor working on the project. All job vacancies and openings will be submitted to the NAACP, and others as requested, for their use in matching up jobs to workers. The NAACP will create and maintain a list of workers desiring a job with one or more projects, contractors or sub-contractors utilizing this program. The information about each worker shall include standard employment information enabling a prospective employer to determine the proper skills, licenses and experience of each worker. The BIA its members and their contractors and sub-contractors will use their best efforts to hire from the lists provided for positions at all levels.

Resolution No. 2018-07-17-1302

STOCKTON CITY COUNCIL

RESOLUTION EXTENDING THE STOCKTON ECONOMIC STIMULUS PLAN FOR RESIDENTIAL AND NON-RESIDENTIAL PROJECTS

In 1988 the City Council adopted Stockton Municipal Code section 16.72.260, which established the authority for imposing and charging public facilities fees for new development; and

In 2005 the City Council increased these fees in response to a nexus study. The fee increases resulted in a significant increase in residential and nonresidential public facility fees; and

On September 14, 2010, the City Council adopted Resolution No. 10-0309, which established a temporary reduction of certain public facilities fees for non-residential projects Citywide, exempted certain public facilities fees for residential projects in the "Greater Downtown Stockton Area," reduced certain public facilities fees for single-family residential projects developed within the existing City limits, as of October 14, 2008, and increased the Public Facilities Administrative Fee to 3.5% until December 2012; and

On November 16, 2010, the City Council adopted Resolution No. 10-0377, which expanded the program to include multi-family projects with a sunset date of December 31, 2012; and

On December 11, 2012, the City Council adopted Resolution No. 2012-12-11- 1601, which extended certain components of the fee reduction program through December 31, 2013, which were scheduled to sunset on December 31, 2012; and

On December 17, 2013, the City Council adopted Resolution No. 2013-12-17- 1502, which extended certain components of the fee reduction program through December 31, 2014, which were scheduled to sunset on December 31, 2013; and

On November 18, 2014, the City Council adopted Resolution No. 2014-11-18-1501, which extended certain components of the fee reduction program through December 31, 2015, which were scheduled to sunset on December 31, 2014; and

On November 17, 2015, City Council adopted Resolution No. 2015-11-17-1602, which adopted the Stockton Economic Stimulus Plan (SESP) which superseded previous public facility fee reduction programs. This program is scheduled to expire December 31, 2018; and

In order to stimulate new development, attract new business, improve the unemployment rate, provide greater opportunities for disadvantaged communities within Stockton, and jump start the local economy, the City Council of the City of Stockton desires to extend the SESP; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The SESP shall be extended and remain in effect until December 31, 2020.

2. Increase the developer's permit limitations in non-disadvantaged areas to 30 per subdivision and 80 citywide.

3. All other components of the program will remain "as is," unless amended by Council resolution.

4. The City Manager is authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED AND ADOPTED. July 17, 2018.

Elbert Holman for Mayor Tubbs
MICHAEL D. TUBBS
Mayor of the City of Stockton

ATTEST:

BRET HUNTER, CMC
City Clerk of the City of Stockton

MINUTES
CITY COUNCIL/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY/PUBLIC FINANCING AUTHORITY/PARKING AUTHORITY CONCURRENT - REVISED
MEETING OF AUGUST 20, 2019

Council Chamber - City Hall, 425 N. El Dorado Street, Stockton CA

1. CLOSED SESSION CALL TO ORDER/ROLL CALL - 4:00 PM

Roll Call
Present:
Jesus Andrade
Christina Fugazi
Sol Jobrack
Susan Lenz
Michael Tubbs
Daniel Wright
Absent:
Paul Canepa.

NOTE: Councilmember Canepa arrived to Closed Session at 4:01 PM

2. ADDITIONS TO CLOSED SESSION AGENDA

None

3. ANNOUNCEMENT OF CLOSED SESSION

3.1 19-5735 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Number of Cases: Four

Name of Case: Wells Fargo Bank v. City of Stockton (San Joaquin County Superior Court Case No. 39-2012-00277662)

Name of Case: Wells Fargo Bank, National Association, as Indenture Trustee v. City of Stockton (San Joaquin County Superior Court Case No. 39-2012-00280741)

Name of Case: In re City of Stockton, California - Debtor (United States Bankruptcy Court, Eastern District of California Case No. 2012-32118)

Name of Case: Richard Price, et al. v. City of Stockton, Redevelopment Agency, et al. (United States District Court, Eastern District Case No. CIV.S-02-0065 LKK JFM)

This Closed Session is authorized pursuant to Section 54956.9(a) of the Government Code.

Legislation Text

3.2 19-5736 CONFERENCE WITH LABOR NEGOTIATOR

Agency Designated Representative: Acting City Manager Laurie Montes

Employee Organizations: Unrepresented Units, Stockton City Employees' Association, Operating Engineer's Local 3, Mid-Management/Supervisory Level Unit, Unrepresented Management/Confidential, Law Department, Stockton Police Management Association, Stockton Firefighters Local 456 International Association of Firefighters, Stockton Fire Management, Stockton Police Officers' Association (SPOA)

This Closed Session is authorized pursuant to Section 54957.6(a) of the Government Code.

Legislation Text

3.3 19-5737 PUBLIC EMPLOYEE APPOINTMENT, EMPLOYEE EVALUATION OF PERFORMANCE, DISCIPLINE, OR DISMISSAL:

City Manager This Closed Session is authorized pursuant to Government Code section 54957.

Legislation Text

3.4 19-5738 CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION

Number of Cases: One Based on existing facts and circumstances, there is significant exposure to litigation pursuant to Government Code section 54956.9(b).

Legislation Text

3.5 19-5781 CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION

Number of Cases: One Based on existing facts and circumstances, there is significant exposure to litigation pursuant to Government Code section 54956.9(c).

Legislation Text

4. PUBLIC COMMENT

None

5. RECESS TO CLOSED SESSION

The Council recessed to Closed Session at 4:01 PM. The Council returned from Closed Session and recessed at 5:20 PM.

6. REGULAR SESSION CALL TO ORDER/ROLL CALL - 5:33 PM

Roll Call
Present:
Jesus Andrade
Paul Canepa
Christina Fugazi
Sol Jobrack

Susan Lenz
Michael Tubbs
Daniel Wright

7. INVOCATION/PLEDGE TO FLAG

The Pledge of Allegiance was led by Councilmember Andrade. Pastor Renee Bennett of First Church of the Nazarene provided the Invocation.

8. REPORT OF ACTION TAKEN IN CLOSED SESSION

City Attorney John M. Luebberke announced that there was no reportable action taken during Closed Session this evening.

9. ADDITIONS TO REGULAR SESSION AGENDA

None

10. RECOGNITIONS, ANNOUNCEMENTS, OR REPORTS

None

11. CONSENT AGENDA

Steven Turner - public comment agenda placement

Approve the Consent Agenda with a single vote, save item 11.4 which was considered separately

Moved by: Paul Canepa, seconded by Susan Lenz.

Vote: Motion carried 7-0

Yes: Jesus Andrade, Paul Canepa, Christina Fugazi , Sol Jobrack, Susan Lenz, Michael Tubbs, and Daniel Wright.

11.1 19-5714 ACCEPT THE QUARTERLY INVESTMENT REPORT FOR QUARTER ENDED JUNE 30, 2019

Motion 2019-08-20-1101 accepting the Quarterly Investment Report for the quarter ended June 30, 2019.

Legislation Text

Attachment A - Quarterly Investment Report - 6-30-2019

Attachment B - Certification of Quarterly Investment Report - 06-30-2019

11.2 19-5790 ADOPT THE FISCAL YEAR 2019-20 INTERNAL AUDIT PROGRAM

Motion 2019-08-20-1102 adopting the Fiscal Year (FY) 2019-20 Internal Audit Program.

Legislation Text

Attachment A - Fiscal Year 2019-20 Internal Audit Program

11.3 19-5803 APPROVAL OF CITY COUNCIL MINUTES

Motion 2019-08-20-1103 approving the minutes from the City Council meeting of June 18, 2019.

Legislation Text

2019-06-18 - Minutes for Approval

11.4 19-5791 RESOLUTION TO APPROPRIATE FUNDS FOR A COMMUNITY CHOICE AGGREGATION FEASIBILITY STUDY

Legislation Text

Proposed Resolution - CCA Feasibility Study

Approved Resolution 2019-08-20-1104

Approve **Resolution 2019-08-20-1104**:

1. Appropriating $100,000 of Air Quality Mitigation Public Facility Fee funds to determine the feasibility of the City of Stockton developing a Community Choice Aggregation program.

2. Authorizing the receipt and appropriation of any awarded grant funds for the purpose of completing a Community Choice Aggregation feasibility study.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the resolution.

Moved by: Michael Tubbs, seconded by Daniel Wright.

Vote: Motion carried 7-0

Yes: Jesus Andrade, Paul Canepa, Christina Fugazi , Sol Jobrack, Susan Lenz, Michael Tubbs, and Daniel Wright.

11.5 19-5695 FINAL MAP AND SUBDIVISION AGREEMENT FOR CANNERY PARK UNIT NO. 3, (VILLAGE G1), TRACT NO. 3523 PROJECT

Resolution 2019-08-20-1105:

1. Approving the final map for Cannery Park, Unit No. 3, (Village G1), Tract No. 3523.

2. Authorizing the City Manager to execute the subdivision agreement, accept on behalf of the public all offers of dedication, and record the final map for Cannery Park, Unit No. 3, (Village G1), Tract No. 3523.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the resolution.

Legislation Text

Attachment A - Vicinity Map

Proposed Resolution - Cannery Park Unit No. 3

Exhibit 1 - Subdivision Agreement

Exhibit 2 - Subdivision Map

Approved Resolution 2019-08-20-1105

11.6 19-5720 MOTION TO AUTHORIZE THE CITY MANAGER TO SIGN A VOLUNTARY REDUCTION LETTER TO U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FROM A FUTURE YEAR GRANT ALLOCATION

Motion 2019-08-20-1106:

1) Authorizing the City Manager to sign a letter agreeing to a voluntary reduction in future allocation of $147,277.72, from the HOME Investment Partnership Program (HOME) Entitlement funds; and

2) Authorizing the City Manager or his designee to take the appropriate and necessary actions to carry out the purpose and intent of the motion.

Legislation Text

Attachment A - Voluntary Reduction Letter

Attachment B - Resolution 2018-08-21-1104

Attachment C - Resolution 2019-02-05-1108

11.7 19-5600 APPROVE LEASE AMENDMENT WITH QUINN & KRONLUND, LLP AT 509 WEST WEBER AVENUE

Resolution 2019-08-20-1107:

1) Approving a Lease Amendment to the lease with Quinn & Kronlund, LLP for office space in the Waterfront Towers (509 West Weber Avenue); and

2) Authorizing the City Manager, or his designee, to take all the necessary and appropriate actions to carry out the purpose and intent of this resolution.

Legislation Text

Attachment A - Current Lease

Proposed Resolution - Quinn and Kronlund Lease

Exhibit 1 - Lease Amendment - Quinn and Kronlund

Approved Resolution 2019-08-20-1107

11.8 19-5664 MOTION APPROVING COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING TO LOCAL ORGANIZATIONS THAT SUPPORT BUSINESS START-UPS AND ENTREPRENEURS

Motion 2019-08-20-1108:

1. Approving Community Development Block Grant funding to local organizations that provide support to business start-ups and entrepreneurs in Stockton.

2. Authorizing the City Manager, or his designee, to take appropriate and necessary actions to carry out the purpose and intent of the motion.

Legislation Text

11.9 19-5676 APPROVE AMENDMENT OF OPTION AGREEMENT WITH 1501 S. AIRPORT WAY, LLC

Resolution 2019-08-20-1109:

1. Authorizing an amendment to extend the Option Agreement with 1501 S. Airport, LLC for City-owned property at 1501 S. Airport Way and 1670 Union Street; and

2. Authorizing the City Manager to take necessary and appropriate actions to carry out the purpose and intent of the resolution.

Legislation Text

Attachment A - Resolution 2018-02-27-1111

Attachment B - Vicinity Map

Attachment C - Option Agreement

Proposed Resolution - 1501 Airport Option Agreement

Exhibit 1 - Amendment to 1501 Airport Option Agreement

Approved Resolution 2019-08-20-1109

11.10 19-5481 ADOPT FINDINGS APPROVING AN EXCEPTION TO THE COMPETITIVE BID PROCESS TO ENTER INTO AN AGREEMENT FOR PURCHASE OF EMERGENCY REPORTING RECORDS MANAGEMENT SYSTEM FOR THE FIRE DEPARTMENT

Motion 2019-08-20-1110:

1. Adopting findings approving an exception to the competitive bid process and authorize the City Manager to enter into a five-year agreement with Backdraft OpCo, LLC, DBA Emergency Reporting (ER) in the amount of $197,263 for the purchase, installation, and maintenance of Emergency Reporting software.

2. Authorizing the City Manager to take all appropriate and necessary actions to carry out the purpose and intent of this motion.

Legislation Text

Attachment A - Emergency Reporting Service Agreement

11.11 19-5717 AWARD A FIVE-YEAR CONTRACT WITH EVOQUA WATER TECHNOLOGIES FOR RENTAL OF HYDROGEN PEROXIDE STORAGE TANK, SERVICE SOFTWARE, AND PURCHASE OF HYDROGEN PEROXIDE

Motion 2019-08-20-1111:

1. Approving findings pursuant to Stockton Municipal Code Section 3.68.3070 in support of an exception to the competitive bidding process.

2. Awarding a five-year contract between the City of Stockton and Evoqua Water Technologies of Sarasota, Florida, for a total not-to-exceed amount of $1,648,150 for rental of Hydrogen Peroxide storage tank, service software, and purchase of Hydrogen Peroxide.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the motion.

Legislation Text

Attachment A - Evoqua Contract

11.12 19-5634 ADOPT A RESOLUTION ACCEPTING A LAW ENFORCEMENT ASSISTANCE PROGRAM GRANT FROM THE STATE OF CALIFORNIA DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL, AUTHORIZE THE EXECUTION OF STANDARD AGREEMENT 19G-LA46, AND AMEND THE FISCAL YEAR 2019-20 ANNUAL BUDGET

Resolution 2019-08-20-1112:

1. Authorizing the City Manager to accept $100,000 in Fiscal Year 2019-20 Police Grant Funds from the State of California Department of Alcoholic Beverage Control Grant Assistance to Local Law Enforcement Agencies Project for the Stockton Police Department's ABC public education and enforcement program;

2. Amending the Fiscal Year 2019-20 Annual Budget to increase the Police Grants and Special Programs expenditure and revenue appropriation by $100,000; and

3. Authorizing the City Manager to execute all required contracts or agreements with the granting agency, provide additional information and furnish such documents as may be required, execute all documents and amendments or extensions pertaining to the grant project, make all required appropriations in compliance with and for the purposes stated in the project Agreement.

4. It is further recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of the resolution.

Legislation Text

Proposed Resolution - 2019 ABC Grant

Exhibit 1 - 2019 ABC Grant - 19G-LA46

Approved Resolution 2019-08-20-1112

11.13 19-5663 CITYWIDE SECURITY SERVICES CONTRACT

Motion 2019-08-20-1113:

1. Authorizing the City Manager to execute a four-year Professional Services Agreement between the City of Stockton and Securitas Security Services USA, Inc. for citywide security services for a total contract amount not to exceed $6,145,923.

2. It is further recommended that the City Manager is hereby authorized and directed

to make any and all expenditures and appropriations on behalf of the City as appropriate and necessary to carry out the purpose and intent of this motion.

Legislation Text

Attachment A - Securitas Security Services

11.14 18-4885 APPROVE MOTION TO INCREASE THE AMOUNT FOR DESIGN SERVICES FOR THE FRENCH CAMP ROAD/I-5 INTERCHANGE LANDSCAPING PROJECT

Motion 2019-08-20-1114 authorizing the City Manager to increase the Design Professional Purchase Order for Services with Derivi Castellanos Architects of Stockton, CA, in the amount of $19,510, for the French Camp Road/I-5 Interchange Landscaping, Project No. PW1418.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of this motion.

Legislation Text

Attachment A - Vicinity Map

Attachment B - Design Professional Purchase Order for Services

11.15 19-5151 APPROVE A RESOLUTION FOR THE PURCHASE AND INSTALLATION OF NEW PLAYGROUND EQUIPMENT AT HARRY CORREN PARK THROUGH A COOPERATIVE PURCHASING AGREEMENT WITH PLAYPOWER, INC. THROUGH SOURCEWELL

Resolution 2019-08-20-1115:

1. Approving findings pursuant to Stockton Municipal Code section 3.68.070 in support of an exception to the competitive bidding process.

2. Approving a Cooperative Purchasing Agreement in an amount not to exceed $200,000 to provide the City access to preferential pricing programs from PlayPower, Inc. and its associated vendors, including Miracle Recreation Equipment Company, that was awarded through a competitive process by Sourcewell (formerly National Joint Powers Alliance).

3. Authorizing the purchase and installation of new playground equipment at Harry Corren Park, which is part of the North Stockton Open Space Improvements, Project No. PW1803, through the above Sourcewell contract with Miracle Playsystems, Inc. of Alamo, CA, in the amount of $128,180.85.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Legislation Text

Attachment A - Vicinity Map

Proposed Resolution - Harry Corren Park Playground Equipment

Exhibit 1 - Cooperative Purchasing Agreement

Approved Resolution 2019-08-20-1115

11.16 19-5666 RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AND SUBMIT THE TRANSPORTATION DEVELOPMENT ACT CLAIM FOR FISCAL YEAR 2019-20

Resolution 2019-08-20-1116:

1. Authorizing the City Manager or his Designee to execute and submit a claim to the San Joaquin Council of Governments for Fiscal Year 2019-20 Transportation Development Act funds.

2. Authorizing the City Manager or his Designee to deposit the proceeds in the Transportation Development Act Fund 034 pursuant to State of California requirements.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of this resolution.

Legislation Text

Proposed Resolution - TDA Claim 2019

Approved Resolution 2019-08-20-1116

12. ADMINISTRATIVE MATTERS

None

13. UNFINISHED BUSINESS

None

14. NEW BUSINESS

14.1 19-5761 AWARD A CONTRACT FOR THE LEASE OF SWENSON PARK GOLF COURSE TO KSM SWENSON, LLC; ADOPT FINDINGS IN SUPPORT OF AN EXCEPTION TO THE COMPETITIVE BIDDING PROCESS; APPROVE A SECOND AMENDMENT WITH KEMPERSPORTS MANAGEMENT; AUTHORIZE THE CLOSURE OF VAN BUSKIRK GOLF COURSE; AMEND THE FY 2019-20 BUDGET, APPROVE A CONTRACT CHANGE ORDER WITH BRIGHTVIEW, AND APPROVE RELATED ACTIONS

Legislation Text

Attachment A - 2011 KemperSports Operations and Management Agreement

First Proposed Resolution for KSM Swenson LLC lease (1)

Exhibit 1 - Swenson Golf Course Lease Agreement

Proposed Resolution 2 - 2nd Amendment to KSM Management Agreement

Exhibit 1 - 2nd Amendment to KSM Management Agreement

Proposed Resolution 3 - Brightview Contract Change Order

Exhibit 1 - Change Order No. 5

Approved Resolution 2019-08-20-1401-01

Approved Resolution 2019-08-20-1401-02

Approved Resolution 2019-08-20-1401-03

PowerPoint presentation - Lease of Swenson Golf Course and Interim Plan for Van Buskirk Golf Course

The following person(s) spoke to the item - Pandora Crowder, Conway Homes Resident Council President (document filed); Mark Stebbins; John Obagoban

Document filed by Pandora Crowder - Recommendations to Improve Pedestrian & Bicycle Safety for the Conway Community in Stockton

Approve **Resolution 2019-08-20-1401**:

1. Authorizing the execution of a contract to KSM Swenson, LLC for the lease of Swenson Golf Course beginning January 1, 2020, and approving findings pursuant to Stockton Municipal Code 3.67.070 adopting findings in support of an exception to the competitive bidding process; and

2. Authorizing the execution of a Second Amendment to the Management Agreement and Transition Plan with KemperSports Management (C-11-202NP), approving the closure of Van Buskirk Golf Course, appropriating $350,000 from the General Fund reserve to KSM for cafe improvements and critical repairs, and authorizing the City Manager to take all actions related to Golf Cart disposition; and

3. Authorizing the execution of Contract Change Order Number 5 in the amount of $307,760 with Brightview Landscaping (Project No. OM-18-062) for sixteen months of landscaping services at the Van Buskirk property.

It is also recommended that the City Manager be authorized to take all appropriate and necessary actions to carry out the purpose and intent of these three resolutions.

Moved by: Michael Tubbs, seconded by Paul Canepa.

Vote: Motion carried 7-0

Yes: Jesus Andrade, Paul Canepa, Christina Fugazi , Sol Jobrack, Susan Lenz, Michael Tubbs, and Daniel Wright.

14.2 19-5621 DESIGNATING VOTING DELEGATES FOR THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE TO BE HELD OCTOBER 16-18, 2019

Legislation Text

Attachment A - League of CA Cities Correspondence

Approve **Motion 2019-08-20-1402** designating two members to serve as a voting delegates representing the City at the League of California Cities Annual Conference to be held October 16-18, 2019, Vice Mayor Dan Wright as delegate and Councilmember Christina Fugazi as alternate.

Moved by: Michael Tubbs, seconded by Paul Canepa.

Vote: Motion carried 7-0

Yes: Jesus Andrade, Paul Canepa, Christina Fugazi , Sol Jobrack, Susan Lenz, Michael Tubbs, and Daniel Wright.

14.3 19-5707 APPROVE RESPONSE TO THE 2018-19 CIVIL GRAND JURY REPORT RELATED TO COLD CASES, CASE NO. 0318, AND APPROVE RESPONSE TO THE 2016-17 CIVIL GRAND JURY FOLLOW UP REPORT CONCERNING COUNTY WIDE DISPATCH FOR FIRE, CASE NO. 0616

Legislation Text

Attachment A - Grand Jury Report - Case No. 0318

Attachment A1 - City of Stockton Response Letter - Case No. 0318

Attachment B - Follow-up to Grand Jury Report - Case No. 0616

Attachment B1 - City of Stockton Response Letter - Case No. 0616

Exhibit 1 to Attachment B1 - Radio Infrastructure Plan

Exhibit 2 to Attachment B1 - CAD Requirement Changes

Attachment C - Grand Jury Report - Case No. 0117

Attachment D - Grand Jury Report - Case No. 0817

Attachment E - Grand Jury Report - Case No. 0917

The following person(s) spoke to the item - Steven Turner

Approve **Motion 2019-08-20-1403** adopting the City's responses to the 2018-2019 Civil Grand Jury Report for Cold Cases in San Joaquin County - "On the Back Burner," Case No. 0318 and a follow up investigation report related to the 2016-2017 Civil Grand Jury Report "County Wide Dispatch for Fire," Case No. 0616, and directing the City Manager to sign the response on behalf of the City Council and to transmit the response to the Presiding Judge of the San Joaquin County Superior Court.

Moved by: Paul Canepa, seconded by Daniel Wright.

Vote: Motion carried 7-0

Yes: Jesus Andrade, Paul Canepa, Christina Fugazi , Sol Jobrack, Susan Lenz, Michael Tubbs, and Daniel Wright.

14.4 19-5795 AUTHORIZE FUNDING FOR A REGIONAL STRATEGIC HOMELESSNESS PLAN, A CITY STRATEGIC HOMELESSNESS PLAN, AND APPLICATIONS FOR HOMELESS HOUSING, ASSISTANCE AND PREVENTION PROGRAM FUNDS

Legislation Text

Proposed Resolution - Strategic Homelessness Plan and Funding Application

Approved Resolution 2019-08-20-1404

PowerPoint presentation - Authorize Funding for a Regional Strategic Homeless Plan

The following person(s) spoke to the item - Kathleen Gapusan; Brenda Vasquez; Delfina Martinez; Wesley Wristman; Denise Friday (document filed); Steven Turner;

James; Aaron Paradiso; Dionne Smith Downs

Document filed by Denise Friday - 2019 Schedule of Events

Approve **Resolution 2019-08-20-1404:**

1. Budgeting revenue from anticipated state Homeless Housing, Assistance, and Prevention Program funds in the amount of $125,000.

2. Appropriating $125,000 from the state Homeless Housing, Assistance, and Prevention Program funds to complete the following deliverables:

a. San Joaquin Continuum of Care strategic homelessness plan,
b. City of Stockton strategic homelessness plan,
c. City of Stockton application for state Homeless Housing, Assistance, and Prevention Program funds as required by the state, and
d. San Joaquin Continuum of Care application for state Homeless Housing, Assistance, and Prevention Program funds as required by the state.

3. Authorizing the receipt of reimbursements from the San Joaquin Continuum of Care via the County of San Joaquin as the administrative agent for strategic homelessness planning when funds become available.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the resolution and motion.

Directing staff to work with Central Valley Low Income Housing and the Housing Authority of San Joaquin to better utilize funds with existing programs.

Moved by: Christina Fugazi , seconded by Sol Jobrack.

Vote: Motion carried 7-0

Yes: Jesus Andrade, Paul Canepa, Christina Fugazi , Sol Jobrack, Susan Lenz, Michael Tubbs, and Daniel Wright.

14.5 19-5804 CONSIDER DEVELOPMENT OVERSIGHT COMMISSION RECOMMENDATION TO AMEND THE STOCKTON ECONOMIC STIMULUS PROGRAM

Legislation Text

Attachment A - Resolution 2015-11-17-1602

Attachment B - Resolution 2018-07-17-1302

Attachment C - SESP Summary Unit Counts

NOTE: The meeting went into Recess at 7:49 PM

NOTE: The meeting reconvened at 8:09 PM

The following person(s) spoke to the item - John Beckman, Chair, Development Oversight Commission (document filed); Steve Herum

PowerPoint presentation - Development Oversight Commission Meeting of July 31, 2019

Approve **Motion 2019-08-20-1405** amending the Stockton Economic Stimulus Plan to eliminate the residential permit cap and removing the local hire requirement from multi-family developments until such time as the fees proposed and approved by Council in the following Nexus report are affective.

Moved by: Michael Tubbs, seconded by Christina Fugazi .

Vote: Motion carried 7-0

Yes: Jesus Andrade, Paul Canepa, Christina Fugazi , Sol Jobrack, Susan Lenz, Michael Tubbs, and Daniel Wright.

14.6 19-5779 MOTION TO APPROVE A FORMAL RESPONSE FROM CITY STAFF TO THE MAYOR'S TASK FORCE ON AFFORDABLE AND WORKFORCE HOUSING RECOMMENDATIONS

Legislation Text

Attachment A - Mayors Task Force Affordable and Workforce Housing Report

Attachment B - City Response to Task Force Recommendations

Around the Bench Memo - Amended Title to Item 14.6

PowerPoint presentation - Response to the Mayor's Task Force on Affordable and Workforce Housing Recommendations

The following person(s) spoke to the item - John Beckman, Building Industry Association (BIA)

Approve **Motion 2019-08-20-1406** accepting staff recommendations, with recommendation number twenty-five referred to the Legislation/Environmental Committee.

Moved by: Michael Tubbs, seconded by Daniel Wright.

Vote: Motion carried 7-0

Yes: Jesus Andrade, Paul Canepa, Christina Fugazi , Sol Jobrack, Susan Lenz, Michael Tubbs, and Daniel Wright.

14.7 19-5796 ALLOCATE CITY COUNCIL DISCRETIONARY FUNDING AND AMEND THE FISCAL YEAR 2019-20 ANNUAL BUDGET

Legislation Text

Attachment A - FY 2019-20 Park and Tree Projects for Funding Consideration

Proposed Resolution - FY 2019-20 Discretionary Funding

Approved Resolution 2019-08-20-1407

PowerPoint presentation - Allocate FY 2019-20 City Council Discretionary Funding

Approve **Resolution 2019-08-20-1407** amending the FY 2019-20 Annual Budget to appropriate and allocate the $150,000 of unrestricted discretionary funding.

Authorizing the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the resolution.

Moved by: Daniel Wright, seconded by Michael Tubbs.

Vote: Motion carried 5-2

Yes: Jesus Andrade, Paul Canepa, Susan Lenz, Michael Tubbs, and Daniel Wright.
No: Christina Fugazi , and Sol Jobrack.

15. HEARINGS

15.1 19-5716 PUBLIC HEARING TO ACCEPT THE 2019 PUBLIC HEALTH GOALS REPORT

Legislation Text

Attachment A - 2019 Public Health Goals Report

PowerPoint presentation - 2019 Public Health Goals Report

Approve **Motion 2019-08-20-1501** accepting the 2019 Public Health Goals Report.

It is also recommended that the City Manager be authorized to take necessary and appropriate actions to carry out the purpose and intent of this motion.

Moved by: Paul Canepa, seconded by Sol Jobrack.

Vote: Motion carried 7-0

Yes: Jesus Andrade, Paul Canepa, Christina Fugazi , Sol Jobrack, Susan Lenz, Michael Tubbs, and Daniel Wright.

16. PUBLIC COMMENTS - MATTERS NOT ON THE AGENDA

Brenda Vazquez - 209 Cares, Founder Nancy Lamb

Melinda Kadow - Waste Management issues across from her home; trash trucks

Rikki Kadow - Waste Management issues (document filed)

Document filed by Rikki Kadow - Stockton Scavengers Association

Charlene Byrd, African American Chamber of Commerce - Black Family Day at Weber Point, Monday, September 2, 2019; advocate for the homeless

Document filed by Charlene Byrd - Sleeping Bag Drive

Kathleen Gapusan - Pride Flag; recent shootings

Steven Turner - experience with Stockton Police Department

17. COUNCIL COMMENTS

Councilmember Canepa - thanked people for Swenson support; coordinating homeless clean-ups; Shot-Spotter

Councilmember Fugazi - United Airlines Flights available at Stockton Airport; thanked community for Outreach Events; Stockton Tequila Festival, August 17, 2019; Stockton 209 CARES (Community Accessing Resources Empowerment and Sustainability); lights out in Stribley Park bathroom

Vice Mayor Wright - thanked Council for approving item 11.4, Community Choice Aggregate; thanked Councilmember Andrade and San Joaquin County LAFCO (Local Agency Formation Commission) members for approving CARMAX location; Pride Flag

Councilmember Lenz - thanked City of Stockton and community members for National Night Out participation

Vice Mayor Wright - National Night Out at Polo Run Apartments

Councilmember Fugazi - National Night Out Event at Yosemite Street Village

Councilmember Lenz - National Night Out event at Kentfield Park, Oak Park Senior Center

18. ADJOURNMENT - 9:55 PM

INFORMATIONAL ITEMS

1. 19-5637 RECOMMENDATION FROM THE STRONG COMMUNITIES ADVISORY COMMITTEE TO PRIORTIZE NORTHWEST STOCKTON LIBRARY AND RECREATION SERVICES

This item is an information item communicating a recommendation from the Strong Communities Advisory Committee to prioritize Strong Communities (Measure M) funding for Northwest Stockton library and recreation services.

Legislation Text

ELIZA R. GARZA, CMC
STOCKTON CITY CLERK

Total Single-Family Residential Building Permit Unit Counts

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
FY 11-12	8	25	8	19	9	2	3	6	0	10	15	9	114
FY 12-13	14	10	8	3	5	7	3	6	15	14	12	7	104
FY 13-14	19	7	0	6	7	0	6	16	3	11	1	18	94
FY 14-15	9	7	12	2	1	1	5	11	9	34	16	9	116
FY 15-16	14	1	13	11	7	0	1	2	20	26	27	47	169
FY 16-17	19	6	13	16	4	15	7	2	29	15	15	40	181
FY 17-18	19	7	22	20	12	30	18	28	14	42	46	51	309
FY 18-19	30	17	18	22	29	5	6	15	43	24	53	26	288
FY 19-20	18	15	15	41	13	31	9	34	12	11	43	74	316
FY 20-21	51	90	48	48	23	73	64	57	25	36	47	56	618
FY 21-22	47	54	26	28	45	79	77	55	71	72	48	35	637
FY 22-23	7	18	27	8	46	81	25	17	44	39	77	44	433
FY 23-24	15	49	39	14	30	71	63	31	69	51	44	31	507
FY 24-25	48	83	23	34	27	22							237

Total Multi-Family Residential Building Permit Unit Counts

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
FY 11-12	0	0	0	0	0	0	0	4	0	0	0	0	4
FY 12-13	0	0	0	0	0	0	0	70	0	0	0	0	70
FY 13-14	0	0	0	0	0	0	20	0	4	0	0	0	24
FY 14-15	0	0	0	0	0	0	0	0	0	12	0	20	32
FY 15-16	0	0	0	0	0	24	173	82	0	0	0	0	279
FY 16-17	0	0	0	0	6	0	0	0	51	0	0	0	57
FY 17-18	0	0	0	0	115	0	0	0	2	0	0	0	117
FY 18-19	0	0	0	0	0	0	0	0	0	6	100	0	106
FY 19-20	156	0	0	0	2	0	0	0	0	0	0	74	232
FY 20-21	72	0	72	0	0	0	0	0	0	0	0	168	312
FY 21-22	0	0	0	0	0	0	0	0	0	27	0	2	29
FY 22-23	0	0	0	0	0	2	0	0	0	0	2	0	4
FY 23-24	0	0	0	0	0	0	0	27	0	0	2	0	29
FY 24-25	0	0	0	202	0	0							202

SESP Only Single-Family Residential Building Permit Unit Counts

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
FY 15-16	n/a	n/a	n/a	n/a	n/a	n/a	0	1	20	26	27	46	120
FY 16-17	14	4	14	15	4	15	6	2	29	14	15	40	172
FY 17-18	19	6	22	18	8	30	18	28	14	35	28	35	261
FY 18-19	29	16	17	22	29	4	6	15	43	23	48	19	271
FY 19-20	18	15	15	40	13	29	9	34	12	10	42	72	309
FY 20-21	50	87	47	48	23	66	64	57	25	36	46	55	604
FY 21-22	47	52	25	26	45	79	75	54	71	70	47	35	626
FY 22-23	2	18	27	8	46	21	20	16	44	39	74	44	359
FY 23-24	14	48	39	14	30	71	62	31	69	51	44	31	504
FY 24-25	48	81	23	34	27	22							235
Total													**3461**

SESP Only Multi-Family Residential Building Permit Unit Counts

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
FY 15-16	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0
FY 16-17	0	0	0	0	0	0	0	0	0	0	0	0	0
FY 17-18	0	0	0	0	0	0	0	0	2	0	0	0	2
FY 18-19	0	0	0	0	0	0	0	0	0	0	0	0	0
FY 19-20	156	0	0	0	2	0	0	0	0	0	0	74	232
FY 20-21	72	0	72	0	0	0	0	0	0	0	0	168	312
FY 21-22	0	0	0	0	0	0	0	0	0	0	0	2	2
FY 22-23	0	0	0	0	0	0	0	0	0	0	0	0	0
FY 23-24	0	0	0	0	0	0	0	0	0	0	0	0	0
FY 24-25	0	0	0	0	0	0							
Total													**548**

FY 2015-16

SESP Only Single-Family Residential Building Permit Unit Counts

FY 15-16	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	n/a	n/a	n/a	n/a	n/a	n/a	0	0	11	8	15	13	47
District 2	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0
District 3	n/a	n/a	n/a	n/a	n/a	n/a	0	1	0	0	0	0	1
District 4	n/a	n/a	n/a	n/a	n/a	n/a	0	0	12	12	13	29	66
District 5	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0
District 6	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	6	0	0	6
Total							**0**	**1**	**23**	**26**	**28**	**46**	**120**

SESP Only Multi-Family Residential Building Permit Unit Counts

FY 15-16	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0
District 2	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0
District 3	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0
District 4	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0
District 5	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0
District 6	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0
Total							**0**	**0**	**0**	**0**	**0**	**0**	**0**

FY 2016-17

SESP Only Single-Family Residential Building Permit Unit Counts

FY 16-17	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	5	1	1	5	4	5	4	1	18	6	9	19	78
District 2	0	0	0	0	0	0	0	0	0	0	0	1	1
District 3	0	0	0	0	0	0	0	0	0	0	0	0	0
District 4	8	3	13	10	0	7	2	1	11	6	6	16	83
District 5	0	0	0	0	0	0	0	0	0	0	0	1	1
District 6	1	0	0	0	0	3	0	0	0	2	0	3	9
Total	**14**	**4**	**14**	**15**	**4**	**15**	**6**	**2**	**29**	**14**	**15**	**40**	**172**

SESP Only Multi-Family Residential Building Permit Unit Counts

FY 16-17	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	0	0	0	0	0	0	0	0	0	0	0	0	0
District 2	0	0	0	0	0	0	0	0	0	0	0	0	0
District 3	0	0	0	0	0	0	0	0	0	0	0	0	0
District 4	0	0	0	0	0	0	0	0	0	0	0	0	0
District 5	0	0	0	0	0	0	0	0	0	0	0	0	0
District 6	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

FY 2017-18

SESP Only Single-Family Residential Building Permit Unit Counts

FY 17-18	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	0	1	4	8	0	11	8	13	6	17	8	19	95
District 2	0	0	0	0	0	0	0	0	0	0	0	0	0
District 3	0	0	0	0	3	13	0	10	0	2	5	6	39
District 4	10	0	8	5	5	0	5	5	6	7	6	0	57
District 5	1	0	2	0	1	0	0	0	0	0	0	0	4
District 6	8	5	8	5	0	6	5	0	1	9	9	10	66
Total	**19**	**6**	**22**	**18**	**9**	**30**	**18**	**28**	**13**	**35**	**28**	**35**	**261**

SESP Only Multi-Family Residential Building Permit Unit Counts

FY 17-18	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	0	0	0	0	0	0	0	0	0	0	0	0	0
District 2	0	0	0	0	0	0	0	0	2	0	0	0	2
District 3	0	0	0	0	0	0	0	0	0	0	0	0	0
District 4	0	0	0	0	0	0	0	0	0	0	0	0	0
District 5	0	0	0	0	0	0	0	0	0	0	0	0	0
District 6	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**2**	**0**	**0**	**0**	**2**

FY 2018-19

SESP Only Single-Family Residential Building Permit Unit Counts

FY 18-19	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	10	10	9	9	6	3	4	11	36	12	32	9	151
District 2	0	0	1	0	0	0	1	0	0	0	0	0	2
District 3	18	0	1	0	0	0	0	0	0	0	0	0	19
District 4	0	0	0	2	12	0	0	1	0	0	0	0	15
District 5	0	1	3	1	0	0	0	0	7	0	0	1	13
District 6	1	5	3	10	11	1	1	3	0	11	16	9	71
Total	**29**	**16**	**17**	**22**	**29**	**4**	**6**	**15**	**43**	**23**	**48**	**19**	**271**

SESP Only Multi-Family Residential Building Permit Unit Counts

FY 18-19	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	0	0	0	0	0	0	0	0	0	0	0	0	0
District 2	0	0	0	0	0	0	0	0	0	0	0	0	0
District 3	0	0	0	0	0	0	0	0	0	0	0	0	0
District 4	0	0	0	0	0	0	0	0	0	0	0	0	0
District 5	0	0	0	0	0	0	0	0	0	0	0	0	0
District 6	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

FY 2019-20

SESP Only Single-Family Residential Building Permit Unit Counts

FY 19-20	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	14	12	14	40	11	11	6	14	6	9	8	31	176
District 2	0	0	0	0	0	0	0	0	0	0	0	0	0
District 3	0	0	0	0	0	0	2	6	5	0	0	1	14
District 4	0	1	0	0	0	0	0	0	0	0	0	0	1
District 5	0	0	0	0	1	0	1	14	0	0	33	10	59
District 6	4	2	1	0	1	18	0	0	1	1	1	30	59
Total	**18**	**15**	**15**	**40**	**13**	**29**	**9**	**34**	**12**	**10**	**42**	**72**	**309**

SESP Only Multi-Family Residential Building Permit Unit Counts

FY 19-20	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	0	0	0	0	0	0	0	0	0	0	0	0	0
District 2	0	0	0	0	0	0	0	0	0	0	0	72	72
District 3	156	0	0	0	0	0	0	0	0	0	0	0	156
District 4	0	0	0	0	0	0	0	0	0	0	0	2	2
District 5	0	0	0	0	2	0	0	0	0	0	0	0	2
District 6	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**156**	**0**	**0**	**0**	**2**	**0**	**0**	**0**	**0**	**0**	**0**	**74**	**232**

FY 2020-21

SESP Only Single-Family Residential Building Permit Unit Counts

FY 20-21	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	22	51	23	18	19	35	41	37	22	27	31	29	355
District 2	0	0	0	0	0	1	0	0	2	0	1	5	9
District 3	0	0	0	0	0	0	0	0	0	0	0	0	0
District 4	1	0	0	0	2	0	0	0	0	2	0	0	5
District 5	9	0	0	1	1	8	10	4	1	1	2	17	54
District 6	18	36	24	29	1	22	13	16	0	6	12	4	181
Total	**50**	**87**	**47**	**48**	**23**	**66**	**64**	**57**	**25**	**36**	**46**	**55**	**604**

SESP Only Multi-Family Residential Building Permit Unit Counts

FY 20-21	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	0	0	0	0	0	0	0	0	0	0	0	168	168
District 2	72	0	72	0	0	0	0	0	0	0	0	0	144
District 3	0	0	0	0	0	0	0	0	0	0	0	0	0
District 4	0	0	0	0	0	0	0	0	0	0	0	0	0
District 5	0	0	0	0	0	0	0	0	0	0	0	0	0
District 6	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**72**	**0**	**72**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**168**	**312**

FY 2021-22

SESP Only Single-Family Residential Building Permit Unit Counts

FY 21-22	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	22	33	15	21	26	63	51	42	55	54	35	19	436
District 2	3	0	0	0	2	0	0	0	0	0	0	0	5
District 3	1	0	0	0	0	0	0	0	0	0	0	1	2
District 4	6	8	6	1	8	12	12	6	9	5	6	12	91
District 5	15	11	3	2	8	1	12	6	7	7	4	0	76
District 6	0	0	1	2	1	3	0	0	0	4	2	3	16
Total	**47**	**52**	**25**	**26**	**45**	**79**	**75**	**54**	**71**	**70**	**47**	**35**	**626**

SESP Only Multi-Family Residential Building Permit Unit Counts

FY 21-22	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	0	0	0	0	0	0	0	0	0	0	0	0	0
District 2	0	0	0	0	0	0	0	0	0	0	0	0	0
District 3	0	0	0	0	0	0	0	0	0	0	0	0	0
District 4	0	0	0	0	0	0	0	0	0	0	0	0	0
District 5	0	0	0	0	0	0	0	0	0	0	0	2	2
District 6	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**2**	**2**

FY 2022-23

SESP Only Single-Family Residential Building Permit Unit Counts

FY 22-23	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	1	14	26	4	34	16	15	15	38	26	62	43	294
District 2	1	0	0	0	0	1	0	0	0	0	0	0	2
District 3	0	0	1	0	0	1	0	0	0	0	0	0	2
District 4	0	4	0	3	0	3	2	0	6	1	0	0	19
District 5	0	0	0	1	12	0	2	1	0	11	11	1	39
District 6	0	0	0	0	0	0	1	0	0	1	1	0	3
Total	**2**	**18**	**27**	**8**	**46**	**21**	**20**	**16**	**44**	**39**	**74**	**44**	**359**

SESP Only Multi-Family Residential Building Permit Unit Counts

FY 22-23	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	0	0	0	0	0	0	0	0	0	0	0	0	0
District 2	0	0	0	0	0	0	0	0	0	0	0	0	0
District 3	0	0	0	0	0	0	0	0	0	0	0	0	0
District 4	0	0	0	0	0	0	0	0	0	0	0	0	0
District 5	0	0	0	0	0	0	0	0	0	0	0	0	0
District 6	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

FY 2023-24

SESP Only Single-Family Residential Building Permit Unit Counts

FY 23-24	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	12	48	32	13	30	68	60	30	66	50	40	28	477
District 2	0	0	0	1	0	0	1	0	0	0	0	0	2
District 3	0	0	1	0	0	0	0	0	0	1	0	0	2
District 4	1	0	0	0	0	0	0	0	0	0	4	2	7
District 5	0	0	0	0	0	1	0	1	0	0	0	1	3
District 6	1	0	6	0	0	2	1	0	3	0	0	0	13
Total	**14**	**48**	**39**	**14**	**30**	**71**	**62**	**31**	**69**	**51**	**44**	**31**	**504**

SESP Only Multi-Family Residential Building Permit Unit Counts

FY 23-24	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	0	0	0	0	0	0	0	0	-	0	0	0	0
District 2	0	0	0	0	0	0	0	0	-	0	0	0	0
District 3	0	0	0	0	0	0	0	0	-	0	0	0	0
District 4	0	0	0	0	0	0	0	0	-	0	0	0	0
District 5	0	0	0	0	0	0	0	0	-	0	0	0	0
District 6	0	0	0	0	0	0	0	0	-	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

FY 2024-25

SESP Only Single-Family Residential Building Permit Unit Counts

FY 24-25	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	47	72	22	29	20	22							212
District 2	0	0	0	0	0	0							0
District 3	0	0	0	1	0	0							1
District 4	0	4	0	3	3	0							10
District 5	1	0	1	1	2	0							5
District 6	0	5	0	0	2	0							7
Total	**48**	**81**	**23**	**34**	**27**	**22**		**0**	**0**	**0**	**0**	**0**	**235**

SESP Only Multi-Family Residential Building Permit Unit Counts

FY 24-25	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
District 1	0	0	0	0	0	0							0
District 2	0	0	0	0	0	0							0
District 3	0	0	0	0	0	0							0
District 4	0	0	0	0	0	0							0
District 5	0	0	0	0	0	0							0
District 6	0	0	0	0	0	0							0
Total	**0**	**0**	**0**	**0**	**0**	**0**		**0**	**0**	**0**	**0**	**0**	**0**

CITY OF STOCKTON

Stockton Economic Stimulus Program (SESP) Update & Consideration of Potential Program Amendments

City Council Meeting

August 12, 2025

Agenda Item 15.1

Overview

- Council has requested a program update
- Program background and summary of PFF funds waived to-date
- SESP Employment Effect
- Financial Implications
- Potential options available to the Council for consideration

Introduction: Public Facility Fees (PFFs)

Authorized Under AB 1600

Charged to new development to fund infrastructure

Based on the demand created by additional residents and employees

Legally required to show "nexus" between new growth and impacts to City facilities

PFFs Included in SESP:

- City Office Space
- Community Recreation Centers
- Library
- Police Stations
- Street Improvements
- Fire Stations
- Parkland*
- City Administrative

**Parkland fee not charged on Nonresidential Permits*

Background: SESP Program Timeline

2015

Program Established *(CC Resolution 2015-11-17-1602)*

Reduced fees for Residential, Commercial, & Industrial Development

- **Intent**: Stimulate building + incentivize local hiring
- **Limits**:
  - Cap of 1,000 Single Family Residential (SFR) & 500 Multi-Family Residential (MFR) permits
  - Builders cannot receive more than 20 permits per Final Map, and no more than 40 citywide at any given time
  - Program expires December 31, 2018
- **Requires**: 50% local hire + BIA & NAACP to coordinate inclusion of disadvantaged communities; quarterly self-certified reporting by recipients (residential only)
- **Projected Impacts**: UOP Study (presented by BIA in support of program) predicted creation of 3,700 jobs for every 1,000 SFRs in addition to other economic benefits to region

SESP Fee Waiver Amounts Per Land Use Type

Category	Sub-Category	Total Waived
Residential 100% reduction for included fees	Single Family	$19,919.61 *per unit*
	Multi-Family	$14,572.80 *per unit*
Commercial 50% reduction for included fees	Office	$2,912 *Per 1,000 SF*
	Retail	$3,502 *Per 1,000 SF*
	Guest Rooms	$5,626 *Per room*
Industrial 50% reduction for included fees	n/a	$1,192.58 *Per $1,000 SF*

Background: Program Timeline

2018

Program Extended *(CC Resolution 2018-07-17-1302)*

- Expiration extended 2 years to December 31, 2020
- Increased permit limitations in non-disadvantaged areas to 30 per subdivision & 80 citywide

2019

Program Expansion *(CC Motion 2019-08-20-1405)*

- Removed program expiration date; expiration now triggered by PFF Nexus Study adoption
- Eliminated caps (1,000 single family permits, 500 multi-family permits)
- Removed local hire requirement for multi-family projects
- Removed limits per builder

Residential Fee Amounts Waived By Category

PFF Category	Single-Family	Multi-Family
	3,461 SFR Permits	548 MFR Units
City Office Space	$1,616,287	$214,268
Community Recreation Centers	$1,664,741	$221,940
Library	$3,121,822	$417,028
Police Stations	$2,045,451	$272,356
Street Improvements	$45,775,186	$5,291,488
Fire Stations	$2,703,041	$360,584
Parkland	$9,683,878	$938,176
Administrative Fee (3.5%)	$2,331,365	$270,053
TOTAL $ WAIVED	**$68,941,771**	**$7,985,893**

$76,927,664 in Waived Residential PFFs

All figures are rounded to the nearest whole dollar.

Non-Residential Fees Waived By Category

PFF Category	Commercial (164 Permits)			Industrial (113 Permits)
	Office (74 Permits)	Retail (88 Permits)	Guest Rooms (2 Permits)	
	Total $ Waived			
City Office Space	$18,621	$7,248	$512,896	$438,025
Community Recreation Centers	$12,456	$6,291	$ -	$400,243
Library	$28,148	$15,623	$8,424	$963,852
Police Stations	$44,903	$17,395	$13,141	$1,067,122
Street Improvements	$1,129,851	$920,585	$252,253	$9,653,681
Fire Stations	$37,572	$19,649	$6,943	$929,429
Parkland	$ -	$ -	$ -	Exempt
Administrative Fee (3.5%)	$44,504	$34,538	$27,778	$470,833
TOTAL $ WAIVED	$1,316,055	$1,021,329	$821,435	$13,923,185

$17,082,004 in Waived Non-Residential PFFs

All figures are rounded to the nearest whole dollar.

Employment Projections & Actuals

Single-Family Residential Development Under SESP		
	UOP Study Projections	**Actual Annual Averages***
Single-Family Housing Units (SFRs)	1,000	385
Total Construction Jobs	2,138	614
Jobs for Stockton Residents	n/a	320
Total Jobs per Housing Unit Ratio	2.14	1.59

**From 1/1/16 - 12/31/24, 3,461 SFRs were constructed, with 5,525 unduplicated construction jobs reported*

Financial Impacts

Fee	Total Waived Between 1/1/2016 & 12/31/2024
City Office Space	$2,807,345
Community Recreation Centers	$2,305,671
Library	$4,554,897
Police Stations	$3,460,368
Street Improvements	$63,023,044
Fire Stations	$4,057,218
Parkland	$10,622,054
Administrative Fee (3.5%)	$3,179,071
TOTAL $ WAIVED	**$94,009,668**

All figures are rounded to the nearest whole dollar

Potential City Council Options

No.	Action	Summary	Product
1	None	Maintain current SESP	Waivers will remain until new PFF fees are adopted.
2	Amend SESP	Grandfathered & Phased	All active entitled projects and projects deemed complete at time of Council action shall receive SESP waivers. New (future) projects shall receive gradually reduced SESP waivers, reduced in 6-month increments, over the next 18 months.
3	Amend SESP	Gradual Phase Out	From effective date onward, SESP waivers will gradually be phased out, reduced in 4-month increments, over the next 24 months.
4	Elimination of SESP	Adoption of an immediate or future SESP sunset date	Waivers will cease immediately or at a specified date.

Recommendation

Staff Recommends that the City Council:

- Receive SESP Program Update
- Consider Information Regarding Program Performance
- Contemplate Potential Amendments
- Provide Direction To Staff

File #: 25-0774, **Version:** 1

ADOPT RESOLUTION AUTHORIZING ISSUANCE OF SPECIAL TAX BONDS FOR AND ON BEHALF OF IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON COMMUNITY FACILITIES DISTRICT NO. 2018-2 (WESTLAKE VILLAGES II), APPROVING AND DIRECTING THE EXECUTION OF A FISCAL AGENT AGREEMENT, APPROVING THE FORM OF PRELIMINARY OFFICIAL STATEMENT, APPROVING THE SALE OF SUCH BONDS, AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS

RECOMMENDATION

It is recommended that the City Council adopt a resolution to authorize the issuance and sale of Special Tax Bonds, payable from Special Taxes, for and on behalf of Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) in the estimated amount of $26,285,000 (not-to-exceed $30,000,000), and directing the execution of a Fiscal Agent agreement approving as to form a preliminary official statement, and approving all other documents and actions in connection with the issuance.

Summary

The City Council established the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the “District”) on June 19, 2018, to provide financing for the acquisition of a portion of the public infrastructure improvements for the District. The District sold bonds for Improvement Area 1 in 2020 in the amount of $8,970,000 and again in 2021 in the amount of $4,535,000. The District sold bonds for Improvement Area 2 in 2022 in the amount of $9,775,000 and sold bonds for Improvement Area 3 in 2024 in the amount of $14,020,000.

Development of Improvement Area 4 is now sufficiently advanced to support a bond issue for this phase of the development. Approval of the Resolution authorizes the issuance of special tax bonds for Improvement Area 4 of the District (the “2025 Bonds”) in the estimated amount of $26,285,000 and a not-to-exceed amount of $30,000,000 (with the actual principal amount being a factor of market conditions at the time of sale). This bond issue will reimburse the developer for the cost of public capital improvements consisting primarily of roadway, bridge, sewer, water, reclaimed water, dry utilities, storm drain, storm water basin, street and parkway landscaping, curb and gutter, medians, median landscaping, traffic signals, entry signage, parks, trails, lakes, and pump stations.

In addition to the special taxes collected by the City to repay bonds issued to acquire improvements from the developer, the City also collects special taxes for authorized services and maintenance in each improvement area for the provision of services for police and criminal justice, fire, ambulance and paramedic, maintenance of parks, parkways, roads, streets, open space, and the maintenance and operation of any city real property including incidental expenses related to any authorized service.

The City also collects special taxes in each improvement area for administrative fees of the City and for those of the Fiscal Agent and the reimbursement of costs related to the formation of the District and each improvement area advanced by the City or the landowner(s).

DISCUSSION

Background

The City Council established the District in June 2018 to provide the funding necessary for the acquisition of certain public infrastructure improvements authorized for the District. The District was split off from CFD 2006-2 (Westlake Villages), which was dormant for many years, after 322 out of the planned homes had been built.

CFD 2018-2 (Westlake Villages II) is comprised of the remaining 580 acres of the original roughly 855 gross acres of contiguous parcels that made up CFD 2006-2. The District is in North Stockton, South of Eight Mile Road and West of Highway 5, just east of White Slough and the Delta. The District is planned for 2,186 homes ranging in size from 1,400 to 3,500 square feet, and when fully developed will include multiple neighborhood parks, a school site, and a series of artificial lakes to aid in flood control.

The City formed the District via Resolution 2018-06-19-1501, which moved undeveloped parcels from CFD 2006-2 into the District, and authorized special taxes to pay for administrative costs, the costs of acquiring public facilities through the issuance of bonds and the provision of services. On February 4, 2020, a revision to Improvement Area 1 within the District was approved, which decreased the size of Improvement Area 1 and increased the area of Improvement Area 2 (via Resolution 2020-02-04-1501).

On December 7, 2021, the City Council adopted a Resolution of Consideration to begin the process of changing the boundary map to reduce the size of Improvement Area 2 by creating Improvement Area 3 and Improvement Area 4 out of the remaining area of Improvement Area 2. This process was concluded on January 11, 2022, after a public hearing and landowner election. The maximum bond authorization for Improvement Area 4 was established at $90,000,000.

Present Situation

Part A and Part B of Improvement Area 4 contains a total of 1,240 residential lots. Part A consists of 511 residential lots that have been completed and sold to Lennar Homes of California, LLC (“Lennar”), some of whose lots are currently owned by two land-banking entities. All of the required backbone and in-tract improvements to develop the 511 lots being developed in Part A of Improvement Area 4 by Lennar are now in place, including paved access and public utilities. Home building and sales activities are underway by Lennar. Of the 511 residential lots, 378 building permits have been pulled with 133 remaining. As of July 3, 2025, 140 homes have been built and sold to individual homeowners representing approximately 28% of the special tax levy. Part B consists of 729 residential lots that remain undeveloped and owned by the master developer/Spanos-affiliated entities.

Approval of the Resolution authorizes the issuance of the 2025 Bonds in the estimated amount of $26,285,000 and a not-to-exceed amount of $30,000,000 (with the actual principal amount being a

factor of market conditions at the time of sale). Approval of the Resolution also directs the execution of a Fiscal Agent Agreement, approves the form of Preliminary Official Statement and approves all the other related documents and actions required to bring the 2025 Bonds to market and to close the transaction.

Financing Team

The financing team consists of representatives from the appropriate City vendor pools:

- Bond Counsel: Jones Hall
- Municipal Advisor: Del Rio Advisors, LLC
- Underwriter: Oppenheimer & Co. Inc.
- Fiscal Agent: US Bank Trust Company, National Association

Legal Authority and Procedures

The Special Taxes levied in the District are paid on the property tax bill and are treated the same as other taxes such as ad valorem, general obligation bonds for schools and other overlapping assessments and special taxes from other jurisdictions. Should a property owner become delinquent on any portion of their property tax bill, the property is subject to accelerated judicial foreclosure, and the amount of lien on the property associated with the special taxes can be paid from proceeds of any foreclosure action. This process provides security to the bondholders.

Schedule

If approved by the City Council, the transaction schedule is as follows:

Timeline	Item
Week of September 8th, 2025	Post Preliminary Official Statement
Tuesday September 16th	Pre-market the 2024 Bonds
Wednesday September 17th	Market the 2024 Bonds
Wednesday October 1, 2025	Closing and Transfer of Funds

Documents for Consideration

Fiscal Agent Agreement: This Agreement governs the terms and conditions of the bonds and the role and responsibilities of the Fiscal Agent. It also includes the covenants of the City concerning the levy of the special tax, foreclosure of delinquent parcels and related matters.

Preliminary Official Statement: This is the offering document provided to investors that provides all material information related to the proposed bonds and Improvement Area 4 of the District. This document includes a Continuing Disclosure Certificate, which is the document detailing what ongoing information will be provided to investors.

Bond Purchase Agreement: This document details the agreement related to the terms of the

negotiated sale of the bonds to the underwriter and the conditions for closing the bond issue.

FINANCIAL SUMMARY

There is no impact on the City's General Fund or any other unrestricted fund as a result of taking the recommended action.

Capitalized Interest is being funded as part of the 2025 Bonds. The capitalized interest will partially cover the interest on the 2025 Bonds payable on March 1, 2026 and September 1, 2026. The balance of the debt service due on March 1, 2026 and September 1, 2026 will be paid from the collection of special taxes placed on the tax roll around August 1, 2025. Final sizing of the 2025 Bonds will ensure that the special taxes are sufficient to consider City administrative fees and debt service coverage beyond actual debt service payments. Bond investors take the risk that, if delinquencies increase significantly and the cash funded debt service reserve fund is depleted, there may not be sufficient funds to pay debt service when due. However, the foreclosure remedy remains as a potential source of later payment.

This CFD issuance is reported in a custodial fund that does not report revenues and expenditures. For this reason, adoption of this resolution approves the costs related to the transaction, which include those costs shown in the good faith estimates (See "SB 450 Compliance").

The estimated costs of issuance are $325,000, which includes fixed costs for the fees and expenses of bond counsel, disclosure counsel, municipal advisor, fiscal agent, special tax consultant, the City's administrative fee of approximately $103,213, the fees and expenses of the appraiser and other costs including printing the preliminary and final official statements. The other primary cost is the compensation to the Underwriter as the underwriter's discount in the estimated amount of $249,708 (0.95% of the principal amount of bonds).

SB 450 Compliance ("Good Faith Estimates")

California Government Code Section 5852.1 requires that the City disclose specified information obtained as good faith estimates from an underwriter or municipal advisor prior to authorization of the issuance of the 2025 Bonds. The City has received such information from the Underwriter which is set forth below:

(1) Name of Underwriter: Oppenheimer & Co. Inc.

(2) City Council Meeting Date: August 12, 2025

(3) Name of Bond Issue: Improvement Area 4 of the City of Stockton, Community Facilities District No. 2018-2 (Westlake Villages II), Special Tax Bonds, Series 2025

(4) The Underwriter has provided to the City the following required good faith estimates relating to the 2025 Bonds:

a) The true interest cost of the 2025 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the 2025 Bonds: 5.678288%.

b) The finance charge of the 2025 Bonds, which means the sum of all fees and charges paid to third parties: $574,707.50 which includes both the underwriter's discount in the estimated amount of $249,707.50 and fixed costs of issuance in the estimated amount of $325,000.00.

c) The amount of proceeds received by the public body for sale of the 2025 Bonds less the finance charge of the 2025 Bonds described in subparagraph b) and less any reserves or capitalized interest paid or funded with proceeds of the 2025 Bonds: $22,199,012.26.

d) The total payment amount, which means the sum total of all payments the public body will make to pay debt service on the 2025 Bonds (which total payment amount is calculated to the final maturity of the 2025 Bonds): $57,670,953.54.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the 2025 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the 2025 Bonds and the actual amortization of the 2025 Bonds will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION AUTHORIZING ISSUANCE OF SPECIAL TAX BONDS FOR AND ON BEHALF OF IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON COMMUNITY FACILITIES DISTRICT NO. 2018-2 (WESTLAKE VILLAGES II), APPROVING AND DIRECTING THE EXECUTION OF A FISCAL AGENT AGREEMENT, APPROVING THE FORM OF PRELIMINARY OFFICIAL STATEMENT, APPROVING THE SALE OF SUCH BONDS, AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS

The City Council (the "Council") of the City of Stockton (the "City") has conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at section 53311, of the California Government Code (the "Act"), and on June 19, 2018 adopted Resolution No. 2018-06-19-1502-01 (the "Resolution") forming the (i) City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "CFD"), (ii) Improvement Area 1 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) ("Improvement Area 1"), and (iii) Improvement Area 2 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) ("Improvement Area 2"); and on June 19, 2018 adopted Resolution No. 2018-06-19-1502-02 authorizing a bonded indebtedness limit for Improvement Area 1 of $15,000,000 and a bonded indebtedness limit for Improvement Area 2 of $60,000,000; and

Subsequent to the initial formation of the District, the City Council adopted Resolution No. 2020-02-04-1501, on February 4, 2020: "Resolution Ordering Change to Rate and Method for Improvement Area No. 1 and 2 and Adjusting Improvement Area Boundaries for a Community Facilities District and Directing Recording of Notice of Special Tax Lien," (the "2020 Resolution") officially reforming the boundaries of Improvement Area No. 1 and Improvement Area No. 2 and amending the Rate and Method of Apportionment of Special Tax for Improvement Area 1 and Improvement Area 2; and

Subsequent to the adoption of the 2020 Resolution, the City Council adopted Resolution No. 2022-01-11-1602, on January 11, 2022: "Resolution Ordering Changes Affecting Certain Parcels Within Improvement Area 2 of City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II), Establishing Improvement Area 3 and Improvement Area 4 in the District, and Directing Recording of Notice of Special Tax Lien," (the "2022 Resolution") officially reforming the boundaries of Improvement Area No. 2 and (i) establishing "Improvement Area 3 of the City of Stockton Community Facilities District No. 2018-2 ("Improvement Area 3" and "Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 ("Improvement Area 4" and (ii) authorized the levy of special taxes upon the land within Improvement Area 3 and Improvement Area 4, and (iii) authorized a bonded indebtedness limit for Improvement Area 3 in the maximum principal amount of not to exceed $18,500,000 and a bonded

indebtedness limit for Improvement Area 4 in the maximum principal amount of not to exceed $90,000,000; and

The Council, as legislative body of the District, having previously issued bonds for Improvement Areas 1, 2 and 3, now desires to issue a series of bonds for Improvement Area 4 (the "Bonds") for the purpose of providing moneys for the construction and acquisition of authorized improvements for the District; and

The Council, as legislative body of the District, has obtained and disclosed all of the information required to be obtained and disclosed related to the Bonds under section 5852.1 of the California Government Code in the staff report accompanying this Resolution; and

There has been submitted to the Council a Fiscal Agent Agreement (the "Fiscal Agent Agreement") (attached as Exhibit 1), between the City and U.S. Bank Trust Company, National Association, as fiscal agent, providing for the issuance and terms of the Bonds, and the Council, with the aid of City staff, has reviewed the Fiscal Agent Agreement and found it to be in proper order, and now desires to approve the Fiscal Agent Agreement, the issuance of the Bonds and the execution of those and related documents; and

The City proposes to sell the Bonds to Oppenheimer & Co. Inc., as underwriter (the "Underwriter"), pursuant to the terms of a Bond Purchase Agreement by and between the City and the Underwriter, and the Underwriter proposes to offer the Bonds to the investing public by means of a Preliminary Official Statement, and the Council, with the aid of City staff, has reviewed the Bond Purchase Agreement (attached as Exhibit 2) and the Preliminary Official Statement (attached as Exhibit 3) and found them to be in proper order, and now desires to approve said documents; and

All conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of the Bonds as contemplated by this Resolution and the documents referred to herein exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Act; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. This Council finds and determines that it is prudent in the management and development of land in the City and the District to issue the Bonds for the purpose of providing money for the construction and acquisition of authorized improvements for the District.

2. For the purposes of these proceedings in and for Improvement Area 4 of the District, the Act shall be the authority for the issuance of the Bonds.

3. Pursuant to the Act, this Resolution, the 2020 Resolution, the 2022 Resolution and the Fiscal Agent Agreement, special tax bonds of the City for Improvement Area 4 of the District designated as "Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds Series 2025" in an aggregate principal amount estimated at $26,285,000 (not to exceed $30,000,000) are hereby authorized to be issued. The Bonds shall be executed in the form set forth in, and otherwise as provided in the Fiscal Agent Agreement.

The Bonds shall not be issued unless the value of the real property within Improvement Area 4 subject to the special tax to pay debt service on the Bonds, based on assessed values and/or an appraisal by an independent appraiser hired by the City for the purpose of determining such value, is at least three (3) times the proposed principal amount of the outstanding Bonds proposed to be issued and secured by a special tax levied pursuant to the Act on property within Improvement Area 4.

4. The Council hereby approves the Fiscal Agent Agreement and the terms therein substantially in the form presented to the Council at this meeting. The City Manager, Deputy City Manager, Chief Financial Officer or such other person or persons as any of them may designate (collectively, the "Authorized Officers"), each acting alone or together with any other Authorized Officer, are each hereby authorized and directed to execute the Fiscal Agent Agreement, for and in the name and on behalf of the City and Improvement Area 4 of the District, in such form, together with any additions thereto or changes therein deemed necessary or advisable by the Authorized Officer executing such document upon consultation with Jones Hall LLP, as bond counsel to the City ("Bond Counsel"). The proceeds of the Bonds shall be applied by the City for the purposes and in the amounts as set forth in the Fiscal Agent Agreement. The Council hereby authorizes the delivery and performance by the City of the Fiscal Agent Agreement.

5. The City hereby covenants, for the benefit of the owners of the Bonds, to commence and diligently pursue to completion any foreclosure action regarding delinquent installments of any amount levied as a special tax for the payment of interest or principal of the Bonds, said foreclosure action to be commenced and pursued as more completely set forth in the Fiscal Agent Agreement.

6. The Council hereby approves the Preliminary Official Statement with respect to the Bonds, in substantially the form on file with the City Clerk. Distribution of the Preliminary Official Statement by the City and the Underwriter is hereby approved, and, prior to the distribution of the Preliminary Official Statement, and each Authorized Officer, each acting alone or together with any other Authorized Officer, is authorized and directed, on behalf of the City, to deem the Preliminary Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). The execution of the final Official Statement, which shall include such changes and additions thereto deemed advisable by the Authorized Officer executing the same, and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, is hereby approved for delivery to the purchasers of the Bonds, and each Authorized Officer, each acting alone or together with any other Authorized Officer, is authorized and directed

to execute and deliver the final Official Statement for and on behalf of the City, to deliver to the Underwriter a certificate with respect to the information set forth therein and to deliver to the Underwriter the Continuing Disclosure Undertaking in substantially the form on file with the City Clerk, together with such changes and additions thereto deemed advisable by the Authorized Officer executing the same.

7. The Council hereby approves the Bond Purchase Agreement in substantially the form on file with the City Clerk; provided, that the aggregate principal amount of Bonds shall not exceed $30,000,000 or result in an Underwriter's discount in excess of 1.00%, or a true interest cost in excess of 6.50%. Subject to the foregoing parameters, an Authorized Officer is hereby authorized and directed to execute the Bond Purchase Agreement in substantially the form on file with the City Clerk, together with such changes and additions thereto deemed advisable by the Authorized Officer executing the same. The Council hereby finds and determines that the sale of the Bonds at negotiated sale as contemplated by the Bond Purchase Agreement will result in a lower overall cost.

8. All actions heretofore taken by the officers, employees and agents of the City with respect to the establishment of the District and the Improvement Areas and the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the Authorized Officers of the City are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with this resolution, and any certificate, agreement, and other document described in the documents herein approved. All actions to be taken by a specified Authorized Officer as specified herein, may be taken by the Authorized Officer (including any person holding such office on an interim basis) or any designee, with the same force and effect as if taken by such Authorized Officer.

9. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED August 12, 2025 .

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

Jones Hall Draft 6.9.25

FISCAL AGENT AGREEMENT

by and between

CITY OF STOCKTON

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Fiscal Agent

Dated as of _____ 1, 2025

Relating to:

$_____
Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Special Tax Bonds
Series 2025

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EXHIBIT A FORM OF BOND
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FISCAL AGENT AGREEMENT

THIS FISCAL AGENT AGREEMENT (the "Agreement") is made and entered into as of _____ 1, 2025, by and between the City of Stockton, California, a charter city and public body, corporate and politic, organized and existing under and by virtue of the Constitution and laws of the State of California (the "City") for and on behalf of Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "District"), and U.S. Bank Trust Company, National Association, a national banking association organized under the laws of the United States of America as fiscal agent (the "Fiscal Agent").

W I T N E S S E T H :

WHEREAS, the City has conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at section 53311, of the California Government Code (the "Act") and Resolution No. 2018-06-19-1502-01 of the City Council adopted on June 19, 2018, to form (i) City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "District"), (ii) Improvement Area 1 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) ("Improvement Area 1"), (iii) Improvement Area 2 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) ("Improvement Area 2"), and (iv) Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) ("Improvement Area 4" and together with Improvement Area 1 and Improvement Area 2, the "Improvement Areas"), to authorize the levy of special taxes upon the land within the Improvement Areas, and to issue bonds secured by said special taxes for the purpose of providing moneys for the construction and acquisition of authorized improvements for the District; and

WHEREAS, subsequent to the initial formation of the District, the City Council adopted "Resolution Ordering Change to Rate and Method for Improvement Area No. 1 and 2 and Adjusting Improvement Area Boundaries for a Community Facilities District and Directing Recording of Notice of Special Tax Lien," Resolution No. 2020-02-04-1501, on February 4, 2020 (the "2020 Resolution") officially reforming the boundaries of Improvement Area No. 1 and Improvement Area No. 2 and amending the Rate and Method of Apportionment of Special Tax for Improvement Area 1 and Improvement Area 2; and

WHEREAS, subsequent to the adoption of the 2020 Resolution, the City Council adopted Resolution No. 2022-01-11-1602, on January 11, 2022: "Resolution Ordering Changes Affecting Certain Parcels Within Improvement Area 2 of City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II), Establishing Improvement Area 3 and Improvement Area 4 in the District, and Directing Recording of Notice of Special Tax Lien," (the "2022 Resolution") officially reforming the boundaries of Improvement Area No. 2 and (i) establishing "Improvement Area 3 of the City of Stockton Community Facilities District No. 2018-2 ("Improvement Area 3" and "Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 ("Improvement Area 4" and (ii) authorized the levy of special taxes upon the land within Improvement Area 3 and Improvement Area 4, and (iii) authorized a bonded indebtedness limit for Improvement Area 3 in the maximum principal amount of not to exceed $18,500,000 and a bonded indebtedness limit for Improvement Area 4 in the maximum principal amount of not to exceed $90,000,000; and

WHEREAS, the City Council, as the legislative body of the District and each Improvement Area, is authorized under the Act to levy special taxes to pay for the costs of facilities within the

District and the Improvement Areas therein, and to authorize the issuance of bonds secured by said special taxes under the Act; and

WHEREAS, under the provisions of the Act, on _____, 2025, the City Council of the City adopted its Resolution No. _____ (the "Resolution"), which resolution, among other matters, authorized the issuance of the Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds Series 2025, to provide moneys for the construction and acquisition of improvements within or of benefit to Improvement Area 4 and provided that said issuance would be in accordance with the Act and this Agreement, and authorized the execution hereof; and

WHEREAS, it is in the public interest and for the benefit of the City, the District, the persons responsible for the payment of special taxes and the Owners of the Bonds that the City enter into this Agreement to provide for the issuance of the Bonds, the disbursement of proceeds of the Bonds, the disposition of the special taxes securing the Bonds and any additional bonds authorized to be issued hereunder and the administration and payment of the Bonds; and

WHEREAS, the City has determined that all things necessary to cause the Bonds, when authenticated by the Fiscal Agent for the District and issued as in the Act, the Resolution and this Agreement provided to be legal, valid and binding and special obligations of the City for Improvement Area 4 in accordance with their terms, and all things necessary to cause the creation, authorization, execution and delivery of this Agreement and the creation, authorization, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

STATUTORY AUTHORITY AND DEFINITIONS

Section 1.01. Authority for this Agreement. This Agreement is entered into pursuant to the provisions of the Act and the Resolution.

Section 1.02. Agreement for Benefit of Bondowners. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the Owners. All of the Bonds, without regard to the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by this Agreement. The Fiscal Agent may become the Owner of any of the Bonds in its own or any other capacity with the same rights it would have if it were not Fiscal Agent.

Section 1.03. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.03 shall, for all purposes of this Agreement, of any Supplemental Agreement, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

"Additional Bonds" means any series of bonds other than the 2025 Bonds issued pursuant to Section 5.09.

"*Administrative Expenses*" means any or all of the following:

(a) the expenses directly related to the administration of the District, including, but not limited to, the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or a designee thereof or both); the costs of collecting the Special Taxes (whether by San Joaquin County, the City or otherwise); the costs of remitting the Special Taxes to the Fiscal Agent; the costs associated with preparing Special Tax disclosure statements and responding to the public inquiries regarding the Special Taxes; the costs of the City, the District or any designee thereof related to an appeal of the Special Tax;

(b) the costs of the Fiscal Agent (including its legal counsel) in the discharge of the duties of the Fiscal Agent pertaining to the Bonds required under this Fiscal Agent Agreement and any Supplemental Agreement;

(c) the costs of the City or any designee thereof of complying with the City, the District, or obligated person disclosure requirements associated with applicable federal or state securities laws of the Act pertaining to the Bonds;

(d) any amounts required to be rebated to the federal government; and

(e) all other costs and expenses of the City (including, but not limited to, an allocable share of the salaries of the City staff directly related to the foregoing, a proportionate amount of City general administrative overhead related to the foregoing, and amounts advanced by the City for any administrative purpose of the District, including

costs related to prepayments of Special Taxes, recordings related to such prepayments and satisfaction of Special Taxes, amounts advanced to ensure maintenance of tax exemption, and the costs of prosecuting foreclosure of delinquent Special Taxes, which amounts advanced are subject to reimbursement from other sources, including proceeds of foreclosure) and the Fiscal Agent incurred in connection with the discharge of their respective duties hereunder and in any way related to the administration of the District and all actual costs and expenses incurred in connection with the administration of the Bonds.

"Agreement" means this Fiscal Agent Agreement, as it may be amended or supplemented from time to time by any Supplemental Agreement.

"Annual Debt Service" means, for each Bond Year and each Series of Outstanding Bonds, the sum of (i) the interest due on the respective Series of Outstanding Bonds in such Bond Year, assuming that such Outstanding Bonds are retired as scheduled, and (ii) the principal amount of the respective Series of Outstanding Bonds, including any mandatory sinking fund payments, due in such Bond Year.

"Authorized Officer" means the City Manager, Chief Financial Officer, City Clerk, City Attorney, including any deputy, acting or interim officer holding such position, or any other officer or employee authorized by the City Council of the City or by an Authorized Officer to undertake the action referenced in this Agreement as required to be undertaken by an Authorized Officer.

"*Bond Counsel*" means Jones Hall, A Professional Law Corporation, and its successors; or any other attorney at law or firm of attorneys selected by the City, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"Bond Year" means each twelve-month period beginning on September 2 in any year and extending to the next succeeding September 1, both dates inclusive; except that the first Bond Year shall begin on the Closing Date and end on September 1, 2026.

"*Bonds*" means the 2025 Bonds and any Additional Bonds.

"Business Day" means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in the state in which the Principal Office of the Fiscal Agent is located are authorized or obligated by law or executive order to be closed.

"CDIAC" means the California Debt and Investment Advisory Commission of the office of the State Treasurer of the State of California or any successor agency or bureau thereto.

"Chief Financial Officer" means the duly acting Chief Financial Officer of the City, or if the City has no Chief Financial Officer, such officer of the City serving a similar role.

"City" means the City of Stockton, California, and any successor thereto.

"Closing Date" means _____, 2025, the date upon which there is a physical delivery of the 2025 Bonds in exchange for the amount representing the purchase price of the 2025 Bonds by the Original Purchaser.

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Continuing Disclosure Certificate" means the Continuing Disclosure Certificate, dated as of the Closing Date, by and between the City and Willdan Financial Services, or successors, in its capacity as Dissemination Agent, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Cost of Issuance" means items of expense payable or reimbursable directly or indirectly by the City and related to the authorization, sale and issuance of the Bonds, which items of expense shall include, but not be limited to, printing costs, costs of reproducing and binding documents, closing costs, filing and recording fees, initial fees, expenses and charges of the Fiscal Agent, including its first annual administration fee, and expenses and fees of counsel to the Fiscal Agent, expenses incurred by the City in connection with the issuance of the Bonds, financial advisor fees, Bond (underwriter's) discount or underwriting fee, legal fees and charges, including bond counsel, charges for execution, transportation and safekeeping of the Bonds and other costs, charges and fees in connection with the foregoing.

"Costs of Issuance Fund" means the fund by that name established pursuant to Section 3.05(A).

"DTC" means the Depository Trust Company, and its successors and assigns.

"Debt Service" means the scheduled amount of interest and amortization of principal payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

"Depository" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.12.

"District" means the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) formed pursuant to the Resolution of Formation.

"*Fair Market Value*" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security—State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) the investment is the Local Agency Investment Fund of the State of California, but only if at all times during which the investment is held its yield is reasonably expected to be equal to or greater than the yield on a reasonably comparable direct obligation of the United States.

"Federal Securities" means any of the following which are non-callable and which at the time of investment are legal investments under the laws of the State of California for funds held by the Fiscal Agent (the Fiscal Agent entitled to rely upon investment direction from the City as a certification that such investment constitutes a legal investment).

(i) Direct general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the United States Department of the Treasury) and obligations, the payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America, including, without limitation, such of the foregoing which are commonly referred to as "stripped" obligations and coupons; or

(ii) Any of the following obligations of the following agencies of the United States of America: (a) direct obligations of the Export-Import Bank, (b) certificates of beneficial ownership issued by the Farmers Home Administration, (c) participation certificates issued by the General Services Administration, (d) mortgage-backed bonds or passthrough obligations issued and guaranteed by the Government National Mortgage Association, (e) project notes issued by the United States Department of Housing and Urban Development, and (f) public housing notes and bonds guaranteed by the United States of America.

"Fiscal Agent" means the Fiscal Agent appointed by the City and acting as an independent fiscal agent with the duties and powers herein provided, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 7.01.

"Fiscal Year" means the twelve-month period extending from July 1 in a calendar year to June 30 of the succeeding year, both dates inclusive.

"*Gross Taxes*" means the proceeds of the Special Taxes received by the City, including any scheduled payments and any prepayments thereof, interest thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes to the amount of said lien and interest thereon. "Gross Taxes" does not include any penalties collected in connection with delinquent Special Taxes or any interest in excess of the interest due on the Bonds.

"Improvement Area 4" means Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II).

"Improvement Fund" means the fund by that name established pursuant to Section 3.04(A) hereof.

"Information Services" means "EMMA" or the "Electronic Municipal Market Access" system of the Municipal Securities Rulemaking Board; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the City may designate in an Officer's Certificate delivered to the Fiscal Agent.

"Interest Payment Dates" means March 1 and September 1 of each year, commencing March 1, 2026.

"Maximum Annual Debt Service" means, for each Series of Outstanding Bonds, the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of the respective Series of Outstanding Bonds.

"*Net Taxes*" means Gross Taxes minus amounts set aside to pay Administrative Expenses.

"Officer's Certificate" means a written certificate of the City signed by an Authorized Officer.

"Ordinance" means any ordinance of the City levying the Special Taxes.

"Original Purchaser" means the first purchaser of the Bonds from the City.

"Outstanding," when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 8.04) all Bonds except (i) Bonds theretofore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation; (ii) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the City pursuant to the Agreement or any Supplemental Agreement.

"Owner" or *"Bondowner"* means any person who shall be the registered owner of any Outstanding Bond.

"Participating Underwriter" shall have the meaning ascribed thereto in the Continuing Disclosure Certificate.

"Permitted Investments" means any of the following, to the extent that they are lawful investments for City funds at the time of investment, and are acquired at Fair Market Value (the Fiscal Agent is entitled to rely upon investment direction from the City as a certification that such investment constitutes a Permitted Investment):

(i) Federal Securities;

(ii) any of following obligations of federal agencies not guaranteed by the United States of America: (a) debentures issued by the Federal Housing Administration; (b) participation certificates or senior debt obligations of the Federal Home Loan Mortgage Corporation or Farm Credit Banks (consisting of Federal Land Banks, Federal Intermediate Credit Banks or Banks for Cooperatives); (c) bonds or debentures of the Federal Home Loan Bank Board established under the Federal Home Loan Bank Act, bonds of any federal home loan bank established under said act and stocks, bonds, debentures, participations and other obligations of or issued by the Federal National Mortgage Association, the Student Loan Marketing Association, the Government National Mortgage Association and the Federal Home Loan Mortgage Corporation; and (d) bonds, notes or other obligations issued or assumed by the International Bank for Reconstruction and Development;

(iii) interest-bearing demand or time deposits (including certificates of deposit) in federal or State of California chartered banks (including the Fiscal Agent and its affiliates), provided that (a) the unsecured obligations of such savings and loan association shall be rated in one of the top two rating categories by a nationally

recognized rating service, or the unsecured obligations of such bank (or the unsecured obligations of the parent bank holding company of which such bank is the lead bank) shall be rated at the time of purchase in one of the top two rating categories by a nationally recognized rating service; or (b) such deposits consist of U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks, which may include the Fiscal Agent and its affiliates, have a rating on their short term certificates of deposit on the date of purchase of "A" or better by S&P, maturing no more than 360 days after the date of purchase, provided that ratings on holding companies are not considered as the rating of the bank;

(iv) repurchase agreements with a registered broker/dealer subject to the Securities Investors Protection Corporation Liquidation in the event of insolvency, or any commercial bank provided that: (a) the unsecured obligations of such bank shall be rated in one of the top two rating categories by a nationally recognized rating service, or such bank shall be the lead bank of a banking holding company whose unsecured obligations are rated in one of the top two rating categories by a nationally recognized rating service; (b) the most recent reported combined capital, surplus and undivided profits of such bank shall be not less than $100 million; (c) the repurchase obligation under any such repurchase obligation shall be required to be performed in not more than thirty (30) days; (d) the entity holding such securities as described in clause (c) shall have a pledged first security interest therein for the benefit of the Fiscal Agent under the California Commercial Code or pursuant to the book-entry procedures described by 31 C.F.R. 306.1 *et seq.* or 31 C.F.R. 350.0 *et seq.* and are rated in one of the top two rating categories by a nationally recognized rating service;

(v) bankers acceptances endorsed and guaranteed by banks described in clause (iv) above;

(vi) obligations, the interest on which is exempt from federal income taxation under Section 103 of the Code and which are rated in the one of the top two rating categories by a nationally recognized rating service;

(vii) money market funds which invest solely in Federal Securities or in obligations described in the preceding clause (ii) of this definition, or money market funds which are rated in the highest rating category by Standard & Poor's Ratings Services or Moody's Investor Service, including such funds for which the Fiscal Agent, its affiliates or subsidiaries provide investment advisory or other management services or for which the Fiscal Agent or an affiliate of the Fiscal Agent serves as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (a) the Fiscal Agent or an affiliate of the Fiscal Agent receives and retains a fee for services provided to the fund, (b) the Fiscal Agent collects fees for services rendered pursuant to this Agreement, which fees are separate from the fees received from such funds, and (c) services performed for such funds and pursuant to this Agreement may at times duplicate those provided to such funds by the Fiscal Agent or an affiliate of the Fiscal Agent;

(viii) units of a taxable government money market portfolio comprised solely of obligations listed in (i) and (iv) above, such funds for which the Fiscal Agent, its affiliates or subsidiaries provide investment advisory or other management services or for which the Fiscal Agent or an affiliate of the Fiscal Agent serves as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (a) the Fiscal Agent or an affiliate of the Fiscal Agent receives and retains a fee for services

provided to the fund, (b) the Fiscal Agent collects fees for services rendered pursuant to this Agreement, which fees are separate from the fees received from such funds, and (c) services performed for such funds and pursuant to this Agreement may at times duplicate those provided to such funds by the Fiscal Agent or an affiliate of the Fiscal Agent;

(ix) any investment which is a legal investment for proceeds of the Bonds at the time of the execution of such agreement, and which investment is made pursuant to an agreement between the City or the Fiscal Agent or any successor Fiscal Agent and a financial institution or governmental body whose long term debt obligations are rated in one of the top two rating categories by a nationally recognized rating service;

(x) commercial paper which at the time of purchase is of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, or Standard and Poor's Corporation, of issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars ($500,000,000) and having an "AA" or higher rating for the issuer's debentures, other than commercial paper, as provided for by Moody's Investors Service or Standard and Poor's Corporation, and provided that purchases of eligible commercial paper may not exceed 180 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation;

(xi) any general obligation of a bank or insurance company whose long term debt obligations are rated in one of the two highest rating categories of a national rating service;

(xii) shares in a common law trust established pursuant to Title 1, Division 7, Charter 5 of the Government Code of the State which invests exclusively in investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the Government Code of the State, as it may be amended;

(xiii) shares in the California Asset Management Program; or

(xiii) the Local Agency Investment Fund established pursuant to Section 16429.1 of the Government Code of the State of California, *provided, however,* that the Fiscal Agent shall be permitted to make investments and withdrawals in its own name and the Fiscal Agent may restrict investments in the such fund if necessary to keep moneys available for the purposes of this Fiscal Agent Agreement.

(xiv) any other lawful investment for City funds.

"Prepayment" means moneys received by the City from the prepayment of Special Taxes as provided in the "Rate, Method of Apportionment, and Manner of Collection of Special Tax" applicable to Improvement Area 4.

"Principal Office" means the corporate trust office of the Fiscal Agent set forth in Section 9.06, or such other or additional offices as may be designated by the Fiscal Agent.

"Project" means the acquisitions and improvements described in the Resolution of Formation, including Administrative Expenses related thereto.

"Qualified Reserve Fund Credit Instrument" means an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company and deposited with the Fiscal Agent pursuant to Section 4.02, provided that all of the following requirements are met: (a) the long-term credit rating of such bank or insurance company is rated at the time of issuance in the "AA" category or higher by S&P or Moody's (without regard to qualifier); (b) such letter of credit or surety bond has a term of at least 12 months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released pursuant to Section 4.02; and (d) the Fiscal Agent is authorized pursuant to the terms of such letter of credit or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Special Tax Fund for the purpose of making payments required pursuant to Section 4.02 or the amount to be restored to the Reserve Fund if not timely renewed or extended.

"Record Date" means the 15th day of the month next preceding the month of the applicable Interest Payment Date whether or not such day is a Business Day.

"Regulations" means temporary and permanent regulations promulgated under the Code.

"Reserve Fund" means the fund by that name established pursuant to Section 4.02(A).

"Reserve Requirement" means, for the 2025 Bonds, an amount calculated as of the Closing Date equal to the lesser of (a) Maximum Annual Debt Service on the 2025 Bonds, (b) 125% of the average Annual Debt Service on the 2025 Bonds, or (c) 10% of the original principal amount of the 2025 (or the issue price of the 2025 Bonds excluding accrued interest, if the net original issue discount or premium is less than 98% or more than 102% of the principal amount of the2025 Bonds), as calculated by the City. In connection with issuance of Additional Bonds with a debt service reserve (1) in no event shall the City, in connection with the issuance of Additional Bonds covered by the Reserve Fund pursuant to a Supplemental Agreement be obligated to deposit an amount in the Reserve Fund which is in excess of the amount permitted by the applicable provisions of the Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, in the event the amount of any such deposit into the Reserve Fund is so limited, the Reserve Requirement shall, in connection with the issuance of such Additional Bonds, be increased only by the amount of such deposit as permitted by the Code, and (2) the City may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Fund Credit Instrument in the Reserve Fund in accordance with Section 4.02(A).

"Resolution" means Resolution No. 2025-03-19-1502 adopted by the City Council of the City on March 19, 2025, which resolution, among other matters, authorized the issuance of the Bonds.

"Resolution of Formation" means collectively, (i) Resolution No. 2018-06-19-1502-01 of the City Council adopted on June 19, 2018, establishing the District and the Improvement Areas for the purpose of providing for the financing of certain public facilities in and for such District, (ii) Resolution No. 2020-02-04-1501 of the City Council adopted on February 4, 2020, reforming the boundaries of Improvement Area No. 1 and Improvement Area No. 2 and amending the Rate and Method of Apportionment of Special Tax for Improvement Area 1 and Improvement Area 4, and (iii) Resolution No. 2022-01-11-1601 of the City Council adopted on January 11, 2022, reforming the boundaries of Improvement Area No. 2 and establishing Improvement Area No. 3 and Improvement Area No. 4 of the District.

"Securities Depositories" means The Depository Trust Company; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the City may designate in an Officer's Certificate delivered to the Fiscal Agent.

"Series" means a series of Bonds issued under this Fiscal Agent Agreement.

"Special Tax Fund" means the fund by that name established by Section 3.03(A).

"Special Taxes" means the special taxes levied within Improvement Area 4 pursuant to the Act, the Ordinance and this Agreement.

"Supplemental Agreement" means an agreement the execution of which is authorized by a resolution which has been duly adopted by the City under the Act and which agreement is amendatory of or supplemental to this Agreement, but only if and to the extent that such agreement is specifically authorized hereunder.

"*Teeter Plan*" means the County of San Joaquin's program of distributing special taxes as described under the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds, as provided for in Sections 4701 through 4717, inclusive, of the Revenue and Taxation Code of the State of California.

"Term 2025 Bonds" means the 2025 Bonds maturing on _____.

"2025 Bonds" means the Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds, Series 2025.

"2025 Reserve Account" means the account within the Reserve Fund by that name established pursuant to Section 4.02(A).

ARTICLE II

THE 2025 BONDS

Section 2.01. Principal Amount; Designation. The 2025 Bonds in the aggregate principal amount of $_____ are hereby authorized to be issued by the City for Improvement Area 4 under and subject to the terms of the Resolution and this Agreement, the Act and other applicable laws of the State of California. The 2025 Bonds shall be designated the "Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds Series 2025."

Section 2.02. Terms of the 2025 Bonds.

(A) Form; Denominations. The 2025 Bonds shall be issued as fully registered Bonds without coupons in denominations of $5,000 or any integral multiple thereof. The 2025 Bonds shall be lettered and numbered in a customary manner as determined by the Fiscal Agent.

(B) Date of the 2025 Bonds. The 2025 Bonds shall be dated the Closing Date.

(C) CUSIP Identification Numbers. "CUSIP" identification numbers shall be imprinted on the 2025 Bonds, but such numbers shall not constitute a part of the contract evidenced by the 2025 Bonds and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the 2025 Bonds. In addition, failure on the part of the City or the Fiscal Agent to use such CUSIP numbers in any notice to Owners shall not constitute an event of default or any violation of the City's contract with such Owners and shall not impair the effectiveness of any such notice.

(D) Maturities. The 2025 Bonds shall be issued as term bonds and shall mature and become payable as follows:

Maturity (Sept 1)	Principal Amount	Interest Rate

(T) Term Bond.

(E) Interest. The 2025 Bonds shall bear interest at the rates set forth above payable on the Interest Payment Dates in each year. Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Each 2025 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such date of authentication, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from the Closing

Date; provided, however, that if at the time of authentication of a 2025 Bond, interest is in default thereon, such 2025 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

(F) Method of Payment. Interest on the 2025 Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check of the Fiscal Agent mailed on the Interest Payment Dates by first class mail to the registered Owner thereof at such registered Owner's address as it appears on the registration books maintained by the Fiscal Agent at the close of business on the Record Date preceding the Interest Payment Date, or by wire transfer made on such Interest Payment Date upon written instructions received by the Fiscal Agent on or before the Record Date preceding the Interest Payment Date of any Owner of $1,000,000 or more in aggregate principal amount of 2025 Bonds; provided that so long as any 2025 Bonds are in book-entry form, payments with respect to such 2025 Bonds shall be made by wire transfer or such other method acceptable to the Fiscal Agent and to the Depository. The principal of the 2025 Bonds and any premium on the 2025 Bonds are payable in lawful money of the United States of America upon surrender of the 2025 Bonds at the Principal Office of the Fiscal Agent. All 2025 Bonds paid by the Fiscal Agent pursuant to this Section shall be cancelled by the Fiscal Agent. The Fiscal Agent shall destroy the cancelled 2025 Bonds in accordance with its records retention policy then in effect.

Section 2.03. Redemption.

(A) Redemption Dates.

(i) Optional Redemption. The 2025 Bonds are subject to optional redemption from any source of available funds other than Prepayments prior to maturity, in whole, or in part among maturities as specified by the City and by lot within a maturity, on any date on or after September 1, _____, at the following respective redemption prices (expressed as percentages of the principal amount of the 2025 Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

Redemption Dates	**Redemption Price**
September 1, _____ through August 31, _____	103%
September 1, _____ through August 31, _____	102%
September 1, _____ through August 31, _____	101%
September 1, _____ and any date thereafter	100%

(ii) Mandatory Redemption From Prepayments. The 2025 Bonds shall be subject to mandatory redemption from Prepayments of the Special Tax by property owners, in whole or in part among maturities as shall be specified by the City and by lot within a maturity, on any Interest Payment Date at the following respective redemption prices (expressed as percentages of the principal amount of the 2025 Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

Redemption Dates	Redemption Price
Interest Payment Dates through and including March 1, ____	103%
September 1, _____ and March 1, _____	102
September 1, _____ and March 1, _____	101
September 1, _____ and Interest Payment Dates thereafter	100

(iii) Mandatory Sinking Fund Redemption. The Bonds maturing September 1, _____, September 1, _____, and September 1, _____ (collectively, the "**Term Bonds**") are subject to mandatory sinking payment redemption in part on September 1, _____, September 1, _____, and September 1, _____, respectively, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts as set forth in the following tables:

Term Bonds Due September 1, _____

Mandatory Redemption Date (September 1)	Sinking Fund Payment
(Maturity)	

Term Bonds Due September 1, _____

Mandatory Redemption Date (September 1)	Sinking Fund Payment
(Maturity)	

Term Bonds Due September 1, _____

Mandatory Redemption Date (September 1)	Sinking Fund Payment
(Maturity)	

The amounts in the foregoing tables shall be reduced pro rata, at the direction of the City in an Officer's Certificate, in order to maintain substantially uniform debt service, as a result of any prior partial optional or mandatory redemption of the Term 2025 Bonds pursuant to Section 2.03(A)(i) or (ii) above. In the event of a redemption pursuant to Section 2.03(A)(i) or (ii), the City shall provide the Fiscal Agent with a revised sinking fund schedule giving effect to the redemption so completed.

In lieu of redemption under this Section 2.03, moneys in the Special Tax Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding 2025 Bonds, upon the filing with the Fiscal Agent of an Officer's Certificate requesting such purchase, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer's Certificate may provide, but in no event may 2025 Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase.

(B) Notice to Fiscal Agent. The City shall give the Fiscal Agent an Officer's Certificate containing notice of its intention to redeem 2025 Bonds pursuant to Section 2.03(A)(i) and (ii) not less than 60 days prior to the applicable redemption date.

(C) Redemption Procedure by Fiscal Agent; Rescission. The Fiscal Agent shall cause notice of any redemption to be mailed by first class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, to the Securities Depositories and to one or more Information Services, and to the respective registered Owners of any 2025 Bonds designated for redemption, at their addresses appearing on the 2025 Bond registration books in the Principal Office of the Fiscal Agent; but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, shall not affect the validity of the proceedings for the redemption of such 2025 Bonds.

Such notice shall state the redemption date and the redemption price and, if less than all of the then Outstanding 2025 Bonds are to be called for redemption, shall designate the CUSIP numbers and 2025 Bond numbers of the 2025 Bonds to be redeemed by giving the individual CUSIP number and 2025 Bond number of each 2025 Bond to be redeemed or shall state that all 2025 Bonds between two stated 2025 Bond numbers, both inclusive, are to be redeemed or that all of the 2025 Bonds of one or more maturities have been called for redemption, shall state as to any 2025 Bond called in part the principal amount thereof to be redeemed, and shall require that such 2025 Bonds be then surrendered at the Principal Office of the Fiscal Agent for redemption at the said redemption price, and shall state that further interest on such 2025 Bonds will not accrue from and after the redemption date.

Upon the payment of the redemption price of 2025 Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, of the 2025 Bonds being redeemed with the proceeds of such check or other transfer.

The City has the right to rescind any notice of the redemption of 2025 Bonds under Section 2.03(A)(i) by written notice to the Fiscal Agent on or prior to two Business Days prior the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the 2025 Bonds then called for redemption, and such cancellation shall not constitute an event of default. The City and the Fiscal Agent have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Fiscal Agent shall mail notice of

such rescission of redemption in the same manner as the original notice of redemption was sent under this Section.

Whenever provision is made in this Agreement for the redemption of less than all of the 2025 Bonds of any maturity, the Fiscal Agent shall select the 2025 Bonds to be redeemed, from all 2025 Bonds or such given portion thereof of such maturity by lot in any manner which the Fiscal Agent in its sole discretion shall deem appropriate.

Upon surrender of 2025 Bonds redeemed in part only, the City shall execute and the Fiscal Agent shall authenticate and deliver to the registered Owner, at the expense of the City, a new 2025 Bond or 2025 Bonds, of the same series and maturity, of authorized denominations in an aggregate principal amount equal to the unredeemed portion of the 2025 Bond or 2025 Bonds.

(D) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the 2025 Bonds so called for redemption shall have been deposited in the Special Tax Fund, such 2025 Bonds so called shall cease to be entitled to any benefit under this Agreement other than the right to receive payment of the redemption price, and no interest shall accrue thereon on or after the redemption date specified in such notice.

All 2025 Bonds redeemed and purchased by the Fiscal Agent pursuant to this Section shall be canceled by the Fiscal Agent. The Fiscal Agent shall destroy the cancelled 2025 Bonds it has received in accordance with its records retention policy then in effect.

Section 2.04. Form of Bonds. The 2025 Bonds, the form of Fiscal Agent's certificate of authentication and the form of assignment, to appear thereon, shall be substantially in the forms, respectively, set forth in Exhibit A attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Agreement, the Resolution and the Act.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the City by the Mayor and the City Clerk of the City who are in office on the date of adoption of this Agreement or at any time thereafter, and the seal of the City may be impressed, imprinted or reproduced by facsimile thereon. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the Owner, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the Owner. Any Bond may be signed and attested on behalf of the City by such persons as at the actual date of the execution of such Bond shall be the proper officers of the City although at the nominal date of such Bond any such person shall not have been such officer of the City.

Only such Bonds as shall bear thereon a certificate of authentication in substantially the form set forth in Exhibit A, executed and dated by the Fiscal Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Agreement, and such certificate of authentication of the Fiscal Agent shall be conclusive evidence that the Bonds registered hereunder have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Agreement.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.08 by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in

a form acceptable to the Fiscal Agent. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such transfer shall be paid by the City. The Fiscal Agent shall collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Fiscal Agent shall authenticate and deliver a new Bond or Bonds, for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity.

No transfers of Bonds shall be required to be made (i) within 15 days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption.

The transferor of any Bond shall also provide or cause to be provided to the Fiscal Agent all information necessary to allow the Fiscal Agent to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Fiscal Agent for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. The cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such exchange shall be paid by the City. The Fiscal Agent shall collect from the Owner requesting such exchange any tax or other governmental charge required to be paid with respect to such exchange.

No exchanges of Bonds shall be required to be made (i) within 15 days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption.

Section 2.08. Bond Register. The Fiscal Agent will keep or cause to be kept, at its Principal Office, sufficient books for the registration and transfer of the Bonds (the "Bond Register"), which books shall show the series number, date, amount, rate of interest and Owner of each Bond and shall at all times be open to inspection by the City during regular business hours upon reasonable notice; and, upon presentation for such purpose, the Fiscal Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the ownership of the Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the City, and may contain such reference to any of the provisions of this Agreement as may be appropriate. Every temporary Bond shall be executed by the City upon the same conditions and in substantially the same manner as the definitive Bonds. If the City issues temporary Bonds it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange for the definitive Bonds at the Principal Office of the Fiscal Agent or at such other location as the Fiscal Agent shall designate, and the Fiscal Agent shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary bonds shall be entitled to the same benefits under this Agreement as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the City shall execute, and the Fiscal Agent shall authenticate and deliver, a new Bond of like tenor and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Fiscal Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Fiscal Agent shall be canceled by it and destroyed by the Fiscal Agent in accordance with its records retention policy then in effect. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Fiscal Agent and, if such evidence be satisfactory to it and indemnity for the Fiscal Agent and the City satisfactory to the Fiscal Agent shall be given, the City shall execute, and the Fiscal Agent shall authenticate and deliver, a new Bond of like tenor and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. The City may require payment of a sum not exceeding the actual cost of preparing each new Bond delivered under this Section and of the expenses which may be incurred by the City and the Fiscal Agent for the preparation, execution, authentication and delivery. Any Bond delivered under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the City whether or not the Bond so alleged to be lost, destroyed or stolen is at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Agreement with all other Bonds issued pursuant to this Agreement.

Section 2.11. Limited Obligation. All obligations of the City under this Agreement and the Bonds shall be special obligations of the City, payable solely from the Net Taxes and the funds pledged therefore hereunder. Neither the full faith and credit nor the taxing power of the City (except to the limited extent set forth herein) or the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

Section 2.12. Book-Entry Only System. DTC shall act as the initial Depository for the Bonds. One Bond for each maturity of the Bonds shall be initially executed, authenticated, and delivered as set forth herein as a separate fully registered certificate (in printed or typewritten form). Upon initial execution, authentication, and delivery, the ownership of the Bonds shall be registered in the Bond Register kept by the Fiscal Agent for the Bonds in the name of Cede & Co, as nominee of DTC or such nominee as DTC shall appoint in writing.

The Authorized Officers and the Fiscal Agent are hereby authorized to take any and all actions as may be necessary and not inconsistent with this Agreement to qualify the Bonds for the Depository's book-entry system, including the execution of the Depository's required representation letter.

With respect to Bonds registered in the Bond Register in the name of Cede & Co, as nominee of DTC, the Fiscal Agent shall not have any responsibility or obligation to any broker-dealer, bank, or other financial institution for which DTC holds Bonds as Depository from time to time (the "DTC Participants") or to any person for which a DTC Participant acquires an interest in the Bonds (the "Beneficial Owners"). Without limiting the immediately preceding sentence, the Fiscal Agent shall not have any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co, or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant, any Beneficial Owner, or any other person, other than DTC, of any notice with respect to the Bonds, including any notice of redemption or mandatory tender, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed in the event the City elects to redeem the Bonds in part, (iv) the payment to any DTC Participant, any Beneficial Owner, or any other person, other than

DTC, of any amount with respect to the principal of or interest on the Bonds, or (v) any consent given or other action taken by the Depository as Owner of the Bonds.

The Fiscal Agent may treat as and deem DTC to be the absolute Owner of each Bond for which DTC is acting as Depository for the purpose of payment of the principal of and interest on such Bonds, for the purpose of giving notices of prepayment and other matters with respect to such Bonds, for the purpose of registering transfers with respect to such Bonds, and for all purposes whatsoever. The Fiscal Agent shall pay all principal of and interest on the Bonds only to the Owners as shown on the Registration Books, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid.

No person other than an Owner, as shown on the Bond Register, shall receive a physical Bond. Upon delivery by DTC to the Fiscal Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions in Section 2.06 hereof, references to "Cede & Co." in this Section 2.12 shall refer to such new nominee of DTC.

DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Fiscal Agent and the City during any time that the Bonds are Outstanding, and discharging its responsibilities with respect thereto under applicable law. The City may terminate the services of DTC with respect to the Bonds if it determines that DTC is unable to discharge its responsibilities with respect to the Bonds or that continuation of the system of book-entry transfers through DTC is not in the best interest of the Beneficial Owners, and the City shall mail notice of such termination to the Fiscal Agent.

Upon the termination of the services of DTC as provided in the previous paragraph, and if no substitute Depository willing to undertake the functions hereunder can be found which is able to undertake such functions upon reasonable or customary terms, or if the City determines that it is in the best interest the Beneficial Owners of the Bonds that they be able to obtain certificated Bonds, the Bonds shall no longer be restricted to being registered in the Bond Register of the Fiscal Agent in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names the Owners shall designate at that time, in accordance with Section 2.06.

To the extent that the Beneficial Owners are designated as the transferee by the Owners, in accordance with Section 2.06, the Bonds will be delivered to such Beneficial Owners as soon as practicable.

Section 2.13. No Acceleration. The principal of the Bonds shall not be subject to acceleration hereunder. Nothing in this Section 2.13 shall in any way prohibit the prepayment or redemption of Bonds under Section 2.03 hereof, or the defeasance of the Bonds and discharge of this Agreement under Section 9.03 hereof.

ARTICLE III

ISSUANCE OF BONDS

Section 3.01. Issuance and Delivery of Bonds. At any time after the execution of this Agreement, the City may issue the Bonds for Improvement Area 4 in the aggregate principal amount set forth in Section 2.01 or as authorized in any supplemental agreement and deliver sicateticch Bonds to the Original Purchaser. The Authorized Officers of the City are hereby authorized and directed to deliver any and all documents and instruments necessary to cause the issuance of Bonds in accordance with the provisions of the Act, the Resolution and this Agreement, to authorize the payment of Costs of Issuance of the Bonds from the proceeds of the Bonds and to do and cause to be done any and all acts and things necessary or convenient for delivery of the Bonds to the Original Purchaser.

Section 3.02. Application of Proceeds of Sale of 2025 Bonds. (a) The proceeds of the purchase of the 2025 Bonds by the Original Purchaser in the amount of $_____ (being the principal amount thereof, plus net original premium of $_____, less an Underwriter's discount of $_____shall be paid to the Fiscal Agent, who shall forthwith set aside, pay over and deposit such proceeds on the Closing Date as follows:

(i) Deposit in the Improvement Fund $_____;

(ii) Deposit in the 2025 Reserve Account of the Reserve Fund $_____, equaling the initial Reserve Requirement;

(iii) Deposit in the Costs of Issuance Fund $_____; and

(iv) Deposit in the Interest Account of the Special Tax Fund $_____.

(b) The Fiscal Agent may establish such temporary funds or accounts as reasonably necessary to complete the foregoing deposits.

Section 3.03. Special Tax Fund.

(A) Establishment and Disbursements. There is hereby established as a separate fund to be held by the Fiscal Agent, the Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds Special Tax Fund to be held by the Fiscal Agent for the benefit of the Owners. Except for the portion of any Prepayment to be deposited to the Redemption Account as specified in an Officer's Certificate delivered to the Fiscal Agent, the Fiscal Agent shall, on each date on which Net Taxes are received from the City (pursuant to Section 5.07), deposit the Net Taxes in the Special Tax Fund. The Fiscal Agent shall transfer the Net Taxes on deposit in the Special Tax Fund on the dates and in the amounts set forth in this Section, in the following order of priority:

(1) To the Interest Account of the Special Tax Fund;

(2) To the Principal Account of the Special Tax Fund;

(3) To the Redemption Account of the Special Tax Fund;

(4) To the Reserve Fund; and

(5) To the Surplus Fund.

(B) Interest Account and Principal Account of the Special Tax Fund. The principal of and interest due on the Bonds until maturity, other than principal due upon optional or special mandatory redemption, shall be paid by the Fiscal Agent from the Principal Account and the Interest Account of the Special Tax Fund, respectively. For the purpose of assuring that the payment of principal of and interest on the Bonds will be made when due (including mandatory sinking fund payments), at least one Business Day prior to each Interest Payment Date, the Fiscal Agent shall transfer from the Special Tax Fund, first to the Interest Account and then to the Principal Account, the amount required to pay interest on and principal of the Bonds (including mandatory sinking fund payments) on the immediately succeeding Interest Payment Date; provided, that to the extent that deposits have been made in the Interest Account or the Principal Account from the proceeds of the sale of an issue of the Bonds, or otherwise, the transfer from the Special Tax Fund need not be made.

(C) Redemption Account of the Special Tax Fund.

(1) In accordance with the City's election to call 2025 Bonds for optional redemption as set forth in Section 2.03(A)(i), or to call Additional Bonds for optional redemption as set forth in any Supplemental Agreement for Additional Bonds, the Fiscal Agent shall transfer from the Special Tax Fund and deposit in the Redemption Account of the Special Tax Fund moneys available for the purpose and sufficient to pay the principal, interest and premium, if any, payable on the 2025 Bonds or Additional Bonds called for optional redemption.

(2) The portion of any Prepayment specified in an Officer's Certificate delivered to the Fiscal Agent to be deposited to the Redemption Account pursuant to Section 3.03(A), shall be deposited to the Redemption Account and applied on the redemption date established pursuant to Section 2.03(A)(ii) for the 2025 Bonds, and in any Supplemental Agreement for any Additional Bonds, for the payment of the principal, interest and the premium, if any, payable on the 2025 Bonds or Additional Bonds to be redeemed with such Prepayments.

(3) Moneys set aside in the Redemption Account shall be used solely for the purpose of redeeming Bonds and shall be applied on or after the redemption date to the payment of principal, interest and premium, if any, on the Bonds to be redeemed; provided, that in lieu or partially in lieu of such call and redemption, moneys deposited in the Redemption Account may be used to purchase Outstanding Bonds in the manner hereinafter provided. Purchases of Outstanding Bonds may be made by the City at public or private sale as and when and at such prices as the City may in its discretion determine but only at prices (including brokerage or other expenses) not more than par plus accrued interest, plus, in the case of moneys set aside for an optional redemption, the premium applicable at the next following call date according to the premium schedule established for such Bonds. Any accrued interest payable upon the purchase of Bonds may be paid from the amount reserved in the Interest Account of the Special Tax Fund for the payment of interest on the next following Interest Payment Date.

(D) Reserve Fund. After making the transfers required by the foregoing provisions of this Section 3.03, the Fiscal Agent shall, after taking into account amounts then on deposit in the Reserve Fund (including the accounts therein), transfer amounts needed from the Special

Tax Fund to the Reserve Fund so that the amount in the Reserve Fund equals the Reserve Requirement for each Series of Bonds.

(E) Surplus Fund. After making the transfers required by the foregoing provisions of this Section 3.03, as soon as practicable after each September 2, the Fiscal Agent shall transfer all remaining amounts in the Special Tax Fund to the Surplus Fund, unless on or prior to such date, it has received an Officer's Certificate directing that certain amounts be retained in the Special Tax Fund because the City has assumed such amounts would be available in the Special Tax Fund in calculating the amount of the levy of Special Taxes for such Bond Year pursuant to Section 5.07.

(F) Investment. Moneys in the Special Tax Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from such investment and deposit shall be retained in the Special Tax Fund to be used for the purposes thereof.

Section 3.04. Improvement Fund.

(A) Establishment of Improvement Fund. There is hereby established as a separate fund to be held by the Fiscal Agent, the Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds Improvement Fund to the credit of which a deposit shall be made as required by Section 3.02. Moneys in the Improvement Fund shall be held in trust and shall be disbursed as provided in subsection (B) of this Section for the payment or reimbursement of costs of the Project. Prior to disbursement, amounts on deposit in the Improvement Fund shall be subject to a lien in favor of the Owners of the Bonds.

(B) Procedure for Disbursement. Disbursements from the Improvement Fund shall be made by the Fiscal Agent upon receipt of an Officer's Certificate substantially in the form of Exhibit B attached hereto which shall:

(i) set forth the amount required to be disbursed, the purpose for which the disbursement is to be made, the person to which the disbursement is to be paid and state that such disbursement is for a Project cost; and

(ii) certify that no portion of the amount then being requested to be disbursed was set forth in any Officer's Certificate previously filed requesting disbursement.

Each such Officer's Certificate shall be sufficient evidence to the Fiscal Agent of the facts stated therein and the Fiscal Agent shall have no duty to confirm the accuracy of such facts.

(C) Investment. Moneys in the Improvement Fund and the accounts established thereunder shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits from the investment of amounts in the Improvement Fund shall be retained by the Fiscal Agent in the Improvement Fund to be used for the purposes of the Improvement Fund.

(D) Closing of Fund. Upon the earlier of three years after the Closing Date or the filing of an Officer's Certificate stating that the portion of the Project to be financed from the Improvement Fund has been completed and that all costs of such portion of the Project have been paid, the Fiscal Agent shall transfer the amount, if any, remaining in the Improvement Fund to the Special Tax Fund for application to the payment of principal of and interest on the Bonds, and the Improvement Fund shall be closed.

Section 3.05. Costs of Issuance Fund.

(A) Establishment of Costs of Issuance Fund. There is hereby established as a separate fund to be held by the Fiscal Agent, the Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds Costs of Issuance Fund, to the credit of which a deposit shall be made as required by Section 3.02. Moneys in the Costs of Issuance Fund shall be held in trust by the Fiscal Agent and shall be disbursed as provided in subsection (B) of this Section for the payment or reimbursement of Costs of Issuance of the Bonds.

(B) Disbursement; Closing of Fund. Amounts in the Costs of Issuance Fund shall be disbursed from time to time to pay Costs of Issuance, as set forth in an Officer's Certificate containing respective amounts to be paid to the designated payees, signed by an Authorized Officer or a designee thereof and delivered to the Fiscal Agent. The Fiscal Agent shall pay all Costs of Issuance of the Bonds upon receipt of an invoice from any such payee which requests payment in an amount which is less than or equal to the amount set forth with respect to such payee in such Officer's Certificate, or upon receipt of an Officer's Certificate requesting payment of a Cost of Issuance not listed on the initial Officer's Certificate delivered to the Fiscal Agent on the Closing Date of the Bonds. Each such Officer's Certificate shall be sufficient evidence to the Fiscal Agent of the facts stated therein and the Fiscal Agent shall have no duty to confirm the accuracy of such facts.

The Fiscal Agent shall maintain the Costs of Issuance Fund for a period of 6 months from the Closing Date of the Bonds and then shall transfer any moneys remaining therein, including any investment earnings thereon, to the Improvement Fund, unless such fund has been closed, in which event the moneys shall be transferred to the Special Tax Fund and the Costs of Issuance Fund shall be closed. Thereafter, any cost of issuance invoice received by the Fiscal Agent shall be submitted to the Chief Financial Officer for payment.

(C) Investment. Moneys in the Costs of Issuance Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from said investment shall be retained by the Fiscal Agent in the Costs of Issuance Fund to be used for the purposes of the Costs of Issuance Fund.

Section 3.06. Surplus Fund.

(A) Establishment of Surplus Fund. There is hereby established as a separate fund to be held by the Fiscal Agent, the Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds Surplus Fund, to the credit of which a deposit shall be made as required by Section 3.03(E). Moneys in the Surplus Fund shall be held in trust by the Fiscal Agent for the benefit of the City.

(B) Disbursement. The amounts in the Surplus Fund are not pledged to the repayment of the Bonds and may be used by the City for any lawful purpose. Moneys deposited in the Surplus Fund shall be transferred by the Fiscal Agent upon the direction of the City, as set forth in an Officer's Certificate delivered to the Fiscal Agent.

(C) Investment. Moneys in the Surplus Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from said investment shall be retained by the Fiscal Agent in the Surplus Fund to be used for the purposes of such fund.

ARTICLE IV
PLEDGE OF NET TAXES; RESERVE FUND

Section 4.01. Pledge of Net Taxes and Other Amounts. All of the Net Taxes and all moneys deposited in the Special Tax Fund, the Reserve Fund and, until disbursed as provided herein, in the Improvement Fund, are hereby pledged to secure the repayment of the Bonds. Such pledge shall constitute a first lien on the Net Taxes and said amounts. The Net Taxes and all moneys deposited into such funds (except as otherwise provided herein) are hereby dedicated in their entirety to the payment of the principal of, including any mandatory sinking fund payments, and interest and any premium on, the Bonds as provided herein and in the Act until all of the Bonds have been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose in accordance with Section 9.03.

Amounts in the Costs of Issuance Fund for any Series of Bonds are not pledged to the repayment of the Bonds. The facilities acquired with the proceeds of the Bonds are not in any way pledged to pay the Debt Service on the Bonds. Any proceeds of condemnation, destruction or other disposition of any facilities financed with the proceeds of the Bonds are not pledged to pay the Debt Service on the Bonds and are free and clear of any lien or obligation imposed hereunder.

Notwithstanding any provision contained in this Agreement to the contrary, Net Taxes deposited in the Surplus Fund shall no longer be considered to be pledged to the Bonds, and none of the Surplus Fund shall be construed as a trust fund held for the benefit of the Owners.

Section 4.02. Reserve Fund.

(A) Establishment of Fund. There is hereby established as a separate fund to be held by the Fiscal Agent, the Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds Reserve Fund, and within the Reserve Fund shall be established a 2025 Reserve Account, to the credit of which a deposit shall be made as required by Section 3.02 and deposits shall be made as provided in Section 3.03(D). Unless otherwise set forth in a Supplemental Agreement, for each Series of Additional Bonds covered by the Reserve Fund, the Fiscal Agent shall establish a separate account within the Reserve Fund for each such Series, which account shall be maintained purely for accounting purposes, and amounts in all accounts within the Reserve Fund shall be pledged to all Bonds equally and ratably. Moneys in each account of the Reserve Fund shall be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds as a reserve for the payment of principal of, and interest on, the Bonds and shall be subject to a lien in favor of the Owners of the Bonds.

The City has the right at any time to cause the Fiscal Agent to release funds from the Reserve Fund, in whole or in part, by tendering to the Fiscal Agent: (1) a Qualified Reserve Fund Credit Instrument, and (2) an opinion of Bond Counsel stating that such release will not, of itself, cause the interest on the Bonds to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Fiscal Agent, the Fiscal Agent will transfer such funds from the Reserve Fund to the City. Prior to the expiration of any Qualified Reserve Fund Credit Instrument, the City is obligated either to replace such Qualified Reserve Fund Credit Instrument with a new Qualified Reserve Fund Credit Instrument, or to deposit or cause to be deposited with the Fiscal Agent an amount of funds such that the funds on deposit in the Reserve Fund together with all Qualified Reserve Fund Credit Instruments held by the Fiscal Agent is at least equal to the Reserve Requirement (which funds may come from a draw by the Fiscal Agent on the Qualified Reserve Fund Credit Instrument prior to its expiration). Any

Qualified Reserve Fund Credit Instrument deposited with the Fiscal Agent shall contain instructions to the Fiscal Agent with respect to the purpose and use thereof.

(B) Use of Fund. Except as otherwise provided in this Section, all amounts deposited in the Reserve Fund shall be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Special Tax Fund one Business Day prior to any Interest Payment Date for which there is a deficiency in the amount required for payment of the principal of, and interest on, the Bonds on such Interest Payment Date. Whenever transfer is made from the Reserve Fund to the Special Tax Fund due to a deficiency in the Special Tax Fund, the Fiscal Agent shall provide written notice thereof to the Chief Financial Officer.

To the extent the Fiscal Agent is required to draw on amounts in the Reserve Fund, the Fiscal Agent shall draw on such amounts from any accounts within the Reserve Fund on a pro rata basis based upon the amounts produced by calculating the Reserve Requirement for each Series of Bonds related to such accounts; provided, that because the accounts are established within the Reserve Fund solely for the purpose of complying with federal tax law, nothing in this Section shall be construed to limit the availability of amounts in any account within the Reserve Fund to pay debt service on any Series of Bonds.

(C) Transfer of Excess of Reserve Requirement. Whenever the amount in the Reserve Fund exceeds the then applicable Reserve Requirement, the Fiscal Agent shall provide written notice to the Chief Financial Officer of the amount of the excess. The Chief Financial Officer shall advise the Fiscal Agent in writing of the amount, if any, of any transfer required pursuant to Section 4.02(D) and 6.02 below, and otherwise direct the Fiscal Agent to transfer an amount equal to the excess from the Reserve Fund to the Improvement Fund, if the Project has not been completed as of the date of such transfer, or if the Project has been completed, to the Special Tax Fund to be used for the payment of the principal of and interest on the Outstanding Bonds covered by the Reserve Fund in accordance with Section 3.03; provided, that to the extent that such excess results from the Prepayment of Special Taxes and redemption of Bonds as provided in an Officer's Certificate in accordance with this Agreement, such amount shall be transferred to the Redemption Account and applied to the corresponding special mandatory redemption of Bonds.

(D) Transfer for Rebate Purposes. Investment earnings on amounts in the Reserve Fund may be withdrawn from the Reserve Fund for purposes of making payment to the federal government to comply with Section 6.02.

(E) Transfer When Balance Exceeds Outstanding Bonds. Whenever the balance in the Reserve Fund exceeds the amount required to redeem or pay the Outstanding Bonds covered by the Reserve Fund, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, and after making any transfer required under Section 4.02(D) above and upon receipt of an Officer's Certificate directing it to do so, the Fiscal Agent shall transfer the amount in the Reserve Fund to the Special Tax Fund to be applied, on the next succeeding Interest Payment Date to the payment and redemption, in accordance with Section 3.03, of all such Outstanding Bonds. In the event that the amount so transferred from the Reserve Fund to the Special Tax Fund exceeds the amount required to pay and redeem the Outstanding Bonds covered by the Reserve Fund, the balance in the Reserve Fund shall be transferred to the City, after payment of any amounts due the Fiscal Agent hereunder, to be used for any lawful purpose of the City.

Notwithstanding the foregoing, no amounts shall be transferred from the Reserve Fund pursuant to this Section 4.02(E) until after the calculation, pursuant to Section 6.02, of any amounts due to the federal government following payment of the respective Series of Bonds and withdrawal of any such amount under Section 4.02(D) for purposes of making such payment to the federal government, and payment of any fees and expenses due to the Fiscal Agent.

(F) Investment. Moneys in the Reserve Fund shall be invested and deposited in accordance with Section 6.01. Interest earnings and profits resulting from such investment and deposit shall be retained in the Reserve Fund to be used and disbursed as provided in this Section 4.02.

ARTICLE V

OTHER COVENANTS OF THE CITY

Section 5.01. Punctual Payment. The City will punctually pay or cause to be paid the principal of, and interest and any premium on, the Bonds when and as due in strict conformity with the terms of this Agreement, and it will faithfully observe and perform all of the conditions covenants and requirements of this Agreement and all Supplemental Agreements and of the Bonds.

Section 5.02. Limited Obligation. The Bonds are limited obligations of the City on behalf of Improvement Area 4 and are payable solely from and secured solely by the Net Taxes and the amounts in certain funds created hereunder as, and to the extent, set forth in Section 4.01.

Section 5.03. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the City shall not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Bonds and shall not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the City, such claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04. Against Encumbrances. The City will not encumber, pledge or place any charge or lien upon any of the Net Taxes or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the Bonds, except as permitted by this Agreement.

Section 5.05. Books and Accounts. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions of the City relating to the Special Taxes. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Fiscal Agent and the Owners of not less than 10% of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

The Fiscal Agent will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries shall be made of all transactions relating to the expenditure of amounts disbursed from the Special Tax Fund, the Reserve Fund and the Costs of Issuance Fund. Such books of record and accounts shall at all times during business hours and upon reasonable prior notice, be subject to the inspection of the City and the Owners of not less than 10% of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing. The Fiscal Agent may establish and maintain for so long as is necessary one or more temporary funds and accounts under this Agreement.

Section 5.06. Protection of Security and Rights of Owners. The City will preserve and protect the security of the Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the delivery of any of the Bonds by the City, the Bonds shall be incontestable by the City.

Section 5.07. Collection of Special Taxes; Transfer of Net Taxes. The City shall comply with all requirements of the Act so as to assure the timely collection of the Special Taxes, including without limitation, the enforcement of delinquent Special Taxes.

On or within 5 Business Days of each June 1, the Fiscal Agent shall provide the Chief Financial Officer with a notice stating the amount then on deposit in the Special Tax Fund, the Reserve Fund and the Surplus Fund. The receipt of such notice by the Chief Financial Officer shall in no way affect the obligations of the Chief Financial Officer under the following two paragraphs. Upon receipt of such notice, the Chief Financial Officer shall ascertain the relevant parcels on which the Special Taxes are to be levied, taking into account any parcel splits during the preceding and then current year.

The City shall effect the levy of the Special Taxes each Fiscal Year in accordance with the Ordinance such that the computation of the levy is complete before the final date on which the County Treasurer-Tax Collector will accept the transmission of the Special Tax amounts for the parcels within Improvement Area 4 for inclusion on the next secured real property tax roll. Upon the completion of the computation of the amounts of the levy, the City shall prepare or cause to be prepared, and shall transmit to the County Treasurer-Tax Collector such data as the County Treasurer-Tax Collector requires to include the levy of the Special Taxes on the next secured real property tax roll.

The City shall fix and levy the amount of Special Taxes within Improvement Area 4 required for the payment of principal of and interest on any outstanding Bonds of Improvement Area 4 becoming due and payable during the ensuing Bond Year, including any necessary replenishment or expenditure of the Reserve Fund for the Bonds and an amount estimated to be sufficient to pay the Administrative Expenses during such year, all in accordance with the rate and method of apportionment of the Special Taxes for Improvement Area 4 and the Ordinance. In any event, the Special Taxes so levied shall not exceed the authorized amounts as provided in the proceedings pursuant to the Resolution of Formation.

The Special Taxes shall be payable and be collected in the same manner and at the same time and in the same installment as the general taxes on real property are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property. Notwithstanding the foregoing, the Special Taxes may be collected in such other manner as the City shall prescribe if necessary to pay the debt service on the Bonds.

The City covenants that it will receive Net Taxes in trust for the Owners and will instruct the Chief Financial Officer to deposit all Net Taxes with the Fiscal Agent at least three Business Days prior to each Interest Payment Date, and the City shall have no beneficial right or interest in the amounts so deposited, except as provided by this Agreement. All such Net Taxes shall be disbursed, allocated and applied solely to the uses and purposes set forth in this Agreement, and shall be accounted for separately and apart from all other money, funds, accounts or other resources of the City.

Section 5.08. Covenant to Foreclose. The City hereby covenants with and for the benefit of the Owners of the Bonds that it will annually on or before October 1 of each year review the public records of the County of San Joaquin relating to the collection of the Special Tax in order to determine the amount of the Special Tax collected in the prior Fiscal Year, and if the City determines on the basis of such review that:

(a) the amount so collected is deficient by more than 5% of the total amount of the Special Tax levied in such Fiscal Year, it will within 30 days thereafter take appropriate steps to institute foreclosure proceedings as authorized by the Act in order to enforce the lien of the delinquent installment of the Special Tax against each separate lot or parcel of land in Improvement Area 4 for which such installment of the Special Tax is delinquent, and will diligently prosecute and pursue such foreclosure proceedings to judgment and sale; or

(b) the amount so collected is deficient by less than 5% of the total amount of the Special Tax levied in Improvement Area 4 in such Fiscal Year, but that property owned by any single property owner in Improvement Area 4 is delinquent by more than $5,000 with respect to the Special Tax due and payable by such property owner in such Fiscal Year and prior Fiscal Year(s), it will within 30 days thereafter take appropriate steps to institute foreclosure proceedings as authorized by the Act in order to enforce the lien of the delinquent installment of the Special Tax against each such property, and will diligently prosecute and pursue such foreclosure proceedings to judgment and sale.

The Chief Financial Officer shall notify legal counsel of any such delinquency of which it is aware, and such legal counsel shall commence, or cause to be commenced, such actions to collect such delinquencies and subsequent foreclosure proceedings in such a manner as such counsel deems appropriate.

Notwithstanding the foregoing, the City's obligation to pursue foreclosure shall be at the option of the City so long as (i) the Teeter Plan is in effect with respect to any delinquent parcel meeting the conditions above, and (ii) there is no then-outstanding draw on any amounts in the Reserve Fund.

Section 5.09. Additional Bonds. I (a) In addition to the 2020 Bonds, the City may, by a Supplemental Agreement, authorize the issuance additional Bonds, payable from Net Taxes and secured, unless otherwise provided in the Supplemental Agreement, by the Net Taxes equally and ratably with Bonds previously issued, and the City may issue, and the Fiscal Agent may authenticate and deliver to the purchaser thereof, Bonds of any series so established, in such principal amount as shall be determined by the City, but only upon compliance by the City with the requirements set forth in the Supplemental Agreement, and subject to the following specific conditions, which are hereby made conditions precedent to the issuance of any such additional series of bonds:

(i) No default in the Bonds shall have occurred and then be continuing.

(ii) The Supplemental Agreement providing for the issuance of the Additional Bonds shall specify the purpose for which such Additional Bonds being issued, which shall be one or more of the following:

(A) to provide moneys needed to construct and acquire a portion of the Project, by depositing into the Improvement Fund the proceeds of such Additional Bonds to be so applied, or

(B) to refund all or part of the Bonds or Additional Bonds then Outstanding, by depositing in trust with the Fiscal Agent, moneys or Federal Securities in the amount necessary to discharge all liability of the City with respect to the bonds to be refunded as provided in Section 9.03.

The Supplemental Agreement may, but is not required, provide for the payment of expenses incidental to such purposes, including the costs of issuance of such Additional Bonds, interest on Bonds of such Series for any period authorized under the Act and, in the case of Bonds issued to refund other Bonds, expenses incident to calling, redeeming, paying or otherwise discharging the Bonds to be refunded.

(iii) The Bonds of such Series shall be payable as to principal on September 1 in each year in which principal becomes due, and shall be payable as to interest semiannually on March 1 and September 1, except that the first installment of interest may be payable on either March 1 or September 1 and shall be for a period not longer than six (6) months.

(iv) Fixed serial maturities or Sinking Fund Payments, or any combination thereof, shall be established in amounts sufficient to provide for the retirement of all of the Bonds of such Series on or before their respective maturity dates.

(v) The aggregate principal amount of all additional Series of Bonds plus the Series 2020 Bonds shall not exceed $90,000,000, being the total amount of Bonds for Improvement Area 4 authorized to be issued.

(vi) After giving effect to the issuance of such Series of Bonds:

(A) Projected Maximum Special Taxes plus projected investment earnings on amounts held in the Reserve Fund to be transferred to the Special Tax Fund pursuant to the terms of this Fiscal Agent Agreement for each Bond Year are equal to or greater than one hundred ten percent (110%) of maximum Debt Service for each Bond Year that the Bonds and Additional Bonds will be outstanding; provided that such projection of investment earnings on amounts held in the Reserve Fund may assume an investment rate equal to the City's average portfolio rate available to the City at the time of determination; and

(B) The aggregate value of all parcels in Improvement Area 4 subject to the Special Tax, including then existing improvements and any facilities to be constructed or acquired with the proceeds of the proposed series of Bonds, as determined by an MAI appraisal or, in the alternative, the assessed value of all such parcels and improvements thereon (and improvements to be financed from proceeds of the Bonds proposed to be issued) as shown on the then current County tax roll, or by a combination of both methods, is at least 3.00 times the sum of (i) the aggregate principal amount of all Bonds then outstanding plus (ii) the aggregate principal amount of the series of Bonds proposed to be issued, plus (iii) the aggregate principal amount of any bonds then outstanding and payable from assessments which are a lien against property in Improvement Area 4, plus (iv) a portion of the aggregate principal amount of all Mello-Roos bonds, other than Bonds then outstanding, and payable at least partially from special taxes to be levied on parcels of land subject to the Special Tax within Improvement Area 4 (the **"Other Mello-Roos Bonds"**) equal to the aggregate principal amount of the Other Mello-Roos Bonds multiplied by a fraction, the numerator of which is the amount of special taxes levied for the Other Mello-Roos Bonds on parcels of land within Improvement Area 4 subject to the Special Tax, and the denominator of which is the total amount of special taxes levied for the Other Mello-Roos Bonds on all

parcels of land subject to the Special Tax against which the special taxes are levied to pay the Other Mello-Roos Bonds (such fraction to be determined based upon the special taxes which could be levied the year in which maximum annual debt service on the Other Mello-Roos Bonds occurs), based upon information from the most recent available fiscal year.

Notwithstanding the preceding paragraphs of this subsection (vi), if a developer shall have deposited with the Fiscal Agent cash or a letter of credit from a reputable bank which is acceptable to the City, in an amount (the "Letter of Credit Amount") equal to the shortfall in the valuation of the property in the District to meet the value-to-lien requirement set forth in the preceding paragraph, the Letter of Credit Amount shall be excluded from the debt computation under this subsection (ii). Any such letter of credit deposited with the Fiscal Agent shall remain in effect, and the Letter of Credit Amount shall not be reduced or the letter of credit thereafter terminated, until satisfaction of the preceding paragraphs of this subsection (B) with respect to the amount by which the letter of credit is proposed to be reduced, or with respect to the Letter of Credit Amount in connection with the proposed termination of the letter of credit.

Additional Bonds may be issued for the purpose of refunding any outstanding Bonds without meeting the foregoing conditions of this subsection (vi) so long as debt service on the refunding Bonds in each Bond Year is less than debt service on the Bonds refunded.

Nothing in this Agreement shall be interpreted to prohibit issuance of bonds or Additional Bonds secured on a subordinate basis to the Bonds.

Nothing in this Section or in this Agreement contained shall prevent or be construed to prevent the Supplemental Agreement providing for the issuance of Additional Bonds from pledging or otherwise providing, in addition to the security given or intended to be given by this Agreement, additional security for the benefit of such Additional Bonds or any portion thereof.

(b) Proceedings for Issuance of Additional Series of Bonds. Whenever the City shall determine to issue an additional Series of Bonds, the City shall authorize the execution of a Supplemental Fiscal Agent Agreement specifying the principal amount and prescribing the forms of Bonds of such additional Series and providing the terms, conditions, distinctive designation, denominations, methods of numbering, date, maturity date or dates, interest rate or rates (or the manner of determining same), interest payment dates, redemption provisions (including the amount and dates of Sinking Fund Payments, if any), place or places of payment of principal or redemption price, if any, application of the proceeds thereof and any other provisions respecting the Bonds of such Series not inconsistent with the terms of this Fiscal Agent Agreement.

Before such additional Series of Bond shall be issued and delivered, the Fiscal Agent shall receive a Certificate of the City stating that, to the best knowledge of the City after reasonable investigation, the requirements of Section 5.09(a) are met, and the City shall file the following documents with the Fiscal Agent:

(i) an executed copy of the Supplemental Fiscal Agent Agreement authorizing such Series.

(ii) a certificate of an independent special tax consultant showing that the requirements of clause (A) of subsection (vii) of Section 5.09(a) are satisfied.

(iii) a valuation of taxable property within Improvement Area 4, showing that the requirements of clause (B) of subsection (vi) of Section 5.09 (a) are satisfied.

(v) an Opinion of Counsel that the execution of the Supplemental Fiscal Agent Agreement has been duly authorized by the City in accordance with this Fiscal Agent Agreement; that all actions required to be taken by the City with respect to the issuance of the additional Series of Bonds have been taken; that such Series, when duly executed by the City and authenticated and delivered by the Fiscal Agent, will be valid and binding limited obligations of the City; that upon the delivery of such Series the aggregate principal amount of Bonds then Outstanding will not exceed the amount permitted by law or by the Fiscal Agent Agreement; and that the issuance of such Series will not cause the interest on any Bonds previously issued to be includable in the gross income of any Bonds for purposes of federal income taxation.

Section 5.10. Compliance with Law; Completion of Project. The City will comply with all applicable provisions of the Act and the law in completing the acquisition and construction of the Project; provided that the City shall have no obligation to advance any funds to complete the Project in excess of the amounts available therefor in the Improvement Fund.

Section 5.11. Continuing Disclosure to Owners. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Agreement, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered a default hereunder; however, any Participating Underwriter or any holder or beneficial owner of the 2025 Bonds may take such actions as may be necessary and appropriate to compel performance by the City of its obligations thereunder, including seeking mandate or specific performance by court order.

Section 5.12. Private Activity Bond Limitation. The City shall assure that the proceeds of the 2025 Bonds are not so used as to cause the 2025 Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

Section 5.13. Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the 2025 Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

Section 5.14. No Arbitrage. The City shall not take, or permit or suffer to be taken by the Fiscal Agent or otherwise, any action with respect to the gross proceeds of the 2025 Bonds which if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date for the 2025 Bonds would have caused the 2025 Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code and Regulations.

Section 5.15. Maintenance of Tax-Exemption. The City shall take all actions necessary to assure the exclusion of interest on the 2025 Bonds from the gross income of the Owners of the 2025 Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the 2025 Bonds.

Section 5.16. Yield of the 2025 Bonds. In determining the yield of the 2025 Bonds to comply with Section 5.14 and 6.02 hereof, the City will take into account redemption (including premium, if any) in advance of maturity based on the reasonable expectations of the City, as of

the closing date of the 2025 Bonds, without regard to whether or not redemption moneys are received or 2025 Bonds are redeemed.

Section 5.17. Annual State Reports. The following requirements shall apply to each Series of the Bonds:

(A) CDIAC Annual Reporting. Not later than October 30 of each calendar year, beginning with the October 30 first succeeding the date of the Bonds, and in each calendar year thereafter until the October 30 following the final maturity of the Bonds, the City shall prepare and supply the California Debt and Investment Advisory Commission, by mail, postage prepaid, with the information required to be supplied by Government Code Section 53359.5(b). The annual reporting shall be made using such form or forms as may be prescribed by CDIAC.

(B) CDIAC Other Reporting. If within 10 days prior to any Interest Payment Date it appears to the Fiscal Agent that there is a danger of deficiency in the Special Tax Fund and that the Fiscal Agent may be unable to pay regularly scheduled debt service on the Bonds in a timely manner or if the Fiscal Agent is unable to pay principal, interest and premium, if any, due on any Interest Payment Date for the Bonds due to insufficient funds in the Special Tax Fund, or if funds are withdrawn from the Reserve Fund to pay principal and/or interest on the Bonds, then in accordance with Government Code Section 53359.5(c), the Fiscal Agent shall notify the Chief Financial Officer in writing of such fact, and the Chief Financial Officer shall notify CDIAC of such fact within 10 days of such Interest Payment Date.

(C) Governing Body Annual Reporting. Not later than January 1, 2021, and at least once a year thereafter, the Chief Financial Officer shall file a report with the City Council in accordance with the requirements of Government Code Section 53411, which report shall contain: (a) the amount of Special Taxes collected and expended; and (b) the status of the Project financed by the Bonds.

(D) Amendment. The reporting requirements of this Section shall be amended from time to time, without action by the City or the Fiscal Agent, to reflect any amendments to Section 53359.5(b) or Section 53359.5(c) of the Act or Government Code Section 53411.

(E) No Liability. None of the City and its officers, agents and employees, or the Fiscal Agent shall be liable for any inadvertent error in reporting the information required by this Section.

Section 5.18. Further Assurances. The City will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Agreement, and for the better assuring and confirming unto the Owners of the rights and benefits provided in this Agreement.

ARTICLE VI

INVESTMENTS; DISPOSITION OF INVESTMENT PROCEEDS; LIABILITY OF THE CITY

Section 6.01. Deposit and Investment of Moneys in Funds. Subject in all respects to the provisions of Section 6.02, moneys in any fund or account created or established by this Agreement and held by the Fiscal Agent, shall be invested by the Fiscal Agent in Permitted Investments, as directed pursuant to an Officer's Certificate filed with the Fiscal Agent at least 2 Business Days in advance of the making of such investments. In the absence of any such Officer's Certificate, the Fiscal Agent shall invest any such moneys in Permitted Investments described in clause (vii) of the definition thereof which by their terms mature prior to the date on which such moneys are required to be paid out hereunder provided, however, that any such investment shall be made by the Fiscal Agent only if, prior to the date on which such investment is to be made, the Fiscal Agent shall have received an Officer's Certificate specifying a specific money market fund and, if no such Officer's Certificate is so received, the Fiscal Agent shall hold such moneys uninvested. Subject in all respects to the provisions of Section 6.02, moneys in any fund or account created or established by this Agreement and held by the Chief Financial Officer shall be invested by the Chief Financial Officer in any lawful investments that the City may make, which by their terms mature prior to the date on which such moneys are required to be paid out hereunder. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account, subject, however, to the requirements of this Agreement for transfer of interest earnings and profits resulting from investment of amounts in funds and accounts.

The Fiscal Agent or the City may act as principal or agent in the acquisition or disposition of any investment. Neither the Fiscal Agent nor the City shall incur any liability for losses arising from any investments made pursuant to this Section. Any losses arising from any investments made pursuant to this Section shall be offset against interest earnings and profits retained in the same fund.

Except as otherwise provided in the next sentence, all investments of amounts deposited in any fund or account created by or pursuant to this Agreement, or otherwise containing gross proceeds of the Bonds (within the meaning of Section 148 of the Code), shall be acquired, disposed of, and valued (as of the date that valuation is required by this Agreement or the Code) at Fair Market Value. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code and (unless valuation is undertaken at least annually) investments in the Reserve Fund shall be valued by the City at their present value (within the meaning of Section 148 of the Code). For purposes of any Fair Market Value determination hereunder, the Fiscal Agent shall be entitled to conclusively rely on an Officer's Certificate of the City and shall be fully protected in relying thereon.

Investments in any and all funds and accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular funds or accounts of amounts received or held by the Fiscal Agent or the Chief Financial Officer hereunder, provided that the Fiscal Agent or the Chief Financial Officer, as applicable, shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Agreement.

The Fiscal Agent or the City, as applicable, shall sell or present for redemption, any investment security whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such investment security is credited and neither the Fiscal Agent nor the City shall be liable or responsible for any loss resulting from the acquisition or disposition of such investment security in accordance herewith.

The City acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the City the right to receive brokerage confirmations of security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Fiscal Agent will furnish the City periodic cash transaction statements which include detail for all investment transactions made by the Fiscal Agent hereunder.

Section 6.02. Rebate of Excess Investment Earnings to the United States. The City covenants to calculate and rebate to the federal government, in accordance with the Regulations, excess investment earnings to the extent required by Section 148(f) of the Code.

The City shall notify the Fiscal Agent of any amounts determined to be due to the federal government, and the Fiscal Agent shall, upon receipt of an Officer's Certificate of the City, withdraw such amounts from the Reserve Fund pursuant to Section 4.02(D), and pay such amounts to the federal government as required by the Code and the Regulations. In the event of any shortfall in amounts available to make such payments under Section 4.02(D), the Fiscal Agent shall notify the Chief Financial Officer in writing of the amount of the shortfall and the Chief Financial Officer shall make such payment from any amounts available in the Special Tax Fund. Any fees or expenses incurred by the Fiscal Agent or the City under or pursuant to this Section 6.02 shall be Administrative Expenses. The Fiscal Agent may rely conclusively upon the City's determinations, calculations and certifications required by this Section. The Fiscal Agent shall have no responsibility to independently make any calculation or determination or to review the City's calculations hereunder.

In order to provide for the administration of this Section 6.02, the City may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the City may deem appropriate.

Section 6.03. Limited Obligation. The City's obligations hereunder are limited obligations of the City on behalf of Improvement Area 4 and are payable solely from and secured solely by the Net Taxes and the other amounts pledged to the Bonds hereunder.

ARTICLE VII

THE FISCAL AGENT

Section 7.01. Appointment of Fiscal Agent. U.S. Bank Trust Company, National Association, at its Principal Office, is hereby appointed Fiscal Agent for the Bonds. The Fiscal Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Fiscal Agent.

Any company into which the Fiscal Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Fiscal Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under the following paragraph of this Section, shall be the successor to such Fiscal Agent without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

The City may remove the Fiscal Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank, national banking association or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least $50,000,000, including, for such purpose, the combined capital and surplus of any parent holding company, and subject to supervision or examination by federal or state authority. If such bank, national banking association or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 7.01, combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Fiscal Agent may at any time resign by giving written notice to the City and by giving to the Owners notice by mail of such resignation. Upon receiving notice of such resignation, the City shall promptly appoint a successor Fiscal Agent by an instrument in writing. Any resignation or removal of the Fiscal Agent shall become effective upon acceptance of appointment by the successor Fiscal Agent.

If no appointment of a successor Fiscal Agent shall be made pursuant to the foregoing provisions of this Section within 30 days after the Fiscal Agent shall have given to the City written notice or after a vacancy in the office of the Fiscal Agent shall have occurred by reason of its inability to act, the Fiscal Agent or any Bondowner may apply to any court of competent jurisdiction to appoint a successor Fiscal Agent. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Fiscal Agent.

Section 7.02. Liability of Fiscal Agent. The recitals of facts, covenants and agreements herein and in the Bonds contained shall be taken as statements, covenants and agreements of the City, and the Fiscal Agent assumes no responsibility for the correctness of the same, or makes any representations as to the validity or sufficiency of this Agreement or of the Bonds, or shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it. The Fiscal Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Fiscal Agent assumes no responsibility or liability for any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with

respect to the issuance of the Bonds. The Fiscal Agent has no liability regarding the use of the proceeds from the purchase of the Bonds deposited in funds held by the City.

In the absence of bad faith, the Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Fiscal Agent and conforming to the requirements of this Agreement, including all Officer's Certificates of the City meeting such requirements; but in the case of any such certificates or opinions by which any provision hereof are specifically required to be furnished to the Fiscal Agent, the Fiscal Agent shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Agreement. Except as provided above in this paragraph, the Fiscal Agent shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Agreement, upon any resolution, order, notice, request, consent or waiver, certificate, statement, affidavit, or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper person or to have been prepared and furnished pursuant to any provision of this Agreement, and the Fiscal Agent shall not be under any duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument.

The Fiscal Agent shall not be liable for any error of judgment made in good faith by a responsible officer unless it shall be proved that the Fiscal Agent was negligent in ascertaining the pertinent facts.

No provision of this Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Fiscal Agent shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement at the request or direction of any of the Owners pursuant to this Agreement unless such Owners shall have offered to the Fiscal Agent reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

The Fiscal Agent shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of unavoidable delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Fiscal Agent.

The Fiscal Agent may become the owner of the Bonds with the same rights it would have if it were not the Fiscal Agent.

The Fiscal Agent shall not be concerned with or accountable to anyone for the subsequent use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof.

The permissive right of the Fiscal Agent to do things enumerated in this Agreement shall not be construed as a duty and it shall not be answerable for other than its negligence or willful misconduct.

Section 7.03. Information. The Fiscal Agent shall provide to the City such information relating to the Bonds and the funds and accounts maintained by the Fiscal Agent hereunder as the City shall reasonably request, including but not limited to quarterly statements reporting funds held and transactions by the Fiscal Agent.

Section 7.04. Notice to Fiscal Agent. The Fiscal Agent may rely and shall be protected in acting or refraining from acting upon any Officer's Certificate, notice, resolution, request, consent, order, certificate, report, facsimile transmission, electronic mail, warrant, Bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties and given in accordance with the requirements hereof. The Fiscal Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Fiscal Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder. The Fiscal Agent may consult with counsel, who may be counsel to the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

The Fiscal Agent shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means by an Authorized Officer (or his or her designee) ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Fiscal Agent, or another method or system specified by the Fiscal Agent as available for use in connection with its services hereunder); provided, however, that the City shall provide to the Fiscal Agent an incumbency certificate for each person with the authority to provide such Instructions and containing specimen signatures of such persons, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Fiscal Agent Instructions using Electronic Means and the Fiscal Agent in its discretion elects to act upon such Instructions, the Fiscal Agent's understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Fiscal Agent cannot determine the identity of the actual sender of such Instructions and that the Fiscal Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer (or designee) listed on the incumbency certificate provided to the Fiscal Agent have been sent by such Authorized Officer (or designee). The City shall be responsible for ensuring that only Authorized Officers (or their designees) transmit such Instructions to the Fiscal Agent and that the City is solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. The Fiscal Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Fiscal Agent's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Fiscal Agent, including without limitation the risk of the Fiscal Agent acting on unauthorized Instructions,

and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Fiscal Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Fiscal Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

The Fiscal Agent shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto satisfactorily established, if disputed.

Whenever in the administration of its duties under this Agreement the Fiscal Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the Fiscal Agent, be deemed to be conclusively proved and established by a certificate of the City, and such certificate shall be full warrant to the Fiscal Agent for any action taken or suffered under the provisions of this Agreement or any Supplemental Agreement upon the faith thereof, but in its discretion the Fiscal Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 7.05. Compensation, Indemnification. The City shall pay to the Fiscal Agent from time to time reasonable compensation for all services rendered as Fiscal Agent under this Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Agreement, but the Fiscal Agent shall not have a lien therefor on any funds at any time held by it under this Agreement. The City further agrees, to the extent permitted by applicable law, to indemnify and save the Fiscal Agent, its officers, employees, directors and agents harmless against any costs, claims, damages, expenses or liabilities, including, without limitation, fees and expenses of its attorneys which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or willful misconduct. The obligation of the City under this Section shall survive resignation or removal of the Fiscal Agent under this Agreement and payment of the Bonds and discharge of this Agreement.

ARTICLE VIII

MODIFICATION OR AMENDMENT OF THIS AGREEMENT

Section 8.01. Amendments Permitted. This Agreement and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Agreement pursuant to the affirmative vote at a meeting of Owners, or with the written consent without a meeting, of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 8.04. No such modification or amendment shall (i) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation by the City of any pledge or lien upon the Net Taxes superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by the Act, the laws of the State of California or this Agreement), or reduce the percentage of Bonds required for the amendment hereof. No such amendment may modify any of the rights or obligations of the Fiscal Agent without its written consent.

This Agreement and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Agreement, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(A) to add to the covenants and agreements of the City in this Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(B) to make modifications not adversely affecting any outstanding series of Bonds of the City in any material respect, including in connection with the issuance of Additional Bonds in accordance with this Agreement;

(C) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Agreement, or in regard to questions arising under this Agreement, as the City and the Fiscal Agent may deem necessary or desirable, and which shall not adversely affect the rights of the Owners of the Bonds; and

(D) to make such additions, deletions or modifications as may be necessary or desirable to assure compliance with Section 148 of the Code relating to required rebate of excess investment earnings to the United States or otherwise as may be necessary to assure exclusion from gross income for federal income tax purposes of interest on the Bonds or to conform with the Regulations.

No such amendment may modify any of the rights or obligations of the Fiscal Agent without its written consent.

Section 8.02. Owners' Meetings. The City may at any time call a meeting of the Owners. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof and to fix and adopt rules and regulations for the conduct of said meeting.

Section 8.03. Procedure for Amendment with Written Consent of Owners. The City and the Fiscal Agent may at any time enter into a Supplemental Agreement amending the provisions of the Bonds or of this Agreement or any Supplemental Agreement, to the extent that such amendment is permitted by Section 8.01, to take effect when and as provided in this Section. A copy of such Supplemental Agreement, together with a request to Owners for their consent thereto, if such consent is required under Section 8.01, shall be mailed by first class mail, by the Fiscal Agent to each Owner of Bonds Outstanding, but failure to mail copies of such Supplemental Agreement and request shall not affect the validity of the Supplemental Agreement when assented to as in this Section provided.

If consent of the Owners is required under Section 8.01, such Supplemental Agreement shall not become effective unless there shall be filed with the Fiscal Agent the written consents of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding (exclusive of Bonds disqualified as provided in Section 8.04) and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 9.04. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Fiscal Agent prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Agreement, stating in substance that the Supplemental Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Agreement or consents thereto). Proof of the mailing of such notice shall be filed with the Fiscal Agent. A record, consisting of the papers required by this Section 8.03 to be filed with the Fiscal Agent, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Agreement shall become effective upon the filing with the Fiscal Agent of the proof of mailing of such notice, and the Supplemental Agreement shall be deemed conclusively binding (except as otherwise herein above specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of 60 days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty-day period.

Section 8.04. Disqualified Bonds. Bonds owned or held for the account of the City, excepting any pension or retirement fund, shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds provided for in this Article VIII, and shall not be entitled to vote upon, consent to, or take any other action provided for in this Article VIII. Upon request, the City shall provide an Officer's Certificate to the Fiscal Agent listing those Bonds which are disqualified pursuant to this Section 8.04.

Section 8.05. Effect of Supplemental Agreement. From and after the time any Supplemental Agreement becomes effective pursuant to this Article VIII, this Agreement shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations under this Agreement of the City and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental

Agreement shall be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

Section 8.06. Endorsement or Replacement of Bonds Issued After Amendments. The City may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article VIII shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the Principal Office of the Fiscal Agent or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the Principal Office of the Fiscal Agent without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 8.07. Amendatory Endorsement of Bonds. The provisions of this Article VIII shall not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

Section 8.08. Opinion of Counsel Regarding Supplemental Agreement. The Fiscal Agent shall be furnished, upon request, an opinion of counsel that any Supplemental Agreement entered into by the City and the Fiscal Agent complies with the provisions of this Article VIII, is enforceable against the City, does not adversely impact the tax-exempt status of the interest on the Bonds, and the Fiscal Agent may conclusively rely upon such opinion.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Agreement Limited to Parties. Nothing in this Agreement expressed or implied, is intended to give to any person other than the City, the Fiscal Agent and the Owners, any right, remedy, claim under or by reason of this Agreement. Any covenants, stipulations, promises or agreements in this Agreement contained by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Fiscal Agent.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Agreement or any Supplemental Agreement either the City or the Fiscal Agent is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Agreement contained by or on behalf of the City or the Fiscal Agent shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Agreement. If the City shall pay and discharge the entire indebtedness on all or any portion of the Bonds Outstanding in any one or more of the following ways:

(A) by well and truly paying or causing to be paid the principal of, and interest and any premium on, such Bonds Outstanding, as and when the same become due and payable;

(B) by depositing with the Fiscal Agent, in trust, at or before maturity, money which, together with (in the event that all of the Bonds are to be defeased) the amounts then on deposit in the funds and accounts provided for in Sections 3.03 and 4.02, is fully sufficient to pay such Bonds Outstanding, including all principal, interest and redemption premiums; or

(C) by irrevocably depositing with the Fiscal Agent, in trust, cash and Federal Securities in such amount as the City shall determine as confirmed by an independent certified public accountant will, together with the interest to accrue thereon and (in the event that all of the Bonds are to be defeased) moneys then on deposit in the fund and accounts provided for in Sections 3.03 and 4.02, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premium, if any) at or before their respective maturity dates;

and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption shall have been given as in this Agreement provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice, then, at the election of the City, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Net Taxes and other funds provided for in this Agreement and all other obligations of the City under this Agreement with respect to such Bonds Outstanding shall cease and terminate, except only the obligations of the City (i) under Section 5.15 (Maintenance of Tax-Exemption) and (ii) to pay or cause to be paid to the Owners of the Bonds not so surrendered and paid all sums due thereon and all amounts owing to the Fiscal Agent pursuant to Section 7.05; and thereafter Special Taxes shall not be payable to the Fiscal Agent. Notice of such election shall be filed with the Fiscal Agent.

Any funds thereafter held by the Fiscal Agent upon payments of all fees and expenses of the Fiscal Agent, which are not required for said purpose, shall be paid over to the City.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which this Agreement may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, consent, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number and date of holding the same shall be proved by the registry books.

Any request, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Fiscal Agent in good faith and in accordance therewith.

Section 9.05. Waiver of Personal Liability. No member, officer, agent or employee of the City shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.06. Notices to and Demands on City and Fiscal Agent. Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the Fiscal Agent to or on the City may be given or served by being deposited postage prepaid in a post office letter box, by overnight courier or by electronic means (with receipt confirmed by telephone) addressed (until another address is filed by the City with the Fiscal Agent) as follows:

City of Stockton
425 N. El Dorado Street
Stockton, California 95202
Attention: Chief Financial Officer
Tel: (209) 937-8908

Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the City to or on the Fiscal Agent may be given or served by being deposited postage prepaid in a post office letter box, by overnight courier or by electronic means (with receipt confirmed by telephone) addressed (until another address is filed by the Fiscal Agent with the City) as follows:

U.S. Bank Trust Company, National Association
One California Street, Suite 1000
San Francisco, California 94111
Attention: Corporate Trust Department
Tel: (415) 677-3602

Fax: (415) 677-3768

Section 9.07. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Agreement shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Agreement. The City hereby declares that it would have adopted this Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Agreement may be held illegal, invalid or unenforceable.

Section 9.08. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Fiscal Agent in trust for the payment and discharge of the principal of, and the interest and any premium on, the Bonds which remains unclaimed for 2 years after the date when the payments of such principal, interest and premium have become payable, if such moneys was held by the Fiscal Agent at such date, shall be repaid by the Fiscal Agent to the City as its absolute property free from any trust, and the Fiscal Agent shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the City for the payment of the principal of, and interest and any premium on, such Bonds.

Section 9.09. Applicable Law. This Agreement shall be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 9.10. Conflict with Act. In the event of a conflict between any provision of this Agreement with any provision of the Act as in effect on the Closing Date, the provision of the Act shall prevail over the conflicting provision of this Agreement.

Section 9.11. Conclusive Evidence of Regularity. Bonds issued pursuant to this Agreement shall constitute conclusive evidence of the regularity of all proceedings under the Act relative to their issuance and the levy of the Special Taxes.

Section 9.12. Payment on Business Day. In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to this Agreement is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 9.13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, THE CITY OF STOCKTON, for and on behalf of its Community Facilities District No. 2018-2 (Westlake Villages II), has caused this Fiscal Agent Agreement to be signed by its Chief Financial Officer, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, in token of its acceptance of the duties hereunder, has caused this Fiscal Agent Agreement to be signed in its corporate name by its officers identified below, all as of the day and year first above written.

CITY OF STOCKTON, for and on behalf of its Community Facilities District No. 2018-2 (Westlake Villages II)

By:_____
Chief Financial Officer

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Fiscal Agent

By:_____
Authorized Officer

[Signature page to Fiscal Agent Agreement dated as of _____ 1, 2025]

EXHIBIT A

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

No. _____ $_____

IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2 (WESTLAKE VILLAGES II)
SPECIAL TAX BONDS SERIES 2025

INTEREST RATE:	MATURITY DATE:	BOND DATE:	CUSIP:
	September 1, 20__	, 2025	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:_____DOLLARS

The City of Stockton (the "City") for and on behalf of Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) ("Improvement Area 4"), for value received, hereby promises to pay solely from the Net Taxes to be collected in Improvement Area 4 or amounts in certain funds and accounts held under the Agreement (as hereinafter defined), to the Registered Owner named above, or registered assigns (the "Owner"), on the Maturity Date set forth above, unless redeemed prior thereto as hereinafter provided, the Principal Amount set forth above, and to pay interest on such principal amount from the Bond Date shown above, or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, semiannually on March 1 and September 1, commencing March 1, 2026 (the "Interest Payment Dates"), at the Interest Rate set forth above, until the principal amount hereof is paid or made available for payment. The principal of this Bond is payable to the Owner hereof in lawful money of the United States of America upon presentation and surrender of this Bond at the principal corporate trust office of U.S. Bank Trust Company, National Association in San Francisco, California (the "Fiscal Agent"). Interest on this Bond shall be paid by check of the Fiscal Agent mailed by first class mail on each Interest Payment Date to the Owner hereof as of the close of business on the 15th day of the month preceding the month in which the Interest Payment Date occurs whether or not such day is a Business Day (the "Record Date") at such Owner's address as it appears on the registration books maintained by the Fiscal Agent, or by wire transfer made on such Interest Payment Date upon written instructions delivered to the Fiscal Agent by the applicable Record Date of any Owner of $1,000,000 or more in aggregate principal amount of Bonds.

This Bond is one of a duly authorized issue of bonds approved by resolution of the City Council of the City on March 19, 2025 pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311, *et seq.*, of the California Government Code (the "Mello-Roos Act") for the purpose of providing moneys for the construction and acquisition of improvements

for its Community Facilities District No. 2018-2 (Westlake Villages II), and is one of the bonds designated "Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds Series 2025" (the "Bonds"). The issuance of the Bonds and the terms and conditions thereof are provided for by a Fiscal Agent Agreement, dated as of _____ 1, 2025, by and between the City and the Fiscal Agent (the "Agreement") and this reference incorporates the Agreement herein, and by acceptance hereof the Owner of this Bond assents to said terms and conditions. The Agreement is authorized under, this Bond is issued under and both are to be construed in accordance with, the laws of the State of California.

Pursuant to the Mello-Roos Act, the Agreement and the Resolution, the principal of and interest on this Bond are payable solely from Net Taxes (as defined in the Agreement) and the amounts in certain funds held under the Agreement.

Interest on this Bond shall be payable from the Interest Payment Date next preceding the date of authentication hereof, unless (i) it is authenticated on an Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) such date of authentication is after a Record Date but on or prior to an Interest Payment Date, in which event interest will be payable from such Interest Payment Date, or (iii) such date of authentication is prior to the first Record Date, in which event interest will be payable from the Bond Date shown above; provided however, that if at the time of authentication of this Bond, interest is in default hereon, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment hereon.

Any tax for the payment hereof shall be limited to the Special Tax, except to the extent that provision for payment has been made by the City as may be permitted by law. The Bonds do not constitute obligations of the City for which the City is obligated to levy or pledge, or has levied or pledged, general or special taxation other than described herein above.

The Bonds are subject to optional redemption from any source of available funds other than Prepayments prior to maturity, in whole, or in part among maturities as specified by the City and by lot within a maturity, on any date on or after September 1, _____, at the following respective redemption prices (expressed as percentages of the principal amount of the 2025 Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

Redemption Dates	**Redemption Price**
September 1, _____ through August 31, _____	103%
September 1, _____ through August 31, _____	102%
September 1, _____ through August 31, _____	101%
September 1, _____ and any date thereafter	100%

The Bonds shall be subject to mandatory redemption from Prepayments of the Special Tax by property owners, in whole or in part among maturities as shall be specified by the City and by lot within a maturity, on any Interest Payment Date at the following respective redemption prices (expressed as percentages of the principal amount of the Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

Redemption Dates	**Redemption Price**
Interest Payment Dates through and including March 1, ____	103%
September 1, _____ and March 1, _____	102
September 1, _____ and March 1, _____	101
September 1, _____ and Interest Payment Dates thereafter	100

The Bonds maturing September 1, _____, September 1, _____, and September 1, _____ (collectively, the "**Term Bonds**") are subject to mandatory sinking payment redemption in part on September 1, _____, September 1, _____, and September 1, _____, respectively, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts as set forth in the following tables:

Term Bonds Due September 1, _____

Mandatory Redemption Date (September 1)	**Sinking Fund Payment**
(Maturity)	

Term Bonds Due September 1, _____

Mandatory Redemption Date (September 1)	**Sinking Fund Payment**
(Maturity)	

Term Bonds Due September 1, _____

Mandatory Redemption Date (September 1)	**Sinking Fund Payment**
(Maturity)	

The amounts in the foregoing tables shall be reduced pro rata, in order to maintain substantially uniform debt service, as a result of any prior partial optional redemption or mandatory redemption of the Bonds.

Notice of redemption with respect to the Bonds to be redeemed shall be given to the Owners thereof, in the manner, to the extent and subject to the provisions of the Agreement.

This Bond shall be registered in the name of the Owner hereof, as to both principal and interest. Each registration and transfer of registration of this Bond shall be entered by the Fiscal Agent in books kept by it for this purpose and authenticated by its manual signature upon the certificate of authentication endorsed hereon.

No transfer or exchange hereof shall be valid for any purpose unless made by the registered owner, by execution of the form of assignment endorsed hereon, and authenticated as herein provided, and the principal hereof, interest hereon and any redemption premium shall be payable only to the registered owner or to such Owner's order. The Fiscal Agent shall require the Owner requesting transfer or exchange to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange. No transfer or exchange hereof shall be required to be made (i) within 15 days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption.

The transferor of any Bond shall also provide or cause to be provided to the Fiscal Agent all information necessary to allow the Fiscal Agent to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

The Agreement and the rights and obligations of the City thereunder may be modified or amended as set forth therein. The principal of the Bonds is not subject to acceleration upon a default under the Agreement or any other document.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been dated and manually signed by the Fiscal Agent.

It is hereby certified, recited and declared that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond have existed, happened and been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the City, does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the Fiscal Agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, the City of Stockton has caused this Bond to be dated April 17, 2025 and to be signed by the Mayor of the City and countersigned by the City Clerk of the City.

_____
Mayor

_____
City Clerk

FISCAL AGENT'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the Resolution and the Agreement.

Dated: _____, 2025

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Fiscal Agent

By: _____
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer unto

_____

_____

_____
(Name, address and Tax identification Number of Assignee)

the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s) _____, attorney, _____ to transfer the same on the registration books of the Fiscal Agent with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.	NOTE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B

City of Stockton
Improvement Area 4
Community Facilities District No. 2018-2 (Westlake Villages II)
Special Tax Bonds Series 2025

OFFICER'S CERTIFICATE REQUESTING DISBURSEMENT FROM IMPROVEMENT FUND

REQUISITION NO. _____

The undersigned hereby states and certifies that:

(i) I am an "Authorized Officer," as such term is defined in that certain Fiscal Agent Agreement, dated as of _____ 1, 2025 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent") and as such, am familiar with the facts herein certified and am authorized to certify the same;

(ii) under Section 3.04(B) of the Fiscal Agent Agreement, the undersigned hereby requests and authorizes the Fiscal Agent to disburse from the Improvement Fund established under the Fiscal Agent Agreement to each payee designated on Schedule A attached hereto and by this reference incorporated herein, the amount set forth opposite such payee, for payment or reimbursement of previous payment of a cost of the Project (as that term is defined in the Fiscal Agent Agreement) as described on attached Schedule A;

(iii) no portion of the amount herein requested to be disbursed was set forth in any Officer's Certificate previously filed requesting disbursement;

(iv) there has not been filed with or served upon the City a stop notice or any other notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the money payable to the person named in this Officer's Certificate, which has not been released or will not be released with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of laws; and

(v) in the case of each payment made under any contract for installation or construction, insofar as such obligation was incurred for work, materials, equipment or supplies, such work was actually performed or such materials, equipment or supplies were actually installed in furtherance of the Project or delivered at the site for that purpose or delivered for storage or fabrication at a place or places approved by the City.

Dated: _____ CITY OF STOCKTON

_____
By: Authorized Officer

SCHEDULE A

Payee Name and Address	Purpose of Obligation	Amount

$_____
IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

BOND PURCHASE AGREEMENT

_____, 2025

City of Stockton
425 North El Dorado Street
Stockton, California 95202

Ladies and Gentlemen:

The undersigned, Oppenheimer & Co. Inc., as underwriter (the "**Underwriter**"), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Bond Purchase Agreement (this "**Purchase Agreement**") with the City of Stockton (the "**City**") for Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "**Community Facilities District**"), which upon acceptance will be binding upon the Underwriter and the City. The agreement of the Underwriter to purchase the Bonds (as hereinafter defined) is contingent upon the City satisfying all of the obligations imposed upon it under this Purchase Agreement. This offer is made subject to the City's acceptance by the execution of this Purchase Agreement and its delivery to the Underwriter at or before 11:59 p.m., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the City at any time prior to the acceptance hereof by the City. All capitalized terms used herein, which are not otherwise defined, shall have the meaning provided for such terms in the Fiscal Agent Agreement, dated as of October 1, 2025 (the "**Fiscal Agent Agreement**"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "**Fiscal Agent**").

1. Purchase, Sale and Delivery of the Bonds.

A. Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein: the Underwriter hereby agrees to purchase from the City and the City hereby agrees to sell to the Underwriter all (but not less than all) of the $_____ aggregate principal amount of the Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II), Special Tax Bonds, Series 2025 (the "**Bonds**"), dated the Closing Date (as hereinafter defined), bearing interest at the rates and maturing on the dates and in the principal amounts set forth in Appendix A hereto. The purchase price for the Bonds shall be $_____ (being 100% of the aggregate principal amount thereof, plus a net original issue premium of $_____, less an Underwriter's discount of $_____).

The Underwriter agrees to make a bona fide initial public offering of all of the Bonds in compliance with federal and state securities laws, at a price not in excess of the initial offering prices (or yields) set forth in Appendix A attached hereto and incorporated herein by reference. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the offering of the Bonds, without any

requirement of prior notice subject to Section 5 herein, provided that the Underwriter shall not change the interest rates set forth in Appendix A. The Bonds may be offered and sold to certain dealers at prices lower than such initial offering prices.

The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from the Net Taxes and certain other amounts as provided in the Fiscal Agent Agreement, the Preliminary Official Statement (as hereinafter defined), and the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "**Act**"). The issuance of the Bonds has been duly authorized by the City pursuant to a resolution (the "**Resolution**"), adopted by its City Council (the "**City Council**") on behalf of the Community Facilities District, on _____, 2025.

The proceeds of the Bonds shall be used to (i) construct and/or acquire certain public facilities authorized for the Community Facilities District, (ii) pay capitalized interest on a portion of the Bonds through September 1, 2026, (iii) establish a debt service reserve fund for the Bonds, and (iv) pay initial administration costs and the costs of issuing the Bonds.

B. The City hereby acknowledges that the Underwriter is entering into this Purchase Agreement in reliance on the representations, warranties and agreements made by the City on behalf of itself and on behalf of the Community Facilities District herein, and the City shall take all action necessary to enforce its rights hereunder for the benefit of the Underwriter and shall immediately notify the Underwriter if it becomes aware that any representation, warranty or agreement made by the City, on behalf of itself or on behalf of the Community Facilities District, herein is incorrect in any material respect.

C. The City acknowledges and agrees that: (i) the primary role of the Underwriter, as an underwriter, is to purchase securities for resale to investors in an arm's-length commercial transaction between the City and the Underwriter and that the Underwriter has financial and other interests that differ from those of the City and the Community Facilities District; (ii) the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the City, the Community Facilities District, or any other person or entity and has not assumed any advisory or fiduciary responsibility to the City or the Community Facilities District with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City or the Community Facilities District on other matters); (iii) the only obligations the Underwriter has to the City or the Community Facilities District with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement, except as otherwise provided by applicable rules and regulations of the Securities and Exchange Commission or the rules of the Municipal Securities Rulemaking Board (the "**MSRB**"); and (iv) the City has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein. The City acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB and acknowledges that it has engaged Del Rio Advisors, LLC (the "**Municipal Advisor**"), as its municipal advisor (as defined in Securities and Exchange Commission Rule 15Ba1) and will rely solely on the Municipal Advisor for financial advice with respect to the Bonds.

D. Pursuant to the authorization of the City, the Underwriter has distributed copies of the Preliminary Official Statement dated [POS Date], relating to the Bonds, which, together with the cover page, inside cover page and appendices thereto is herein called the "**Preliminary**

Official Statement." By its acceptance of this Purchase Agreement, the City hereby consents to and ratifies the use and distribution by the Underwriter of the Preliminary Official Statement, and the City agrees to execute a final official statement relating to the Bonds (the "**Official Statement**") which will consist of the Preliminary Official Statement with such changes as may be made thereto, with the approval of Jones Hall LLP, San Mateo, California, Bond Counsel and Disclosure Counsel (herein called "**Bond Counsel**"), and the Underwriter, and to provide copies thereof to the Underwriter as set forth in Section 2(S) hereof. The City hereby authorizes and requires the Underwriter to use and promptly distribute, in connection with the offer and sale of the Bonds, the Preliminary Official Statement, the Official Statement and any supplement or amendment thereto. The City further authorizes the Underwriter to use and distribute, in connection with the offer and sale of the Bonds, the Fiscal Agent Agreement, this Purchase Agreement and all information contained herein, and all other documents, certificates and statements furnished by or on behalf of the City or the Community Facilities District to the Underwriter in connection with the transactions contemplated by this Purchase Agreement. The Preliminary Official Statement and/or the Official Statement may be delivered and printed in a "designated electronic format" as defined in the MSRB's Rule G-32 and as may be agreed to by the City and the Underwriter. The City confirms that it does not object to distribution of the Preliminary Official Statement or the Official Statement in electronic form. A copy of the most recent Preliminary Official Statement sent to a potential purchaser shall be sent electronically (or other equally prompt means) by first class mail not later than the first business day following the day upon which each such request is received.

E. To assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "**Rule**"), the City will undertake pursuant to the City Continuing Disclosure Certificate, in the form attached as an appendix to the Official Statement (the "**City Continuing Disclosure Certificate**"), to provide annual reports and notices of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

F. Except as the Underwriter and the City may otherwise agree, the City will deliver to the Underwriter, at the offices of Bond Counsel in San Mateo, California, or at such other location as may be mutually agreed upon by the Underwriter and the City, the documents hereinafter mentioned; and the City will deliver to the Underwriter through The Depository Trust Company's ("**DTC**") FAST delivery system, the Bonds, in definitive form (all Bonds bearing CUSIP® numbers printed thereon), duly executed by the City and authenticated by the Fiscal Agent in the manner provided for in the Fiscal Agent Agreement and the Act at 8:30 a.m. California time, on [Closing Date] (the "**Closing Date**"), and the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in paragraph (A) of this Section by wire transfer, payable in federal or other immediately available funds (such delivery and payment being herein referred to as the "**Closing**"). The Bonds shall be in fully registered book-entry form (which may be typewritten) and shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds, and the specimen Bonds will be made available for checking by the Underwriter not less than 5 days prior to the Closing.

2. Representations, Warranties and Covenants of the Community Facilities District. The City represents, warrants and covenants to the Underwriter, on behalf of itself and the Communities Facilities District, as the case may be, that:

A. The City is a municipal corporation and charter city duly organized and validly existing pursuant to the Constitution and laws of the State of California (the "**State**"), and has duly authorized the formation of the Community Facilities District pursuant to resolutions duly

adopted by the City Council (the "**Community Facilities District Formation Resolution**" and, together with the Resolution, the "**Community Facilities District Resolutions**") and the Act. The City Council, as the legislative body of the Community Facilities District, has duly adopted the Community Facilities District Formation Resolution, has duly adopted the Ordinance levying the Special Tax (for all purposes herein, as such are defined in the Fiscal Agent Agreement) within Improvement Area 4 of the Community Facilities District (the "**Ordinance**"), and has caused to be recorded in the real property records of San Joaquin County, a notice of special tax lien (the "**Notice of Special Tax Lien**"). The Community Facilities District Formation Resolution, the Ordinance, and the Notice of Special Tax Lien are collectively referred to herein as the "**Formation Documents.**" The City Council has duly adopted the Resolution. Each of the Formation Documents remains in full force and effect as of the date hereof and has not been amended. The Community Facilities District is duly organized and validly existing as a community facilities district under the laws of the State. The City has, and at the Closing Date will have, as the case may be, full legal right, power and authority: (i) to execute, deliver and perform its obligations under this Purchase Agreement and the Fiscal Agent Agreement and to carry out all transactions contemplated by each of such agreements; (ii) to enter into the City Continuing Disclosure Certificate; and (iii) to carry out, give effect to and consummate the transactions contemplated by the Formation Documents, the Fiscal Agent Agreement, this Purchase Agreement and the Official Statement.

This Purchase Agreement, the Fiscal Agent Agreement, and the City Continuing Disclosure Certificate are collectively referred to herein as the "**City Documents**."

B. By all necessary official action of the City, the City has duly authorized and approved the execution and delivery by the City of, and the performance by City of, the obligations on its part contained in, the City Documents and has approved the use and distribution by the Underwriter of the Preliminary Official Statement and the execution, use and distribution by the Underwriter of the Official Statement, and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the parties thereto, the City Documents will constitute the legally valid and binding obligations of the City, on its own behalf and on behalf of the Communities Facilities District, enforceable upon the City and the Community Facilities District in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally. To the best of the City's knowledge, the City has complied, and will at the Closing Date be in compliance in all respects, with the terms of the City Documents that are applicable to the City, and the Community Facilities District has complied, and will at the Closing Date be in compliance in all respects, with the terms of the City Documents that are applicable to the Community Facilities District.

C. The information in the Preliminary Official Statement (other than statements pertaining to the book-entry system and under the headings "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4," as to which no view is expressed) as of its date was and as of the date hereof is, and in the Official Statement (other than statements pertaining to the book-entry system and under the headings "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4," as to which no view is expressed) as of its date is, true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and, upon delivery and up to and including 25 days after the End of the Underwriting Period (as defined in paragraph (D) below), the Official Statement will be amended and supplemented so as to contain no misstatement of any

material fact or material omission of any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

D. Up to and including 25 days after the End of the Underwriting Period (as defined below), the City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The City will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise materially affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds. As used herein, the term "**End of the Underwriting Period**" means the later of such time as: (i) the Bonds are delivered to the Underwriter; or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the End of the Underwriting Period shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be written notice delivered to the City at or prior to the Closing Date and shall specify a date (other than the Closing Date) to be deemed the "End of the Underwriting Period." If in the opinion of the Underwriter any such event or proceedings requires the preparation and distribution of a supplement or amendment to the Official Statement, the City shall prepare and furnish to the Underwriter, at the City's expense, such number of copies of the supplement or amendment to the Official Statement, in (i) a "designated electronic format" consistent with the requirements of the MSRB's Rule G-32 and (ii) a printed format form in substance mutually agreed upon by the City and the Underwriter as the Underwriter may reasonably request. If such amendment or supplement to the Official Statement shall be made subsequent to the Closing Date, the City also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

E. As of the time of acceptance hereof and as of the Closing Date, the City and the Community Facilities District, as applicable, have each complied, and will at the Closing Date be in compliance in all material respects, with the Formation Documents and the City Documents, and any immaterial noncompliance by the City or the Community Facilities District, if any, will not impair the ability of the City or the Community Facilities District, as applicable, to carry out, give effect to or consummate the transactions contemplated by the foregoing. From and after the date of issuance of its Bonds, the City will continue to comply with the covenants of the City contained in the City Documents and it shall cause the Community Facilities District to continue to comply with the covenants of the Community Facilities District contained in the City Documents.

F. Except as described in the Preliminary Official Statement, neither the City nor the Community Facilities District is, and as of the Closing Date, neither will be, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City or the Community Facilities District, as the case may be, is a party or is otherwise subject or bound; and, to the City's knowledge, no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have an adverse effect on the City's ability or the Community Facilities District's ability to perform their respective obligations under the City Documents; and as of such times, except as disclosed in the Official Statement, the authorization, execution and delivery of the City Documents

and compliance with the provisions of each thereof, or the performance of the conditions precedent to be performed by the City pursuant to this Purchase Agreement, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance by the City or the Community Facilities District of their respective obligations under the City Documents or the performance of the conditions precedent to be performed by the City pursuant to this Purchase Agreement. The City has received all licenses, permits or other regulatory approvals required, if any, for the pledge, collection and/or application by the Community Facilities District of the Special Taxes (as defined in the Fiscal Agent Agreement) and other moneys pledged to the payment of the principal of and interest on the Bonds under the Fiscal Agent Agreement.

G. Except as may be required under the "blue sky" or other securities laws of any jurisdiction, all approvals, consents, authorizations, elections and orders of, or filings or registrations with, any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the City or the Community Facilities District of their respective obligations under the City Documents, and the performance of the conditions precedent to be performed by the City pursuant to this Purchase Agreement, have been or will be obtained at the Closing Date and are or will be in full force and effect at the Closing Date.

H. At the time of acceptance hereof there is and as of the Closing there will be no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "**Action**") pending (notice of which has been served on the City or the Community Facilities District) or to the best knowledge of the City or the Community Facilities District threatened, in which any such Action: (i) in any way questions the powers of the City Council or the existence of the Community Facilities District or the titles of the officers of the City and/or the Community Facilities District to their respective offices; (ii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of the Bonds or the payment or collection of the Special Taxes or any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City or the Community Facilities District contemplated thereby; (iii) contests the exclusion of interest on the Bonds from federal or State income taxation or contests the powers of the City or the Community Facilities District which may result in any material adverse change relating to the financial condition of the City or the Community Facilities District; (iv) except as disclosed in the Official Statement, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the City or the Community Facilities District or would result in any material adverse change in the ability of the City to pledge or apply the Special Taxes or to pay debt service on the Bonds; or (v) contests the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserts that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and as of the time of acceptance hereof there is and, as of the Closing Date, there will be no known basis for any Action of the nature described in clauses (i) through (v) of this sentence.

I. The City will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter and at the expense of the Underwriter as the Underwriter may reasonably request in order: (i) to qualify the Bonds for offer and sale under the "blue sky" or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriter may designate; and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds, provided; however, that the City will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with any such qualification in any jurisdiction.

J. The City Documents conform as to form and tenor to the descriptions thereof contained in the Preliminary Official Statement. The City represents that the Bonds, when issued, executed and delivered in accordance with the Fiscal Agent Agreement and sold to the Underwriter as provided herein, will be validly issued and outstanding special tax obligations of the City payable solely from the proceeds of the Net Taxes and amounts in certain funds and accounts established in the Fiscal Agent Agreement, and entitled to the benefits of the Fiscal Agent Agreement. The City will comply with the covenant in the Fiscal Agent Agreement to cause the Special Taxes to be levied and collected at the same time and in the same manner as ordinary *ad valorem* property taxes. The Fiscal Agent Agreement creates a valid pledge of, first lien upon and security interest in, the Special Taxes, and in the moneys in the Special Tax Fund established pursuant to the Fiscal Agent Agreement, on the terms and conditions set forth in the Fiscal Agent Agreement. The Fiscal Agent Agreement creates a valid pledge of the moneys in certain funds and accounts established pursuant to the Fiscal Agent Agreement, subject in all cases to the provisions of the Fiscal Agent Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein.

K. Except as disclosed in the Preliminary Official Statement, there are, to the best of the City's knowledge, no entities with outstanding assessment liens against any of the properties within Improvement Area 4 of the Community Facilities District which are senior to or on a parity with the Special Taxes.

L. The issuance and sale of the Bonds is not subject to any transfer or other documentary stamp taxes of the State or any political subdivision thereof.

M. The City shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from State of California personal income tax, of the interest on the Bonds. The City has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the City is a bond issuer whose arbitrage certifications may not be relied upon.

N. Any certificate signed on behalf of the Community Facilities District by any officer or employee of the City authorized to do so and delivered to the Underwriter in connection with the issuance and sale of the Bonds shall be deemed to be a representation and covenant by the Community Facilities District to the Underwriter as to the statements made therein.

O. The City will apply the proceeds of the Bonds in accordance with the Fiscal Agent Agreement and as will be described in the Official Statement.

P. At or prior to the Closing, the City will have duly authorized, executed and delivered the City Continuing Disclosure Certificate. Except as otherwise disclosed in the

Preliminary Official Statement and based on a review of its previous undertakings, the City has not failed to comply, in any material respects, with any of its continuing disclosure undertakings previously entered into pursuant to the provisions of the Rule within the last five years.

Q. Between the date of this Purchase Agreement and the date of Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money not previously disclosed to the Underwriter and the City shall not create, assume or guarantee any indebtedness payable from, or pledge or otherwise encumber, the Special Taxes or other assets, properties, funds or interests that will be pledged as security for the Bonds pursuant to the City Documents.

R. Until such time as moneys have been set aside in an amount sufficient to pay all then outstanding Bonds at maturity or to the date of redemption if redeemed prior to maturity, plus unpaid interest thereon and premium, if any, to maturity or to the date of redemption if redeemed prior to maturity, the City will faithfully perform and abide by all of the covenants, undertakings and provisions contained in the Fiscal Agent Agreement.

S. The Preliminary Official Statement was deemed final by a duly authorized officer of the City prior to its delivery to the Underwriter, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of the Rule. The City hereby covenants and agrees that, within seven (7) business days from the date hereof, or upon reasonable written notice from the Underwriter within sufficient time to accompany any confirmation requesting payment from any customers of the Underwriter, the City shall cause a final electronic and/or printed form of the Official Statement as set forth in Section 1 above to be delivered to the Underwriter in sufficient quantity to comply with paragraph (b)(4) of the Rule and Rules G-12, G-15, G-32 and G-36 of the Municipal Securities Rulemaking Board.

T. The City hereby approves the preparation and distribution of the Official Statement, consisting of the Preliminary Official Statement with such changes as are noted thereon and as may be made thereto, with the approval of Bond Counsel and the Underwriter from time to time prior to the Closing Date.

U. The City hereby ratifies any prior use of and authorizes the future use by the Underwriter, in connection with the offering and sale of the Bonds, of the Preliminary Official Statement, the Official Statement, this Purchase Agreement and all information contained herein, and all other documents, certificates and written statements furnished by the City to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

V. The execution and delivery of this Purchase Agreement by the City shall constitute a representation by the City to the Underwriter that the representations and warranties contained in this Section 2 with respect to the City and the Community Facilities District are true as of the date hereof.

3. Conditions to the Obligations of the Underwriter. The obligation of the Underwriter to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations and warranties on the part of the City, on its own behalf and on behalf of the Community Facilities District, contained herein, to the accuracy in all material respects of the statements of the officers and other officials of the City and the Community Facilities District made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the City and the Community Facilities District of

their obligations to be performed hereunder at or prior to the Closing Date and, to the following additional conditions:

A. At the Closing Date, the Community Facilities District Resolutions, the Formation Documents, and the City Documents shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and there shall have been taken in connection therewith, with the issuance of the Bonds, and with the transactions contemplated thereby, and by this Purchase Agreement, all such actions as, in the opinion of Bond Counsel, shall be necessary and appropriate.

B. At the Closing Date, except as was described in the Preliminary Official Statement, neither the City nor the Community Facilities District shall be, in any respect material to the Bonds, the City Documents or the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City or the Community Facilities District, respectively, is a party or is otherwise subject or bound, and the performance by the City or the Community Facilities District, respectively, of its obligations under the Bonds, the City Documents, the Community Facilities District Resolutions, this Purchase Agreement and any other instruments contemplated by any of such documents, and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State, the United States of America or of any department, division, agency or instrumentality of either thereof or under any applicable court or administrative decree or order or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City or the Community Facilities District, respectively, is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance by the City or the Community Facilities District, respectively, of its obligations under the City Documents, the Bonds or the Community Facilities District Resolutions.

C. The information contained in the Official Statement is, as of the Closing Date and as of the date of any supplement or amendment thereto pursuant hereto, true and correct in all material respects and does not, as of the Closing Date or as of the date of any supplement or amendment thereto, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

D. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Purchase Agreement by written notice to the City if, between the date of this Purchase Agreement and the Closing Date, in the Underwriter's sole and reasonable judgment any of the following events shall occur (each a "**Termination Event**"):

1. Between the date hereof and the Closing Date, the market price or marketability, at the initial offering prices set forth on the cover page of the Official Statement, of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall have been materially adversely affected, in the judgment of the Underwriter (evidenced by a written notice to the City terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds), by reason of any of the following:

a. Legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America or the legislature of the State or recommended to the Congress by the President of the United States of America or a member of the President's Cabinet, the Department of the Treasury, the Internal Revenue Service or any member of Congress or favorably reported for passage to either House of Congress by any committee of such House to which such legislation had been referred for consideration, or a decision rendered by a court established under Article III of the Constitution of the United States of America or by the Tax Court of the United States of America, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Treasury Department of the United States of America, the Internal Revenue Service or other federal or State authority with appropriate jurisdiction, with the purpose or effect, directly or indirectly, of imposing federal or State income taxation upon such interest as would be received by any owners of the Bonds beyond the extent to which such interest is subject to taxation as of the date hereof;

b. Legislation introduced in or enacted (or resolution passed) by the Congress, or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States of America or a member of the President's Cabinet, or an order, decree, injunction or decision issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, the Resolution or the City Documents, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Fiscal Agent Agreement is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities laws as amended and then in effect;

c. A general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction;

d. There shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis;

e. Except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the City or the Community Facilities District shall have occurred;

2. The introduction, proposal or enactment of any amendment to the federal or California Constitution or any action by any federal or State court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the City or the Community Facilities District, their property, income, securities (or interest thereon), the validity or enforceability of the Special Tax;

3. Any event occurring or information becoming known which, in the judgment of the Underwriter, makes untrue or incorrect in any material respect any statement or information contained in the Preliminary Official Statement or in the Official Statement or has the effect that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

4. A general banking moratorium shall have been declared by federal, State of New York or State of California officials authorized to do so or a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred;

5. The imposition by the New York Stock Exchange or other national Securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or Securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

6. A decision by a court of the United States of America shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds as contemplated by this Purchase Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act of 1933, the Securities Exchange Act of 1934 and the Trust Indenture Act of 1939;

7. Any amendment is made to the Official Statement that in the Underwriter's reasonable judgment will materially adversely affect the marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds;

8. Any proceeding shall have been commenced or be threatened in writing by the Securities and Exchange Commission against the City or the Community Facilities District.

9. The commencement of an Action described in Section 2(H).

Upon the occurrence of a Termination Event and the termination of this Purchase Agreement by the Underwriter, all obligations of the City, the Community Facilities District, and the Underwriter under this Agreement shall terminate, without further liability, except that the City and the Underwriter shall pay their respective expenses as set forth in Section 6 below.

E. At or prior to the Closing Date, the Underwriter shall have received a counterpart original or certified copy of the following documents, in each case satisfactory in form and substance to the Underwriter:

1. Official Statement. The Official Statement and each supplement or amendment, if any thereto, executed by an authorized officer of the City;

2. Fiscal Agent Agreement. The Fiscal Agent Agreement, duly executed and delivered by the City and the Fiscal Agent;

3. Resolutions. Certifications by the City Clerk with respect to each resolution and ordinance of the City Council, for the City or as the legislative body of the Community Facilities District, relating to the City Documents, the transactions contemplated thereby, formation of the Community Facilities District and issuance of the Bonds;

4. City Continuing Disclosure Certificate. The City Continuing Disclosure Certificate executed and delivered by the City;

5. Bond Counsel Opinion. An unqualified approving opinion for the Bonds, dated the Closing Date and addressed to the City, of Bond Counsel, to the effect that the Bonds are the valid, legal and binding obligations of the City and that the interest thereon is excluded from gross income for federal income tax purposes and exempt from personal income taxes of the State, in substantially the form included as Appendix E to the Official Statement, together with a letter of Bond Counsel, dated the Closing Date and addressed to the Underwriter and Trustee, to the effect that such opinion addressed to the City may be relied upon by the Underwriter and Trustee to the same extent as if such opinion was addressed to them;

6. Supplemental Opinion. A supplemental opinion or opinions, dated the Closing Date and addressed to the Underwriter, of Bond Counsel, to the effect that:

(i) this Purchase Agreement has been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the other parties thereto, constitutes the legal, valid and binding agreement of the City and is enforceable in accordance with its terms, except to the extent that enforceability may be limited by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity or otherwise in appropriate cases and by limitations on legal remedies against public agencies in the State;

(ii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Fiscal Agent Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended; and

(iii) the information contained in the Official Statement on the cover and under the captions "THE BONDS," "SECURITY FOR THE BONDS," "TAX MATTERS" and in Appendices C and E to the Official Statement (excluding any financial, statistical and economic data, forecasts, numbers, charts, graphs, estimates, projections, and assumptions and any information regarding The Depository Trust Company and the book-entry system as to which Bond Counsel need express no opinion or view, and further, excluding any material that may be treated as included under such captions by cross-reference), are accurate insofar as such statements purport to summarize certain provisions of the Bonds, the Fiscal Agent Agreement, Bond Counsel's final approving opinion and the Act; and

7. City Attorney Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of the City Attorney to the City and counsel to the Community Facilities District, substantially in the form of Appendix B hereto;

8. Closing Certificate of the City. A certificate, dated the Closing Date, and signed by an authorized officer of the City substantially in the form of Appendix C hereto, together with such additional certifications as Bond Counsel may require;

9. Bank Incumbency Certificate. Certified copies of the general resolution of the Fiscal Agent authorizing the execution and delivery of certain documents by certain officers of the Fiscal Agent, which resolution authorizes the execution of the Fiscal Agent Agreement and the authentication of the Bonds;

10. Fiscal Agent's Certificate. A certificate of the Fiscal Agent, dated the Closing Date, in form and substance acceptable to the Underwriter and its counsel, substantially in the form of Appendix D hereto;

11. Fiscal Agent's Counsel Opinion. An opinion of counsel to the Fiscal Agent, dated the Closing Date, addressed to the Underwriter and the City, substantially in the form of Appendix E hereto;

12. Disclosure Counsel Opinion. A letter of Jones Hall LLP, as disclosure counsel to the City ("**Disclosure Counsel**"), dated the Closing Date and addressed to the Underwriter and the City, to the effect that without passing upon or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Final Official Statement and making no representation that they have independently verified the accuracy, completeness or fairness of any such statements, based upon the information made available to them in the course of their participation in the preparation of the Final Official Statement, nothing has come to such counsel's attention which would lead them to believe that the Preliminary Official Statement, as of its date and the date of the Purchase Agreement, and the Final Official Statement, as of its date and as of the Closing Date (but excluding therefrom the appendices thereto, financial statements and statistical data, and information regarding The Depository Trust Company and its book entry system, as to which no opinion need be expressed), contained an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

13. Opinion of Underwriter's Counsel. An opinion of Kutak Rock LLP, counsel to the Underwriter ("**Underwriter's Counsel**"), dated the date of the Closing, addressed to the Underwriter, in form and substance acceptable to the Underwriter;

14. Special Tax Consultant Certificate. A certificate, dated the Closing Date from DTA substantially in the form attached as Appendix F hereto;

15. Nonarbitrage Certificate. A certificate of the City, dated the Closing Date, in a form acceptable to Bond Counsel and the Underwriter, that the Bonds are not arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended;

16. Specimen Bonds. Copies of the Specimen Bonds;

17. Form 8038-G. An Information Return for Tax-Exempt Bond Issues (Internal Revenue Service Form 8038-G), in a form satisfactory to Bond Counsel for filing, executed by a duly authorized officer of the City, together with evidence that such Form 8038-G has been mailed;

18. CDIAC Statements. Copies of filings with the California Debt and Investment Advisory Commission ("**CDIAC**") relating to the issuance of the Bonds;

19. Letter of Representations. A copy of the Blanket Letter of Representations to DTC relating to the Bonds signed by the City;

20. Certificates Regarding Preliminary Official Statement. Prior to and in connection with printing and distribution of the Preliminary Official Statement, (i) an executed certificate of the City deeming the Preliminary Official Statement final within the meaning of the Rule, (ii) an executed certificate of Eight Mile Development, Inc. (the "**Master Developer**"), substantially in the form under Appendix G hereto and (iii) an executed certificate of Lennar Homes of California, LLC ("**Lennar Homes**"), substantially in the form under Appendix G hereto.

21. Lennar Homes Continuing Disclosure Certificate. An executed copy of the Lennar Homes Continuing Disclosure Certificate in substantially the form included as an appendix to the Official Statement.

22. Master Developer and Lennar Homes Bring-Down Certificates. An executed bring-down certificate from each of the Master Developer and Lennar Homes, each dated as of the Closing Date, in the form set forth in Appendix H hereto.

23. Master Developer Opinion. The opinions of counsel to the Master Developer substantially in the form set forth in Appendix I hereto, addressed to the City and the Underwriter.

24. Lennar Homes' Counsel Opinion. The opinion of counsel to Lennar Homes, dated the Closing Date and addressed to the City and the Underwriter, in form and substance acceptable to the City and Underwriter.

25. Appraiser Closing Certificate. A certificate in form and substance as set forth in Appendix J hereto of Integra Realty Resources - Sacramento, the appraiser of the property within Improvement Area 4 of the Community Facilities District, dated as of the Closing Date.

26. Additional Documents. Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the material representations and warranties of the City, on its own behalf and on behalf of the Community Facilities District, contained herein, and of the statements and information contained in the Official Statement and the due performance or satisfaction by the City at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the City and the Community Facilities District in connection with the transactions contemplated hereby and by the Fiscal Agent Agreement and the Official Statement.

If the City shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds contained in this Purchase Agreement, or if the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the City nor the Underwriter shall be under any further obligation hereunder, except that the respective obligations of the Underwriter and the City set forth in Section 6 hereof shall continue in full force and effect.

4. Representations and Agreements of the Underwriter. The Underwriter represents to and agrees with the City that, as of the date hereof and as of the date of the Closing:

A. The Underwriter is duly authorized to execute and deliver this Purchase Agreement and to take any action under the Purchase Agreement required to be taken by it.

B. The Underwriter is in compliance with MSRB Rule G-37 with respect to the City and the Community Facilities District, and is not prohibited thereby from acting as underwriter with respect to securities of the City and the Community Facilities District. The Underwriter is in compliance with MSRB Rule G-17 with respect to the City and the Community Facilities District.

C. The Underwriter has, and has had, no financial advisory relationship with the City or the Community Facilities District with respect to the Bonds, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship, within the meaning of California Government Code Section 53590, or otherwise.

D. The Underwriter has not paid or agreed to pay, nor will it pay or agree to pay, any entity, company, firm or person (including, but not limited to, the City's financial consultants, or any officer, agent or employee thereof), other than a bona fide officer, agent or employee working for the Underwriter, any compensation, fee, gift or other consideration contingent upon or resulting from the award of or entering into this Purchase Agreement.

E. The Underwriter has reasonably determined that the City's undertaking in the City Continuing Disclosure Certificate to provide continuing disclosure with respect to the Bonds is sufficient to effect compliance with the Rule.

5. Establishment of Issue Price.

A. The Underwriter agrees to assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix K, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Bond Counsel (as defined herein), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

B. Except as otherwise set forth in Appendix A attached hereto, the City will treat the first price at which 10% of each maturity of the Bonds (the "**10% test**") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the City the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the City the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Bonds of that maturity or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or Bond Counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

C. The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "**initial offering**

price"), or at the corresponding yield or yields, set forth in Appendix A attached hereto, except as otherwise set forth therein. Appendix A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the Underwriter represents that (i) the 10% test has been satisfied (assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Agreement) and (ii) the 10% test has not been satisfied and for which the City and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the City to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "**hold-the-offering-price rule**"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

a. the close of the fifth (5th) business day after the sale date; or

b. the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the City promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

D. The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be reasonable periodic intervals or otherwise upon request of the Underwriter and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution

agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

E. The City acknowledges that, in making the representation set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

F. The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

a. "public" means any person other than an underwriter or a related party;

b. "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public);

c. a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a

corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

d. "sale date" means the date of execution of this Purchase Agreement by all parties.

6. Expenses.

A. Whether or not the Underwriter accepts delivery of and pays for the Bonds as set forth herein, it shall be under no obligation to pay, and the City shall pay out of the proceeds of the Bonds or any other legally available funds of the City, all expenses incidental to the performance of the City's obligations hereunder, including but not limited to the cost of printing and delivering the Bonds to the Underwriter; the costs of printing and shipping the Preliminary Official Statement and the Official Statement; the fees and disbursements of the City, the Community Facilities District, the Fiscal Agent, Bond Counsel, Disclosure Counsel, accountants and any other experts or consultants retained by the City or the Community Facilities District in connection with the issuance and sale of the Bonds; and any other expenses not specifically enumerated in paragraph (B) of this Section incurred in connection with the issuance and sale of the Bonds.

B. Whether or not the Bonds are delivered to the Underwriter as set forth herein, the City shall be under no obligation to pay, and the Underwriter shall be responsible for and pay, CUSIP® and CDIAC fees and expenses to qualify the Bonds for sale under any "blue sky" laws; the fees and disbursements of Underwriter's Counsel; and all other expenses incurred by the Underwriter in connection with its public offering and distribution of the Bonds not specifically enumerated in paragraph (A) of this Section.

7. Notices. Any notice of other communication to be given to the City under this Purchase Agreement may be given by delivering the same in writing to the City of Stockton, 425 North El Dorado Street, Stockton, California 95202, Attention: Chief Financial Officer; any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Oppenheimer & Co. Inc., 135 Main Street, Suite 1700, San Francisco, California 94105, Attention: Municipal Capital Markets Group. All such notices, requests or other communications may be made by telephone, personal or courier delivery, registered or certified mail, facsimile transmission or electronic communication, provided that delivery by facsimile transmission or electronic communication must be confirmed by the sender. The City and the Underwriter may, by notice given as aforesaid, specify a different address for any such notices, requests or other communications.

8. Parties In Interest. This Purchase Agreement is made solely for the benefit of the City and the Underwriter (including any successors or assignees of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. The City and the Underwriter may not assign this Purchase Agreement. The term "successor" shall not include any holder of any Bonds merely by virtue of such holding.

9. Survival of Representations and Warranties. The representations and warranties of the City under this Purchase Agreement shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing and regardless of any investigations made by or on behalf of the Underwriter (or statements as to the results of such investigations) concerning such representations and statements of the City or the Community Facilities District and regardless of delivery of and payment for the Bonds.

10. Severability. If any provision of this Purchase Agreement is, or is held or deemed to be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, because it conflicts with any provisions of any constitution, statute, rule of public policy or for any other reason, such circumstances shall not make the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or make any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

11. Execution in Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

12. Effective. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the City and shall be valid and enforceable as of the time of such acceptance.

13. No Prior Agreements. This Purchase Agreement supersedes and replaces all prior negotiations, agreements and understanding between the parties hereto in relation to the sale of the Bonds by the City.

14. Governing Law. This Purchase Agreement shall be governed by the laws of the State.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

15. Effective Date. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the City and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,
OPPENHEIMER & CO. INC.

By: _____
Its: Authorized Officer

The foregoing is hereby agreed to and
accepted as of the date first above written:

CITY OF STOCKTON

By: _____
Authorized Representative

Time of Execution: _____ p.m. California time

[EXECUTION PAGE OF BOND PURCHASE AGREEMENT – IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON COMMUNITY FACILITIES DISTRICT NO. 2018-2 (WESTLAKE VILLAGES II), SPECIAL TAX BONDS, SERIES 2025)]

APPENDIX A

$_____
IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

MATURITY SCHEDULE

Maturity (September 1)	Principal Amount	Interest Rate	Yield	Price	10% Test Satisfied*	10% Test Not Satisfied	Subject to Hold-The-Offering-Price Rule
2026							
2027							
2028							
2029							
2030							
2031							
2032							
2033							
2034							
2035							
20__(T)							
20__(T)							
20__(T)							

_____
(T) Term Bond.
(C) Priced to optional call at [par] on September 1, 20__.
* At the time of execution of this Purchase Agreement and assuming orders are confirmed by the close of the business day immediately following the date of this Purchase Agreement.

APPENDIX B

OPINION OF CITY ATTORNEY

[Closing Date]

City of Stockton
425 North El Dorado Street
Stockton, California 9520

Oppenheimer & Co. Inc.
135 Main Street, Suite 1700
San Francisco, California 94105

Re: $_____ Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II), Special Tax Bonds, Series 2025

Ladies and Gentlemen:

We have acted as City Attorney for the City of Stockton (the "City") and counsel for Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "Community Facilities District"), in connection with the purchase and sale of the Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II), Special Tax Bonds, Series 2025 (the "Bonds"). As such Counsel, we have reviewed the Bond Purchase Agreement, dated [BPA Date] (the "Purchase Agreement"), by and between Oppenheimer & Co. Inc. (the "Underwriter") and the City, the Fiscal Agent Agreement, dated as of October 1, 2025 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"), the City Continuing Disclosure Certificate, dated [Closing Date] executed by the City (the "City Continuing Disclosure Certificate"), the Preliminary Official Statement, dated [POS Date], relating to the Bonds (the "Preliminary Official Statement"), the Official Statement, dated [BPA Date], relating to the Bonds (the "Official Statement"), Resolution No. _____ adopted by the City Council of the City on _____, 2025 ("Bond Resolution"), and such other documents, certificates, records and papers as we have deemed necessary to render the below opinions.

The Bonds, Fiscal Agent Agreement, Purchase Agreement, and the City Continuing Disclosure Certificate, are collectively referred to herein as the "Bond Documents." Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Purchase Agreement.

With your permission we have assumed, without undertaking to verify the same by independent investigation, the following: (a) the authenticity of original documents and the genuineness of all signatures (other than those of the City and the Community Facilities District); (b) the conformity to the originals of all documents submitted to us as copies; (c) the truth, accuracy, and completeness of the information, representations, and warranties contained in these documents, certificates, records and papers we have reviewed; and (d) compliance with all covenants and agreements contained in such documents.

Based on the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The City is a municipal corporation and charter city duly organized and validly existing pursuant to the Constitution and laws of the State of California;

2. The Community Facilities District is duly organized and validly existing as a community facilities district under the Constitution and laws of the State;

3. The Bond Resolution was duly adopted at a meeting of the City Council, which meeting was duly called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;

4. The preparation and distribution of the Preliminary Official Statement and the Official Statement have been duly approved by the City Council, acting for itself or as the Legislative Body of the Community Facilities District;

5. The execution and delivery by the City of the Bond Documents, and the Bonds and the performance of its obligations thereunder have been duly authorized by all requisite action of the City Council, acting for itself or as the Legislative Body of the Community Facilities District, and the Bonds and the Bond Documents have been duly executed and delivered by the City, and constitute legal, valid and binding obligations of the City enforceable against the City, in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and to the application of equitable principles if equitable remedies are sought;

6. To the best of our knowledge, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body is pending or to the best of such counsel's knowledge, threatened in any way affecting the existence of the City or the Community Facilities District or the titles of the officers of each to their respective offices, or seeking to restrain or to enjoin the execution and delivery of the Bond Documents, or the issuance, sale or delivery of the Bonds or the application of the proceeds thereof or the collection or application of the Special Tax, or the exclusion from gross income for State personal income taxes of interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Bond Documents or any action of the City or the Community Facilities District contemplated by any of said documents or in any way contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or the powers of the City or its authority with respect to the Purchase Agreement or any other applicable agreement, or any action on the part of the City or the Community Facilities District contemplated by any of said documents;

7. To the best of our knowledge, the City and the Community Facilities District are not in breach of or in default under any court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the City or the Community Facilities District is a party or is otherwise subject or bound, including the Bond Documents, a consequence of which could be to materially and adversely affect the ability of the City or the Community Facilities District to perform their obligations under the Bonds, the Bond Documents or which, with the passage of time or the giving of notice or both, would constitute an event of default thereunder; and;

8. To the best of our knowledge, the adoption of the Bond Resolution and the execution and delivery of the Bonds and the Bond Documents, did not and will not conflict with or constitute a breach of or default under any applicable court or administrative decree or order, or under any loan

agreement, note, ordinance, resolution, indenture, contract, agreement or other instrument to which the City or the Community Facilities District, as the case may be, is a party or is otherwise subject or bound, a consequence of which could be to materially and adversely affect the ability of City or the Community Facilities District to perform their obligations under the Bonds or any Bond Documents.

The opinions set forth above are subject to the following additional qualifications:

General principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law; and limitations imposed by bankruptcy, insolvency, fraudulent conveyance, receivership, conservatorship, reorganization, arrangement, liquidation, moratorium or other similar laws affecting the enforcement of creditors' rights in general heretofore or hereafter enacted, as such laws may be applied in the event of bankruptcy, insolvency, reorganization, arrangement, receivership, conservatorship, liquidation, readjustment of debt or other similar proceedings of, or moratorium or similar occurrence affecting municipal corporations in the State.

We express no opinion as to matters governing by laws other than the laws of the State and the federal laws of the United States of America, or the enforceability of any choice of law provision in the documents described herein.

This opinion is solely for your benefit in connection with the transactions covered by the first paragraph of this letter and may not be relied upon or used by, circulated, quoted or referred to, nor may copies hereof be delivered to, any other person or for any other purpose without our prior written approval; provided, however, copies of this opinion may be included in the closing transcripts for the transactions connected with the issuance of the Bonds. We disclaim any obligation to update this opinion letter for events occurring or coming to our attention after the date hereof.

Respectfully submitted,

APPENDIX C

IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

CLOSING CERTIFICATE OF THE CITY

I, the undersigned, hereby certify that I am the _____ of the City of Stockton (the "City"), the City Council (the "City Council") of which is the Legislative Body for Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "Community Facilities District"), a community facilities district duly organized and existing under the laws of the State of California (the "State") and I am authorized to execute this Certificate on behalf of the City in connection with the issuance of the above-captioned bonds (the "Bonds"). All capitalized terms herein not otherwise defined shall have the meanings given such terms in the Bond Purchase Agreement (the "Bond Purchase Agreement"), dated [BPA Date], by and between the City and Oppenheimer & Co. Inc.

I further certify on behalf of the City that:

(i) The representations, warranties and covenants of the City contained in the Bond Purchase Agreement, made on behalf of the City and the Community Facilities District, are true and correct in all material respects on and as of the date hereof as if made on the date hereof;

(ii) The Community Facilities District Resolutions, Formation Documents and the City Documents are in full force and effect and have not been amended, modified or supplemented;

(iii) Except as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity, or by any court or regulatory agency, public board or body pending, with respect to which the City or the Community Facilities District has been served with process, or to the best knowledge of the City or the Community Facilities District, threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the City or the Community Facilities District, or the titles of their officers to their respective offices, (b) enjoin or restrain the issuance, sale and delivery of the Bonds, the levy or collection of the Special Tax or any other moneys or property pledged or to be pledged under the Fiscal Agent Agreement, or the pledge thereof, (c) in any way question or affect any of the rights, powers, duties or obligations of the City or the Community Facilities District with respect to the Special Taxes or moneys and assets pledged or to be pledged to pay the principal of, premium, if any, or interest on the Bonds, (d) in any way question or affect any authority for the issuance of the Bonds, or the validity or enforceability of the Bonds or the proceedings relating to the issuance of the Bonds, or (e) in any way question or affect the Bond Purchase Agreement or the transactions contemplated thereby, the Official Statement or the City Documents;

(iv) The information in the Preliminary Official Statement (other than statements pertaining to DTC and it book-entry system and under the headings "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4" and contained in APPENDIX G–DTC AND THE BOOK-ENTRY ONLY SYSTEM," as to which no view is expressed) as of its date was and as of the date hereof is, and in the Official Statement (other than

statements pertaining to DTC and its book-entry system and under the headings "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4" and contained in APPENDIX G–DTC AND THE BOOK-ENTRY ONLY SYSTEM,"" as to which no view is expressed) as of its date was and as of the date hereof is, true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(v) The City has complied with all agreements and covenants, and satisfied all conditions, on its part to be complied with or satisfied under the Bond Purchase Agreement and under the Community Facilities District Resolutions, the Formation Documents, the City Documents and the Official Statement at or prior to the date hereof;

(vi) No event has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the date hereof any statement or information contained in the Preliminary Official Statement or the Official Statement (other than statements pertaining to DTC and its book-entry system and under the headings "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4" and contained in Appendix G–DTC and the Book-Entry Only System," as to which no view is expressed) or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect;

(vii) The use of and distribution by the Underwriter of the Preliminary Official Statement and the Official Statement in connection with the offer and sale of the Bonds is hereby ratified; and

(viii) The City and the Community Facilities District are each in compliance with all covenants set forth in the Fiscal Agent Agreement.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date set forth below.

Dated: [Closing Date]

CITY OF STOCKTON

By: _____

APPENDIX D

IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

FISCAL AGENT'S CERTIFICATE

The undersigned is an authorized officer of U.S. Bank Trust Company, National Association (the "Bank"), and as such, is familiar with the facts herein certified and is authorized and qualified to state and certify the following:

(i) The Bank is duly organized and existing as a national banking association under the laws of the United States of America, having the full power and authority to accept and perform its duties under a Fiscal Agent Agreement, dated as of October 1, 2025 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent. Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Bond Purchase Agreement, dated [BPA Date], by and between the City and Oppenheimer & Co. Inc.;

(ii) Pursuant to the Fiscal Agent Agreement, the Bank will apply the proceeds from the Bonds to the purposes specified in the Fiscal Agent Agreement;

(iii) The Bank is duly authorized to accept the obligations created by the Fiscal Agent Agreement and to authenticate the Bonds pursuant to the terms of the Fiscal Agent Agreement;

(iv) The Fiscal Agent Agreement has been duly authorized, executed and delivered by the Bank and, assuming due authorization, execution and delivery thereof by the other parties thereto, constitutes a valid and binding agreement of the Bank enforceable against the Bank in accordance with its terms;

(v) The Bonds have been validly authenticated and delivered by the Bank pursuant to the Fiscal Agent Agreement;

(vi) No consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Bank that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Bank of the other transactions contemplated to be performed by the Bank in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Fiscal Agent Agreement;

(vii) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body that has been served on the Bank or, to the best of its knowledge, threatened in any way affecting the existence of the Bank, or seeking to restrain or to enjoin the execution and delivery of the Fiscal Agent Agreement or the authentication of the Bonds, by the Bank, or in any way contesting or affecting the validity or enforceability, as against the Bank, of the Fiscal Agent Agreement or any action of the Bank

contemplated by any of said documents, or in which an adverse outcome would materially and adversely affect the ability of the Bank to perform its obligations under the Fiscal Agent Agreement;

(viii) The Bank is not in breach of or in default under any applicable law or administrative rule or regulation of the State of California (the "State") or the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Bank is a party or is otherwise subject or bound, a consequence of which could be to materially and adversely affect the ability of the Bank to perform its obligations under the Fiscal Agent Agreement (*provided, however*, that the Bank does not certify as to compliance with State or federal securities laws); and

(ix) The authentication of the Bonds, and the execution and delivery of the Fiscal Agent Agreement by the Bank, and compliance with the provisions of each, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State or the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, ordinance, resolution, indenture, contract, agreement or other instrument to which the Bank is a party or is otherwise subject or bound, a consequence of which could be to materially and adversely affect the ability of the Bank to perform its obligations under the Fiscal Agent Agreement.

Dated: [Closing Date]

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION
as Fiscal Agent

By: _____
Authorized Officer

APPENDIX E

FISCAL AGENT'S COUNSEL OPINION

[Closing Date]

Oppenheimer & Co. Inc.
135 Main Street, Suite 1700
San Francisco, California 94105

City of Stockton
425 North El Dorado Street
Stockton, California 95202

Re: Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II), Special Tax Bonds, Series 2025

Ladies and Gentlemen:

We have acted as counsel for U.S. Bank Trust Company, National Association, a national banking association (the "Bank") in connection with the execution by the Bank of a Fiscal Agent Agreement, dated as of October 1, 2025 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"). We are generally familiar with the Articles of Association and the Bylaws of the Bank and are also familiar with the corporate proceedings of the Bank with regard to its authorization, execution and delivery of the Fiscal Agent Agreement. Capitalized terms used herein shall have the respective meanings ascribed to them in the Fiscal Agent Agreement, except as otherwise defined herein.

We have examined such documents and have reviewed such questions of law as we have considered necessary and appropriate for the purposes of this opinion. In such review, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity with originals of all documents submitted to us as copies. Where questions of fact material to our opinions expressed below were not established independently, we have relied upon statements of officers of the Bank as contained in their certificates.

Based upon the foregoing, we are of the opinion that:

1. The Bank is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America.

2. The Bank has all requisite corporate power, authority and legal right to execute and deliver the Fiscal Agent Agreement and to perform its duties and obligations under the Fiscal Agent Agreement, and has taken all necessary corporate action to authorize the execution and delivery thereof and the performance of its obligations thereunder, including the authentication and delivery of the Bonds in its capacity as fiscal agent under the Fiscal Agent Agreement.

3. The Bank has duly authorized, executed and delivered the Fiscal Agent Agreement. Assuming the due authorization, execution and delivery thereof by the other parties thereto, the Fiscal Agent Agreement is a legal, valid and binding agreement of the Bank, enforceable in accordance with its terms against the Bank.

4. To our knowledge, no authorization, approval, consent, or order of any governmental agency or regulatory authority having jurisdiction over the Bank that has not been obtained by the Bank is required for the authorization, execution and delivery by the Bank of the Fiscal Agent Agreement or the authentication and delivery of the Bonds by the Bank under the Fiscal Agent Agreement.

The opinions set forth above are subject to the following qualifications and exceptions:

(a) the opinions are subject to the effect of any applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other similar laws of general application affecting creditors' rights; and

(b) the opinions are subject to the effect of general principles of equity, including (without limitation) concepts of materiality, reasonableness, good faith and fair dealing, and other similar doctrines affecting the enforceability of agreements generally (regardless of whether considered in a proceeding in equity or at law).

Our opinions expressed above are limited to the laws of the State of California and the federal laws of the United States of America.

The foregoing opinions are being furnished to you solely for your benefit and may not be relied upon by, nor may copies be delivered to, any other person without our prior written consent.

Very truly yours,

APPENDIX F

IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

CERTIFICATE OF SPECIAL TAX CONSULTANT

The undersigned hereby states and certifies:

1. That he is an authorized officer of DTA (the "Special Tax Consultant") and as such is familiar with the facts herein certified and is authorized and qualified to certify the same.

2. That the Special Tax Consultant has prepared the Rate and Method of Apportionment of Special Tax (the "Rate and Method") for Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "Community Facilities District") as set forth in Appendix A to the Official Statement for the above-captioned bonds (the "Bonds") dated [BPA Date]. Capitalized terms not otherwise defined herein shall be defined as provided in the Rate and Method or the Fiscal Agent Agreement, dated as of October 1, 2025 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent").

3. That the Special Tax, if levied in accordance with the Rate and Method and collected will annually yield sufficient revenue to make timely payments of the annual debt service on the Bonds, and annual Administrative Expenses related to the levy and collection of the Special Tax and the expenses of the Fiscal Agent for the Bonds (no representation is made as to the actual amounts that will be collected in future years).

4. That the Maximum Annual Special Tax, if collected in the maximum amounts permitted pursuant to the Rate and Method on the Closing Date, would generate at least 110% of the Annual Debt Service payable with respect to the Bonds payable from such Special Tax plus estimated Administrative Expenses equal to a maximum of $_____ for Fiscal Year 2025-26, assuming the debt service schedule shown in the Official Statement is true and correct.

5. That all information supplied by the Special Tax Consultant for use in the Official Statement is true and correct, as of the date of the Official Statement and as of the date hereof.

6. That, as of the dates of the Preliminary Official Statement and the Official Statement and as of the date hereof, the information contained in the portion of the Official Statement entitled "SECURITY FOR THE BONDS," and "APPENDIX A," including all tables and maps sourced to the Special Tax Consultant, and the other data provided by the Special Tax Consultant and included in the Official Statement, do not, to our knowledge, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

7. The Community Facilities District, the City, the Underwriter, and all the professionals involved in the financing are entitled to rely on this Certificate.

Dated: [Closing Date]

DTA

By: _____

Title: _____

APPENDIX G

IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESSTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

CERTIFICATE OF
[EIGHT MILE DEVELOPMENT, INC.] [LENNAR HOMES OF CALIFORNIA, LLC]

[POS Date]

City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
425 North El Dorado Street
Stockton, California 95202

Oppenheimer & Co. Inc.
135 Main Street, Suite 1700
San Francisco, California 94105

Reference is made to Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds, Series 2025 (the "**Bonds**") and to the Bond Purchase Agreement (the "**Bond Purchase Agreement**") to be entered into by and between the City, on behalf of itself and as the legislative body of the City of Stockton Community Facilities District No. 2018-2 1 (Westlake Villages II) (the "**Community Facilities District**"), and Oppenheimer & Co. Inc., as underwriter (the "**Underwriter**"). This Certificate of [Eight Mile Development, Inc.] [Lennar Homes of California, LLC] (the "**Certificate**") is delivered pursuant to and in satisfaction of Section 3(E)(21) of the Bond Purchase Agreement. Capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Bond Purchase Agreement.

As used in this Certificate, the phrase "**Actual Knowledge of the Undersigned**" means, as of the date of this Certificate, the actual knowledge (as opposed to constructive) that the undersigned currently has or has obtained through (i) interviews with such current officers and responsible employees of the Property Owner as the undersigned has reasonably determined are likely, in the ordinary course of their respective duties, to have knowledge of the matters set forth in this Certificate, and/or (ii) review of documents reasonably available to the undersigned and which the undersigned reasonably deemed necessary for the undersigned to execute this Certificate. The undersigned has not conducted any extraordinary inspection or inquiry other than such inspections or inquiries as are prudent and customary in connection with the ordinary course of the Property Owner's current business and operations. The undersigned has not contacted individuals who are no longer employed by the Property Owner.

As used in this Certificate, the term "**Relevant Entity**" means, with respect to the Property Owner, any other Person (i) who directly, or indirectly through one or more intermediaries, is currently controlling, controlled by or under common control with the Property Owner, and (ii) for whom information, including financial information or operating data, concerning such

Person is material to an evaluation of the Bonds (i.e. such person or entity's assets or funds would materially affect the Property Owner's ability to develop the Property (defined below) as described in the Preliminary Official Statement or to pay its Special Taxes on the Property to the extent the responsibility of the Property Owner) prior to delinquency). As used in this Certificate, the term "**Person**" means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof. For purposes hereof, the term "**control**" (including the terms "**controlling**," "**controlled by**" or "**under common control with**") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

As used in this Certificate, the term "**Property**" means the real property currently owned by the Property Owner within Improvement Area 4 (the "**Improvement Area**") of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "**Community Facilities District**"), as further described in the Preliminary Official Statement.

The undersigned certifies that he or she is familiar with the facts herein certified and is authorized and qualified to certify the same as an authorized officer or representative of [Eight Mile Development, Inc., a California corporation] [Lennar Homes of California, LLC, a California limited liability company] (the "**Property Owner**"), and the undersigned, on behalf of the Property Owner, further certifies as follows:

(1) The Property Owner is duly organized and validly existing under the laws of the State of California, and has all requisite corporate right, power and authority:

(i) to execute and deliver this Certificate;

(ii) to own and develop the Property, as described in the Preliminary Official Statement;

(iii) [LENNAR ONLY: to execute and deliver the Property Owner Continuing Disclosure Certificate at Closing;

(iv) to perform its obligations under the Property Owner Continuing Disclosure Certificate]; and

(v) to carry on its business as described in the Preliminary Official Statement.

(2) [LENNAR ONLY: The Property Owner agrees to execute at Closing the Property Owner Continuing Disclosure Certificate substantially in the form attached as an appendix to the Preliminary Official Statement, with such additional changes as may be agreed upon by the Underwriter, Bond Counsel and the Property Owner.]

(3) [[LENNAR ONLY: Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, the Property Owner is not aware of any material failures by it or any Relevant Entity to comply in all material respects with any previous continuing disclosure undertaking in a written certificate or agreement executed by it or its Relevant Entities to provide periodic continuing disclosure reports or notices of listed

events with respect to community facilities districts or assessment districts in California within the past five years.]

(4) To the Actual Knowledge of the Undersigned, (a) the Property Owner and its Relevant Entities are not in breach of or in default under any applicable judgment or decree or any loan agreement, line of credit, option agreement, development agreement, indenture, fiscal agent agreement, bond or note (collectively, the "**Material Agreements**") to which the Property Owner or its Relevant Entities are a party or otherwise subject, which breach or default could reasonably be expected to materially and adversely affect the ability of the Property Owner:

(i) to own, develop and sell the Property, as described in the Preliminary Official Statement,

(ii) to pay Special Taxes on the Property (to the extent the responsibility of the Property Owner) prior to delinquency,

(iii) to carry on its business as described in the Preliminary Official Statement, or

(iv) [LENNAR ONLY: to perform its obligations under the Property Owner Continuing Disclosure Certificate.]

(5) Except as described in the Preliminary Official Statement, the Property Owner does not have any loans outstanding and unpaid and no lines of credit that are secured by the Property.

(6) Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, neither the Property Owner nor any of its Relevant Entities is currently in default in, or, in the last five (5) years, has ever defaulted to any material extent in, the payment of special taxes or assessments in connection with the Community Facilities District or any other community facilities districts or assessment districts in California that resulted in a foreclosure action being commenced in a court of law against the delinquent Property Owner or Relevant Entity.

(7) Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, there is no litigation, inquiry, investigation or administrative proceeding, by or before any court, regulatory agency, public board or body, pending against the Property Owner (with service of process to the Property Owner having been accomplished), or to the Actual Knowledge of the Undersigned, overtly threatened in writing against the Property Owner, or to the Actual Knowledge of the Undersigned, pending against any Relevant Entity (with service of process to such Relevant Entity having been accomplished), or to the Actual Knowledge of the Undersigned, overtly threatened in writing against any Relevant Entity, in each case which, if successful, could reasonably be expected to:

(i) materially and adversely affect the ability of the Property Owner to own, develop and sell the Property, as described in the Preliminary Official Statement,

(ii) materially and adversely affect the ability of the Property Owner to pay Special Taxes on the Property (to the extent the responsibility of the Property Owner) prior to delinquency,

(iii) materially and adversely affect the ability of the Property Owner to carry on its business as described in the Preliminary Official Statement;

(iv) [LENNAR ONLY: materially adversely affect the ability of the Property Owner to perform its obligations under the Property Owner Continuing Disclosure Certificate;]

(v) challenge, question the validity or enforceability of, or restrain or enjoin the performance of, the Special Taxes, the Bonds, the Resolution, the Fiscal Agent Agreement, [LENNAR ONLY: the Property Owner Continuing Disclosure Certificate] or the Bond Purchase Agreement; or

(vi) restrain or enjoin collection of Special Taxes or other sums to be pledged to pay the principal of and interest on the Bonds.

(8) Except as disclosed in the Preliminary Official Statement or in this Certificate:

(i) the Property Owner and, to the Actual Knowledge of the Undersigned, its Relevant Entities, are able to pay their respective bills as they become due;

(ii) neither the Property Owner nor, to the Actual Knowledge of the Undersigned, any of its Relevant Entities, has filed for bankruptcy or been declared bankrupt in the last 10 years; and

(iii) to the Actual Knowledge of the Undersigned, there are no proceedings pending against the Property Owner (with service of process to the Property Owner having been accomplished) or overtly threatened in writing in which the Property Owner or any of its Relevant Entities may be adjudicated as bankrupt, become the debtor in a bankruptcy proceeding, be discharged from any or all of its respective debts or obligations, be granted an extension of time to pay its respective debts or obligations, or be granted a reorganization or readjustment of its respective debts or obligations.

(9) As of the date of the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, the information contained therein solely with respect to the Property Owner, its Relevant Entities, the proposed development of the Property, ownership of the Property, the Property Owner's development plan, the Property Owner's financing plan, the Property Owner's lenders (if any), and contractual arrangements of the Property Owner or any Relevant Entities (including, if material to the Property Owner's development plan or the Property Owner's financing plan, other loans of the Property Owner or such Relevant Entities) as set forth under the sections of the Preliminary Official Statement captioned [FOR MASTER DEVELOPER: "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4—Development Plan and Current Status," "—Development Agreement and Subdivision Agreement," "—The Master Developer," and "—

Master Developer's Financing Plan] [LENNAR ONLY: "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4—Lennar Homes and the Land Bank" and "CONTINUING DISCLOSURE—Lennar Homes"] (excluding therefrom in all cases information regarding the Appraisal Report, market value ratio and annual special tax ratio, and information which is identified as having been provided by a source other than the Property Owner) is true and correct in all material respects, and did not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(10) Except as disclosed in the Preliminary Official Statement, the Property Owner has not submitted an application for, nor received actual notice of,

(i) the formation or authorization of any other assessment district or community facilities district that would include any portion of the Property, or

(ii) the authorization or issuance of any debt secured by an assessment or another special tax to be levied on any portion of the Property, other than the Special Tax.

(11) Except as set forth in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, there are no claims, disputes, lawsuits, actions or contingent liabilities of or against the Property Owner or its Relevant Entities, or among, by or between the Property Owner and any contractors working on the development of the Property, which could reasonably be expected to materially and adversely affect:

(i) the ability of the Property Owner to own and develop the Property, as described in the Preliminary Official Statement;

(ii) the ability of the Property Owner to pay Special Taxes on the Property (to the extent the responsibility of the Property Owner) prior to delinquency;

(iii) the ability of the Property Owner to carry on its business as described in the Preliminary Official Statement; or

(iv) [LENNAR ONLY: the ability of the Property Owner to perform its obligations under the Property Owner Continuing Disclosure Certificate.]

(12) The Property Owner covenants that, while the Bonds or any refunding obligations related thereto are outstanding, the Property Owner will not bring any action, suit, proceeding, inquiry or investigation at law or in equity, before any court, regulatory agency, public board or body, that in any way:

(i) seeks to challenge or overturn the formation of the Community Facilities District;

(ii) seeks to challenge the adoption of the ordinance levying Special Taxes within Improvement Area 4 of the Community Facilities District;

(iii) seeks to invalidate the Community Facilities District or any of the Bonds or any refunding obligations relating thereto; or

(iv) seeks to invalidate the special tax liens imposed under Section 3115.5 of the Streets and Highways Code based on recordation of the notices of special tax lien relating thereto.

The foregoing covenant shall not prevent the Property Owner in any way from bringing any other action, suit, proceeding, inquiry or investigation at law or in equity relating to the following:

(a) a claim that the Special Tax has not been levied in accordance with the Rate and Method;

(b) the application or use of the Special Taxes levied and collected; or

(c) the enforcement of the obligations of the City or the Community Facilities District under the Fiscal Agent Agreement or any agreements among the Property Owner and it Relevant Entities, the City and/or the Community Facilities District or to which the Property Owner or its Relevant Entities is a party or beneficiary.

(13) The Property Owner has received a copy of the Rate and Method containing the prepayment formula. The Property Owner acknowledges that any prepayment of the Special Taxes may only be made in accordance with the Rate and Method.

(14) The Property Owner intends to comply with the provision of the Mello-Roos Community Facilities Act of 1982, as amended, relating to the Notice of Special Tax described in California Government Code Section 53341.5 in connection with the sale of the Property.

(15) Based upon its current development plans, including, without limitation, its current budget and subject to economic conditions and risks generally inherent in the development of real property, including, but not limited to, the risks described in the Preliminary Official Statement under the sections "SPECIAL RISK FACTORS" and "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4," the Property Owner anticipates that it will have sufficient funds to develop and sell the Property as described in the Preliminary Official Statement and pay Special Taxes on the Property (to the extent the responsibility of the Property Owner) prior to delinquency.

However, no assurance can be given that sources of financing available to the Property Owner will be sufficient to complete the property development and home construction as currently anticipated and as described in the Preliminary Official Statement. While the Property Owner has made such internal financing available in the past, there can be no assurance whatsoever of its willingness or ability to do so in the future. Neither the Property Owner nor any of its Relevant Entities has any legal obligation of any kind to make any such funds available or to obtain loans. Other than pointing out the willingness of the Property Owner to provide internal financing in the past, the Property Owner has not represented in any way that it will do so in the future. If and to the extent that internal financing and home sales revenues are inadequate to pay the costs to complete the Property

Owner's planned development in the Community Facilities District and other financing by the Property Owner is not put into place, there could be a shortfall in the funds required to complete the proposed development by the Property Owner and portions of the Property may not be developed.

(16) The Property Owner consents to the issuance of the Bonds. The Property Owner acknowledges and agrees that the proceeds of such Bonds will be used for the acquisition and construction of the improvements described in the Preliminary Official Statement. The Property Owner acknowledges that the costs to acquire and construct such improvements are estimates, and that any increase in costs in excess of the estimated costs relating to improvements will reduce the improvements which may be financed by the City, and neither the City, nor the Community Facilities District has any obligation to provide moneys to pay for any such costs.

(17) If between the date of this Certificate and the Closing Date, any event relating to or affecting such Property Owner, its Relevant Entities, or the ownership, development or sale of the Property shall occur of which the undersigned has actual knowledge and which the undersigned believes would cause the information under the sections of the Preliminary Official Statement indicated in Paragraph 9 hereof (and subject to the limitations and exclusions contained in Section 9 of this Certificate) to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, Property Owner shall notify the City and the Underwriter and if, in the opinion of counsel to the City or the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Preliminary Official Statement, the Property Owner shall reasonably cooperate with the City in the preparation of an amendment or supplement to the Preliminary Official Statement in form and substance satisfactory to counsel to the City and to the Underwriter.

(18) The Property Owner agrees to deliver a Bring-Down Certificate, dated the Closing Date, in substantially the form attached as Appendix H to the Bond Purchase Agreement. If any event related to or affecting the Property Owner, its Relevant Entities or the ownership, development or sale of the Property occurs, as a result of which it is necessary to modify the form of Bring-Down Certificate, the Property Owner agrees to deliver at the time of issuance of the Bonds a new form of Bring-Down Certificate revised to reflect such event.

(19) The Property Owner acknowledges and agrees that:

(i) in connection with the purchase and sale of the Bonds under the Bond Purchase Agreement, and with the discussions, undertakings and procedures leading up to the consummation of the purchase and sale of the Bonds under the Bond Purchase Agreement, the Underwriter is and has been acting solely as principal and is not acting as the agent or fiduciary of the Property Owner;

(ii) the Underwriter has not assumed a fiduciary responsibility in favor of the Property Owner with respect to (a) the offering of the Bonds contemplated hereby or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Property Owner on other

matters), or (b) any other obligation to the Property Owner with respect to the offering contemplated by the Bond Purchase Agreement; and

(iii) the Property Owner has consulted its own legal, financial and other advisors to the extent it has deemed appropriate in connection with the offering of the Bonds.

(20) On behalf of the Property Owner, I have reviewed the contents of this Certificate and consulted with counsel regarding the meaning of its contents. The Property Owner acknowledges and understands that a variety of state and federal laws, including but not limited to the Securities Act of 1933, as amended, and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, as amended, may apply to the Property Owner, and that under some circumstances certification as to the matters set forth in this Certificate, without additional disclosures or other action, may not fully discharge all duties and obligations of the Property Owner under such laws.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

The undersigned has executed this Certificate solely in his or her capacity as an authorized officer or representative of Property Owner and he or she will have no personal liability arising from or relating to this Certificate. Any liability arising from or relating to this Certificate may only be asserted against the Property Owner.

[EIGHT MILE DEVELOPMENT, INC., a California corporation] [LENNAR HOMES OF CALIFORNIA, LLC, a California limited liability company]

By:_____
Name:_____
Title:_____

APPENDIX H

$_____
IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

BRING-DOWN CERTIFICATE OF
[EIGHT MILE DEVELOPMENT, INC.] [LENNAR HOMES OF CALIFORNIA, LLC]

[Closing Date]

City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
425 North El Dorado Street
Stockton, California 95202

Oppenheimer & Co. Inc.
135 Main Street, Suite 1700
San Francisco, California 94105

Reference is made to the Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds, Series 2025 (the "**Bonds**") and to the Bond Purchase Agreement, dated [BPA Date] (the "**Bond Purchase Agreement**"), entered in connection therewith. This Bring-Down Certificate of [Eight Mile Development, Inc.] [Lennar Homes of California, LLC] (the "**Bring-Down Certificate**") is delivered by [Eight Mile Development, Inc., a California corporation] [Lennar Homes of California, LLC, a California limited liability company] (the "**Property Owner**") pursuant to Section 3(E)(23) of the Bond Purchase Agreement. Capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Certificate of [Eight Mile Development, Inc.] [Lennar Homes of California, LLC] (the "**Certificate**"), dated [BPA Date] delivered by the Property Owner in connection with the distribution of the Preliminary Official Statement relating to the Bonds.

The undersigned certifies that he is familiar with the facts herein certified and is authorized and qualified to certify the same as an authorized officer or representative of the Property Owner, and the undersigned, on behalf of the Property Owner, further certifies as follows:

(1) The undersigned has received the final Official Statement relating to the Bonds, dated [BPA Date] (the "**Final Official Statement**"). Each statement made in the Certificate is affirmed and restated as if made on the date hereof; except that all references therein to the Preliminary Official Statement shall be deemed to be references to the Final Official Statement.

(2) To the Actual Knowledge of the Undersigned, no event has occurred since the date of the Preliminary Official Statement that has, in any material way, adversely affected the statements and information described in Paragraph 9 of the Certificate (and subject to the limitations and exclusions contained in Paragraph 9 of the Certificate) relating to the Property Owner and its

Relevant Entities, the Property, the Property Owner's development and financing plans, and the Property Owner's contractual arrangements (but excluding any information cited as coming from a source other than the Property Owner), which should be disclosed in the Final Official Statement for the purposes for which it is to be used in order to make such statements and information contained in the Final Official Statement not misleading in any material respect.

(3) For a period of 25 days after the Closing Date, if the undersigned has actual knowledge of any event relating to or affecting the Property Owner, its Relevant Entities, or the ownership development or sale of the Property which could cause the information under the captions of the Final Official Statement indicated in Paragraph 9 of the Certificate (and subject to the limitations and exclusions contained in Paragraph 9 of the Certificate) to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Property Owner shall notify the City and the Underwriter and if, in the opinion of counsel to the City or the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Final Official Statement, the Property Owner shall reasonably cooperate with the City in the preparation of an amendment or supplement to the Final Official Statement in form and substance satisfactory to counsel to the City and to the Underwriter.

(4) [LENNAR ONLY: The Property Owner has duly executed and delivered the Property Owner Continuing Disclosure Certificate.]

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

The undersigned has executed this Bring-Down Certificate solely in his or her capacity as an authorized officer or representative of Property Owner and he or she will have no personal liability arising from or relating to this Bring-Down Certificate. Any liability arising from or relating to this Bring-Down Certificate may only be asserted against the Property Owner.

[EIGHT MILE DEVELOPMENT, INC., a _____ corporation] [LENNAR HOMES OF CALIFORNIA, LLC, a California limited liability company]

By:_____
Name:_____
Title:_____

APPENDIX I

IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

FORM OF PROPERTY OWNER'S COUNSEL OPINION

One or more letters of counsel to Eight Mile Development, Inc., a California corporation, (the "Property Owner"), which may be in-house counsel or an outside law firm engaged by the Property Owner in connection with the issuance of the Bonds, or both, collectively to the effect that:

> No information came to the attention of the lawyers in such counsel's firm or office rendering legal services in connection with its representation of the Property Owner that caused such counsel to believe that, as of the date of the Official Statement and as of the date of such letter, the information in the sections of the Preliminary Official Statement entitled ""OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4—Development Plan and Current Status," "—Development Agreement and Subdivision Agreement," "—The Master Developer," and "—Master Developer's Financing Plan," and "SPECIAL RISK FACTORS" concerning the Property Owner and its Relevant Entities, the Property, the Property Owner 's development and financing plans, and the Property Owner's contractual arrangements (but excluding any information cited as coming from a source other than the Property Owner) (except that no belief is expressed as to (a) any financial statements and other financial, statistical, economic, or engineering data or forecasts, estimates, projections, assumptions, or expressions of opinion, or (b) any information about valuation, appraisals, market absorption, archaeological, or environmental matters), contained or contain any untrue statement of a material fact or omitted or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

APPENDIX J

IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

CERTIFICATE OF APPRAISER

Integra Realty Resources - Sacramento (the "Appraiser"), Rocklin, California prepared an appraisal of the properties within Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "Community Facilities District") with an effective date of _____, 2025 (the "Appraisal"). The Appraisal is described and summarized in the Preliminary Official Statement dated [POS Date] (the "Preliminary Official Statement") and the Official Statement dated [BPA Date] (the "Official Statement"), including as Appendix B thereto, relating to the bonds captioned above.

The Appraiser hereby certifies that, to the best of his knowledge and belief, all information with respect to the Appraisal in the Preliminary Official Statement and in the Official Statement was true and correct as of the date of the Appraisal and that the Appraiser is aware that acts and events may have occurred since the date of the Appraisal which could result in both positive and negative effects on market value; however, an updated Appraisal has not been completed as of this date.

The Appraiser hereby consents to the use of the Appraisal in connection with the distribution and use of the Preliminary Official Statement and Official Statement.

Dated: [Closing Date]

INTEGRA REALTY RESOURCES -
SACRAMENTO

By:_____

APPENDIX K

$_____
IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Oppenheimer & Co. Inc. ("Oppenheimer") hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

1. ***Sale of the General Rule Maturities***. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities***.

(a) Oppenheimer offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, dated [BPA Date], by and between Oppenheimer and the Issuer, Oppenheimer has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms***.

(a) *Issuer* means the City of Stockton.

(b) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(c) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(d) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which Oppenheimer has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [BPA Date].

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Oppenheimer's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Jones Hall LLP, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

OPPENHEIMER & CO. INC.

By:_____

Name:_____

Dated: [Closing Date]

SCHEDULE A

SALE PRICES

(*Attached)*

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(*Attached*)

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST __, 2025

NEW ISSUE–FULL BOOK-ENTRY **NOT RATED**

In the opinion of Jones Hall LLP, San Mateo, California, as Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS.

$26,285,000*
IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

Dated: Date of Delivery **Due: September 1, as shown on inside cover**

The City of Stockton (the "City") is issuing the above-captioned bonds (the "Bonds") for Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) ("Improvement Area 4") under the Mello-Roos Community Facilities Act of 1982 (the "Act"), the Resolution of Issuance (as defined herein), and a Fiscal Agent Agreement, dated as of October 1, 2025 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent"). See "THE BONDS – Authority for Issuance."

The Bonds are being issued to (i) construct and/or acquire certain public facilities authorized for the District (defined herein), (ii) pay capitalized interest on a portion of the Bonds through September 1, 2026, (iii) establish a debt service reserve fund for the Bonds, and (iv) pay initial administration costs and the costs of issuing the Bonds. See "SOURCES AND USES OF FUNDS."

The Bonds are payable from the Net Taxes (as defined herein) received by the City from special taxes levied on property within Improvement Area 4 according to the rate and method of apportionment of special tax for Improvement Area 4. The Bonds are secured by a first pledge of the Net Taxes levied and collected in Improvement Area 4 and the moneys on deposit in certain funds held by the Fiscal Agent under the Fiscal Agent Agreement. See "SECURITY FOR THE BONDS."

Improvement Area 4 constitutes a portion of a large, ongoing development in the City known as the Westlake Villages Development. Land within CFD 2018-2 (Westlake Village II) (the "District") is planned for 2,186 single-family homes, as well as neighborhood parks, a school site, and a series of artificial lakes to aid in flood control. Taxable land in Improvement Area 4, which is the only portion of the District that constitutes security for the Bonds, is developing into 1,240 single-family residential units in 14 villages. The Master Developer, which is owned by members of the Spanos family, has obtained final maps for all 1,240 residential lots, and sold 511 partially improved lots in 5 villages (Villages A, B, K, I and J) to Lennar Homes of California LLC ("Lennar Homes"), which is currently developing, marketing and selling homes to individual homeowners. The remaining lots/villages are owned are being marketed by the Master Developer to merchant homebuilders. All of the required backbone and in-tract improvements are in place for Lennar Homes' 511 lots, including paved access and public utilities to the lots. As of June 30, 2025, with respect to the 1,240 lots in Improvement Area 4, 140 homes had been completed, sold and closed to individual homeowners, 45 homes had been completed but still owned by Lennar Homes, 179 homes were under construction and 729 lots were owned by the Master Developer or its affiliates. See "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4."

Interest on the Bonds is payable semiannually on each March 1 and September 1, commencing March 1, 2026. The Bonds will be issued in denominations of $5,000 or integral multiples of $5,000. The Bonds, when delivered, will be initially registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds. See "THE BONDS – Description of the Bonds" and "APPENDIX G – DTC and the Book-Entry Only System."

The Bonds are subject to optional redemption, mandatory sinking fund redemption and special mandatory redemption from prepaid special taxes. See "THE BONDS – Redemption."

The Bonds, the interest thereon, and any premiums payable on the redemption of any Bonds, are not an indebtedness of the City (except to the limited extent described in this Official Statement), the State of California (the "State") or any of their respective political subdivisions. None of the City (except to the limited extent described in this Official Statement), the State or any of its political subdivisions is liable for the Bonds. Neither the faith and credit nor the taxing power of the City (except to the limited extent described in this Official Statement) or the State or any of their respective political subdivisions is pledged to the payment of the Bonds. Other than the Net Taxes, no taxes are pledged to the payment of the Bonds. The Bonds do not constitute a general obligation of the City, but are limited obligations of the City payable solely from the Net Taxes as more fully described in this Official Statement.

MATURITY SCHEDULE

(see inside cover)

This cover page contains certain information for quick reference only. It is not a summary of essential information about the Bonds. Potential investors should read this entire Official Statement to obtain information essential for making an informed investment decision. Investment in the Bonds involves risks that may not be appropriate for some investors. See "SPECIAL RISK FACTORS" for a discussion of special risk factors that should be considered in evaluating the investment quality of the Bonds.

The Bonds are offered when, as and if issued by the City and accepted by the Underwriter, subject to approval as to their legality by Jones Hall LLP, San Mateo, California, Bond Counsel, and subject to certain other conditions. Jones Hall LLP is also serving as Disclosure Counsel to the City. Certain matters will be passed upon for the City by the City Attorney, and for the Underwriter by Kutak Rock LLP, Los Angeles, California. It is anticipated that the Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about October 1, 2025*.

[Oppenheimer Logo]

The date of this Official Statement is: _____, 2025.

*Preliminary; subject to change.

MATURITY SCHEDULE

$ _____ Serial Bonds
(Base CUSIP†: _____)

Maturity (September 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP†

$ ___ __% Term Bond due September 1, 20___, Yield: __%, Price: __%, CUSIP† No. _____

$ ___ __% Term Bond due September 1, 20___, Yield: __%, Price: __%, CUSIP† No. _____

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright (c) 2025 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the City, the Underwriter or their agents or counsel take any responsibility for the accuracy of such numbers.

CITY OF STOCKTON, CALIFORNIA

City Council
Christina Fugazi, *Mayor*
Jason Lee, *Vice Mayor and Councilmember, District 6*
Michele Padilla, *Councilmember, District 1*
Mariela Ponce, *Councilmember, District 2*
Michael Blower, *Councilmember, District 3*
Mario Enriquez, *Councilmember, District 4*
Brando Villapudua, *Councilmember, District 5*

City Staff
Steve Colangelo, *Interim City Manager*
[Vacant]*, *Chief Financial Officer*
Carmen Barragan, *Debt and Treasury Manager*
Katherine Roland, *City Clerk*
Lori M. Asuncion, *City Attorney*

SPECIAL SERVICES

Municipal Advisor
Del Rio Advisors, LLC
Modesto, California

Bond Counsel and Disclosure Counsel
Jones Hall LLP
San Mateo, California

Special Tax Consultant
DTA
San José, California

Appraiser
Integra Realty Resources – Sacramento
Sacramento, California

Fiscal Agent
U.S. Bank Trust Company, National Association
San Francisco, California

* The City is undertaking a search process to hire a new Chief Financial Officer.

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GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

Estimates and Forecasts. When used in this Official Statement and in any continuing disclosure by the City, in any press release and in any oral statement made with the approval of an authorized officer of the City, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend" and similar expressions may identify "forward looking statements." Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the City since the date hereof.

Limit of Offering. No dealer, broker, salesperson or other person has been authorized by the City or the Underwriter to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Involvement of Underwriter. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City, the District or Improvement Area 4 since the date hereof. All summaries of the Fiscal Agent Agreement or other documents referred to in this Official Statement, are made subject to the provisions of such documents, respectively, and do not purport to be complete statements of any or all of such provisions.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS, INSTITUTIONAL INVESTORS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXCEPTION FROM THE REGISTRATION REQUIREMENTS CONTAINED IN SUCH ACT. THE BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

The City maintains an Internet website, but the information on that website is not incorporated in this Official Statement.

[REGIONAL LOCATION MAP]

OFFICIAL STATEMENT

$26,285,000*
IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

This Official Statement, including the cover page, inside cover and attached appendices, is provided to furnish information regarding the bonds captioned above (the "**Bonds**") to be issued by the City of Stockton (the "**City**") on behalf of Improvement Area 4 ("**Improvement Area 4**") of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "**District**").

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Definitions of certain terms used herein and not defined herein have the meaning set forth in the Fiscal Agent Agreement. See "APPENDIX C – Summary of Certain Provisions of the Fiscal Agent Agreement."

INTRODUCTION

This introduction is not a summary of the entire Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained throughout the Official Statement, including the cover page, inside cover and attached appendices, and documents summarized or described in this Official Statement. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

Authority for Issuance. The Bonds are issued pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended (Sections 53311, *et seq*., of the Government Code of the State of California) (the "**Act**") and pursuant to a Fiscal Agent Agreement dated as of October 1, 2025 (the "**Fiscal Agent Agreement**") between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "**Fiscal Agent**"), and a resolution (the "**Resolution of Issuance**") adopted on [August 12], 2025 by the City Council of the City (the "**City Council**"), as legislative body of the District. See "THE BONDS – Authority for Issuance."

The City and the County. The City boundaries encompass approximately 64.8 square miles in the center of San Joaquin County (the "**County**") in California's San Joaquin Valley, 78 miles east of the San Francisco Bay area, 345 miles north of Los Angeles and 45 miles south of Sacramento. The City is a municipal corporation and a charter city, duly organized and existing under the constitution and laws of the State. For economic and demographic information regarding the City and the County, see "APPENDIX D – San Joaquin County and City of Stockton Demographic Information."

* Preliminary; subject to change.

Description of the Bonds. The Bonds will be issued in denominations of $5,000 or any integral multiple of $5,000. Interest is payable semiannually on each March 1 and September 1, commencing March 1, 2026. The Bonds will be initially issued only in book-entry form and registered to Cede & Co. as nominee of The Depository Trust Company ("**DTC**"), which will act as securities depository of the Bonds. Principal and interest (and premium, if any) on the Bonds is payable by the Fiscal Agent to DTC, which remits such payments to its Participants for subsequent distribution to the registered owners as shown on the Fiscal Agent's books. See "THE BONDS."

Use of Proceeds. Proceeds of the Bonds will primarily be used to finance a portion of the costs of acquiring and constructing certain public infrastructure improvements authorized to be financed by the District (the "**Improvements**," as described herein). The Improvements consist generally of roadway, water, drainage, wastewater, and other infrastructure improvements necessary for completion of development of property within the District. The cost of a portion of the Improvements will be reimbursed by the proceeds of the Bonds and may also be reimbursed using pay-as-you-go financing from the Special Tax. See "THE IMPROVEMENTS." Proceeds of the Bonds will also be used to establish a reserve fund (described below) available for payment on the Bonds, to pay capitalized interest on a portion of the Bonds through September 1, 2026, and to provide initial administration costs and to pay the costs of the issuance of the Bonds.

The District and the Improvement Areas. In June 2018, the District was formed with two initial improvements areas: Improvement Area 1 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) ("**Improvement Area 1**") and Improvement Area 2 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) ("**Improvement Area 2**"). In January 2022, certain parcels that were within Improvement Area 2 were moved into two additional improvement areas of the District: Improvement Area 3 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) ("**Improvement Area 3**") and Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) ("**Improvement Area 4**") and, among other things, the maximum bond authorization for Improvement Area 4 was established at $90,000,000. Improvement Area 1, Improvement Area 2, Improvement Area 3, and Improvement Area 4 are collectively referred to as the "**Improvement Areas**" and special tax bonds have previously been issued for other Improvement Areas. ***The Bonds described herein will be the first "new money" series to be issued for Improvement Area 4; the Bonds are only payable from net Special Taxes levied in Improvement Area 4, as described herein.***

Land within the District (consisting of the four Improvement Areas) is known as the "Westlake Villages Development," and is planned to develop into 2,186 homes, as well as neighborhood parks, a school site and a series of man-made lakes to aid in flood control. It is bounded on the west by Bishop Cut, on the north by Eight Mile Road, on the east by Regatta Lane and on the south by Disappointment Slough. Land in the District is part of a larger development being undertaken in the area. See "THE DISTRICT AND IMPROVEMENT AREA 4" for additional information.

Ownership and Development of Property. Stockton Westlake Investment, LLC, a California limited liability company ("**Stockton Westlake Investment, LLC**"), or an affiliated entity, previously owned all the land in Improvement Area 4. Eight Mile Development, Inc., a California corporation (the "**Master Developer**"), which is affiliated with Stockton Westlake Investment, LLC, is constructing the backbone infrastructure necessary for the lots being developed within Improvement Area 4.

The Master Developer, which is owned by members of the Spanos family, has obtained final maps for all 1,240 residential lots, and sold 511 partially improved lots in 5 villages (Villages A, B, K, I and J) to Lennar Homes of California LLC ("**Lennar Homes**"), which is currently developing, marketing and selling homes to individual homeowners. Some of the lots being developed by Lennar Homes are owned by KLLB AIV LLC, a Delaware limited liability company and/or KL LB BUY 1 LLC, a Delaware limited liability company (together, the "**Land Bank**"), which are jointly serving as landbank to Lennar Homes. The remaining lots/villages are owned are being marketed by the Master Developer to merchant homebuilders.

As of June 30, 2025, with respect to the 1,240 lots in Improvement Area 4, 140 homes had been completed, sold and closed to individual homeowners, 45 homes had been completed but still owned by Lennar Homes, 179 homes were under construction and 729 lots were owned by the Master Developer or its affiliates.

The 511 residential lots currently being developed by Lennar Homes within Improvement Area 4 are generally located at the intersection of Westlake Drive and Scott Creek Drive, within the City. All of the required backbone and in-tract improvements are in place for Lennar Homes' 511 lots, including paved access and public utilities to the lots. Lennar Homes is developing its 511 lots into five villages ranging from 69 to 145 lots with typical lot sizes from 4,500 to 7,350 square feet. Several of the villages have waterfront lots on man-made lakes, which (according to the Appraiser) demand a premium. The five villages are being developed into six communities with floor plans ranging in size from 1,579 to 3,647 square feet.

See "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4" for additional details on the Master Developer, Lennar Homes, and the ongoing development in Improvement Area 4.

Security and Sources of Payment for the Bonds. The City Council annually levies special taxes on the property in Improvement Area 4 (the "**Special Taxes**") in accordance with the Rate and Method of Apportionment for Improvement Area 4 of City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "**Special Tax Formula**"), which is attached as APPENDIX A to this Official Statement. The Bonds are secured by and payable from a first pledge of the "**Net Taxes,**" which are comprised of Gross Taxes less Administrative Expenses. "**Gross Taxes**" is defined in the Fiscal Agent Agreement as the proceeds of the Special Taxes received by the City, including any scheduled payments and any prepayments thereof and interest thereon, and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes to the amount of said lien and interest thereon. "Gross Taxes" does not include any penalties collected in connection with delinquent Special Taxes or any interest in excess of the interest due on the Bonds. The Bonds are also secured by certain funds and accounts established and held under the Fiscal Agent Agreement. In particular, a debt service reserve fund (the "**Reserve Fund**"), and within the Reserve Fund, the "**2025 Reserve Account**," established in connection with the issuance of the Bonds in an amount equal to the Reserve Requirement (as defined herein) for the Bonds as of their date of delivery. See "SECURITY FOR THE BONDS."

Pursuant to the Act, the Resolution of Issuance, and the Fiscal Agent Agreement, so long as any Bonds are outstanding, the City will annually levy the Special Tax against all land within Improvement Area 4 taxable under the Act in accordance with the Special Tax Formula and to make provision for the collection of the Special Tax in amounts which will be sufficient to pay interest on, principal of and redemption premium (if any) on the Bonds as such becomes due and payable and to replenish the Reserve Fund as necessary. See "SECURITY FOR THE BONDS

– Special Tax Methodology" and "APPENDIX A – Rate and Method of Apportionment of Special Tax."

Unpaid Special Taxes do not constitute a personal indebtedness of the owners of any of the parcels within Improvement Area 4. In the event of delinquency, proceedings may be conducted only against the real property on which the Special Tax is delinquent. The unpaid Special Taxes are not required to be paid upon sale of property within Improvement Area 4.

Covenant to Foreclose. The City has covenanted in the Fiscal Agent Agreement to cause foreclosure proceedings to be commenced and prosecuted against certain parcels with delinquent installments of the Special Taxes. For a more detailed description of the foreclosure covenant, see "SECURITY FOR THE BONDS – Delinquent Payments; Teeter Plan; Covenant for Superior Court Foreclosure."

Additional Bonds for Refunding Purposes Only. The Fiscal Agent Agreement provides that additional bonds secured by the Net Taxes may be issued by the City only for the purpose of refunding then-Outstanding Bonds. See "SECURITY FOR THE BONDS – Additional Bonds for Refunding Purposes Only."

Value Estimate of Property in Improvement Area 4. Taxable real property within Improvement Area 4 is security for the Special Tax securing the Bonds and is comprised of both developed and undeveloped property. To obtain an estimate of the value of taxable property in Improvement Area 4, the City ordered an appraisal dated July 3, 2025 (the "**Appraisal**"), prepared by Integra Realty Resources, Sacramento, California (the "**Appraiser**"), with a June 30, 2025 date of value. The Appraisal is described herein under the caption "VALUE OF PROPERTY WITHIN IMPROVEMENT AREA 4 AND SPECIAL TAX BURDEN – The Appraisal" and attached hereto in its entirety as APPENDIX B. The Appraisal estimates the value of the properties which are subject to the Special Tax as of the date of value of approximately $167,584,000. This represents a "not-less-than value" based on the smallest floorplans for completed homes. See the Appraisal in APPENDIX B.

Based upon the $167,584,000 appraised value of taxable property in Improvement Area 4 and an estimated principal amount of Bonds of $26,285,000*, as well as overlapping land-secured debt attributable to those parcels of $161,353, for a total direct and overlapping land-secured debt amount of $26,446,353*, the value-to-lien ratio for such property is approximately 6.34* to 1; provided, however, that the value-to-lien ratio of individual parcels may vary significantly. See "VALUE OF PROPERTY WITHIN IMPROVEMENT AREA 4 AND SPECIAL TAX BURDEN – Value to Special Tax Burden Ratios."

Redemption of Bonds Before Maturity. The Bonds are subject to optional redemption, mandatory sinking fund redemption and special mandatory redemption from prepaid Special Taxes. See "THE BONDS – Redemption."

Risk Factors Associated with Purchasing the Bonds. Investment in the Bonds involves risks that may not be appropriate for some investors. See "SPECIAL RISK FACTORS" for a discussion of certain risk factors which should be considered, in addition to the other matters set forth in this Official Statement, in considering the investment quality of the Bonds.

* Preliminary; subject to change.

Limited Obligation of the City. The Bonds, the interest thereon, and any premiums payable on the redemption of any Bonds, are not an indebtedness of the City (except to the limited extent described in this Official Statement), the State of California (the "**State**") or any of their respective political subdivisions. None of the City (except to the limited extent described in this Official Statement), the State or any of its political subdivisions is liable for the Bonds. Neither the faith and credit nor the taxing power of the City (except to the limited extent described in this Official Statement) or the State or any of their respective political subdivisions is pledged to the payment of the Bonds. Other than the Net Taxes, no taxes are pledged to the payment of the Bonds. The Bonds do not constitute a general obligation of the City, but are limited obligations of the City payable solely from the Net Taxes as more fully described in this Official Statement.

Summary of Information. Brief descriptions of certain provisions of the Fiscal Agent Agreement and certain other documents are included herein. The descriptions and summaries of documents herein do not purport to be comprehensive or definitive, and reference is made to each such document for the complete details of all its respective terms and conditions, copies of which are available for inspection at the office of the City. All statements herein with respect to certain rights and remedies are qualified by reference to laws and principles of equity relating to or affecting creditors' rights generally. Capitalized terms used in this Official Statement and not otherwise defined herein have the meanings ascribed to such terms in the Fiscal Agent Agreement. See "APPENDIX C – Summary of Certain Provisions of the Fiscal Agent Agreement." The information and expressions of opinion herein speak only as of the date of this Official Statement and are subject to change without notice. Neither delivery of this Official Statement, any sale made hereunder, nor any future use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the City, the District or Improvement Area 4 since the date hereof.

SOURCES AND USES OF FUNDS

A summary of the estimated sources and uses of funds associated with the sale of the Bonds follows.

Sources	
Principal Amount of Bonds	$
Plus/Less: [Net] Original Issue Premium/Discount	
Total Sources	$
Uses	
Improvement Fund	$
Deposit to Interest Account [(1)]	
Deposit to 2025 Reserve Account of Reserve Fund [(2)]	
Costs of Issuance [(3)]	
Total Uses	$

(1) Capitalized interest will be used to pay debt service on the Bonds on March 1, 2026.
(2) Equal to the Reserve Requirement with respect to the Bonds as of their date of delivery.
(3) Includes, among other things, the fees and expenses of Bond Counsel and Disclosure Counsel, the Fiscal Agent, the Appraiser, the Special Tax Administrator, and the Municipal Advisor, Underwriter's discount, as well as the cost of printing the preliminary and final Official Statements.

THE BONDS

This section generally describes certain of the terms of the Bonds contained in the Fiscal Agent Agreement. See "APPENDIX C – Summary of Certain Provisions of the Fiscal Agent Agreement."

Authority for Issuance

The Bonds are issued pursuant to the Fiscal Agent Agreement, the Resolution of Issuance, and the Act. On June 19, 2018, the City Council adopted Resolution No. 2018-06-19-1502-01 (the "**Resolution of Formation**"), which formed the District and Improvement Area 1 and Improvement Area 2 therein. In January 2022, certain parcels that were formerly within Improvement Area 2 were moved into newly established Improvement Area 3 and Improvement Area 4 and, among other things, the maximum bond authorization for Improvement Area 4 was established at $90,000,000. *The Bonds will be the first "new money" series to be issued for Improvement Area 4. Additional Bonds secured by the Net Taxes may be issued by the City in the future, subject to the conditions of the Fiscal Agent Agreement.*

Description of the Bonds

The Bonds are being issued as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company ("**DTC**"), and will be available to ultimate purchasers in the denomination of $5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. Ultimate purchasers of Bonds will not receive physical certificates representing their interest in the Bonds. So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, references herein to the Owners will mean Cede & Co., and will not mean the ultimate purchasers of the Bonds.

Payments of the principal, premium, if any, and interest on the Bonds will be made directly to DTC, or its nominee, Cede & Co., so long as DTC or Cede & Co. is the registered owner of the Bonds. Disbursements of such payments to DTC's participants is the responsibility of DTC, and disbursements of such payments to the Beneficial Owners is the responsibility of DTC's participants and indirect participants, as more fully described in "APPENDIX G – DTC and the Book-Entry Only System."

The Bonds will be dated as of, and bear interest from, the date of their delivery at the rates contained, and mature in the amounts and years shown on the inside cover page of this Official Statement.

The principal of, and any redemption premium due with respect to, the Bonds will be payable in lawful money of the United States of America at the principal corporate trust office of the Fiscal Agent in San Francisco, California, or such other place as designated by the Fiscal Agent, upon presentation and surrender of the Bonds. Interest on the Bonds, computed on the basis of a 360-day year consisting of twelve 30-day months, will be paid in lawful money of the United States of America semiannually on March 1 and September 1 of each year (each an "**Interest Payment Date**"), commencing March 1, 2026.

Interest on the Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check of the Fiscal Agent mailed on each Interest Payment Date by first class mail to the registered Owner thereof at such registered Owner's address as it appears on the registration books maintained by the Fiscal Agent at the close of business on the 15th day

of the calendar month preceding the Interest Payment Date (the "**Record Date**"), or by wire transfer made on such Interest Payment Date upon written instructions received by the Fiscal Agent on or before the Record Date preceding the Interest Payment Date, of any Owner of $1,000,000 or more in aggregate principal amount of Bonds; provided that so long as any Bonds are in book-entry form, payments with respect to such Bonds will be made by wire transfer, or such other method acceptable by the Fiscal Agent, to DTC. See "APPENDIX G – DTC and the Book-Entry Only System."

Each Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof unless (i) it is authenticated on an Interest Payment Date, in which event it will bear interest from such date of authentication, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the Record Date preceding such Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or (iii) it is authenticated prior to the Record Date preceding the first Interest Payment Date, in which event it will bear interest from the dated date; provided, however, that if at the time of authentication of a Bond, interest is in default thereon, such Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, payments of the principal, premium, if any, and interest on the Bonds will be made directly to DTC, or its nominee, Cede & Co. Disbursements of such payments to DTC's participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of DTC's direct participants and indirect participants, as more fully described herein. See "APPENDIX G – DTC and the Book-Entry Only System."

Redemption*

Optional Redemption. The Bonds are subject to optional redemption from any source of available funds prior to maturity, in whole, or in part among maturities as specified by the City and by lot within a maturity, on any date on or after September 1, ____, at the following respective redemption prices (expressed as percentages of the principal amount of the Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

Redemption Dates	**Redemption Price**
September 1, _____ through August 30, ____	
September 1, _____ through August 30, ____	
September 1, _____ through August 30, ____	
September 1, _____ and any date thereafter	

Mandatory Redemption from Prepayments. The Bonds are subject to mandatory redemption from Prepayments of the Special Tax by property owners, in whole or in part among maturities as specified by the City and by lot within a maturity, on any Interest Payment Date at the following respective redemption prices (expressed as percentages of the principal amount of the Bonds to be redeemed), plus accrued interest thereon to the date of redemption:

* Preliminary; subject to change.

Redemption Dates	**Redemption Price**
Interest Payment Dates through March 1, _____	
September 1, _____ and March 1, _____	
September 1, _____ and March 1, _____	
September 1, _____ and Interest Payment Dates thereafter	

Mandatory Sinking Fund Redemption. The Bonds maturing September 1, ____ and September 1, ____ (the "**Term Bonds**") are subject to mandatory sinking payment redemption in part on September 1, ____ and September 1, ____, respectively, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts as set forth in the following tables:

Term Bonds Due September 1, ____

Mandatory Redemption Date (September 1)	**Sinking Fund Payment**

Term Bonds Due September 1, ____

Mandatory Redemption Date (September 1)	**Sinking Fund Payment**

The amounts in the foregoing tables will be reduced pro rata, in order to maintain substantially uniform debt service, as a result of any prior partial optional redemption or mandatory redemption of the Term Bonds.

Purchase In Lieu of Redemption. In lieu of redemption, moneys in the Redemption Account may be used and withdrawn by the Fiscal Agent for purchase of outstanding Bonds, upon the filing with the Fiscal Agent of an Officer's Certificate requesting such purchase, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer's Certificate may provide, but in no event may Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase.

Redemption Procedure by Fiscal Agent. The Fiscal Agent will cause notice of any redemption to be mailed by first class mail, postage prepaid, at least 30 days but not more than 60 days prior to the date fixed for redemption, to the Securities Depositories and to one or more Information Services, and to the respective registered Owners of any Bonds designated for redemption, at their addresses appearing on the Bond registration books in the principal office of the Fiscal Agent; but such mailing is not a condition precedent to such redemption and failure to mail or to receive any such notice, or any defect therein, will not affect the validity of the proceedings for the redemption of such Bonds.

Such notice will state the redemption date and the redemption price and, if less than all of the then outstanding Bonds are to be called for redemption, will designate the CUSIP numbers and Bond numbers of the Bonds to be redeemed by giving the individual CUSIP number and Bond number of each Bond to be redeemed or will state that all Bonds between two stated Bond numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption, will state as to any Bond called in part the principal amount thereof to be redeemed, and will require that such Bonds be then surrendered at the principal office of the Fiscal Agent for redemption at the said redemption price, and will state that further interest on such Bonds will not accrue from and after the redemption date.

Whenever provision is made in the Fiscal Agent Agreement for the redemption of less than all of the Bonds of any maturity, the Fiscal Agent will select the Bonds to be redeemed, from all Bonds or such given portion thereof of such maturity by lot in any manner which the Fiscal Agent in its sole discretion deems appropriate. Upon surrender of Bonds redeemed in part only, the City will execute and the Fiscal Agent will authenticate and deliver to the registered Owner, at the expense of the City, a new Bond or Bonds, of the same series and maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.

City's Right to Rescind. The City has the right to rescind any notice of the optional redemption of Bonds and such notice may be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption. Neither the City nor the Fiscal Agent will have any liability to the Owners of the Bonds or any other party related to any such rescission of redemption.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the Bonds so called for redemption are deposited in the Redemption Account, such Bonds so called will cease to be entitled to any benefit under the Fiscal Agent Agreement other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

Transfer or Exchange of Bonds

So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, transfers and exchanges of Bonds will be made in accordance with DTC procedures. See APPENDIX G. Any Bond may, in accordance with its terms, be transferred or exchanged by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form approved by the Fiscal Agent. Whenever any Bond(s) will be surrendered for transfer or exchange, the City will execute and the Fiscal Agent will authenticate and deliver a new Bond(s), for a like aggregate principal amount of Bond(s) of authorized denominations and of the same maturity. The City will pay the cost for any services rendered or any expenses incurred by the Fiscal Agent in connection with any such transfer or exchange. The Fiscal Agent will collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer or exchange.

No transfers or exchanges of Bonds will be required to be made (i) within 15 days prior to the date established by the Fiscal Agent for selection of Bonds for redemption or (ii) with respect to a Bond after that Bond has been selected for redemption.

SECURITY FOR THE BONDS

Pledge of Special Taxes

The Bonds are secured by and payable from a first pledge of the Net Taxes. The Bonds are secured by and payable from a first pledge of the "**Net Taxes,**" which are comprised of Gross Taxes less Administrative Expenses. "**Gross Taxes**" is defined in the Fiscal Agent Agreement as the proceeds of the Special Taxes received by the City, including any scheduled payments and any prepayments thereof and interest thereon, and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Taxes to the amount of said lien and interest thereon. "Gross Taxes" does not include any penalties collected in connection with delinquent Special Taxes or any interest in excess of the interest due on the Bonds.

The Bonds are also secured by the Reserve Fund held under the Fiscal Agent Agreement and, subject to prior disbursement to pay costs of the Improvements, moneys in the Improvement Fund. Until disbursed as provided in the Fiscal Agent Agreement, moneys in the Special Tax Fund, are pledged to the payment of the principal of, and interest and any premium on, the Bonds, as provided in the Fiscal Agent Agreement and in the Act, until all the Bonds have been paid and retired, or until moneys or Federal Securities have been set aside irrevocably for that purpose.

The Improvements are not pledged to pay the debt service on the Bonds. Any proceeds of condemnation, destruction or other disposition of any Improvements are not pledged to pay the debt service on the Bonds and are free and clear of any lien or obligation imposed under the Fiscal Agent Agreement.

Special Taxes

A Special Tax applicable to each taxable parcel in Improvement Area 4 will be levied and collected according to the tax liability determined by the City Council through the application of the Special Tax Formula, the complete copy of which is set forth in APPENDIX A hereto, for all taxable properties in Improvement Area 4. Interest and principal on the Bonds are payable from the annual Special Taxes to be levied and collected on taxable property within Improvement Area 4, from amounts held in the funds and accounts established under the Fiscal Agent Agreement (other than the Rebate Fund) and from the proceeds, if any, from the sale of such property for delinquency of such Special Taxes. For purposes of this Official Statement, DTA has served as special tax consultant to the City (the "**Special Tax Consultant**") and prepared certain information regarding the Special Taxes applicable to Improvement Area 4.

Under the Special Tax Formula, taxable parcels in Improvement Area 4 are subject to both (i) "**Special Tax A**," which is levied for public facilities, and (ii) "**Special Tax B**" which is levied for public services. ***Only Special Tax A is pledged to the Bonds and all references in this Official Statement to the Special Tax securing the Bonds means "Special Tax A" as defined in the Special Tax Formula.***

The Special Taxes are exempt from the property tax limitation of Article XIIIA of the California Constitution, pursuant to Section 4 thereof as a "special tax" authorized by a two-thirds vote of the qualified electors. The levy of the Special Taxes was authorized by the City pursuant to the Act in an amount determined according to the Special Tax Formula approved by the City. See "–Special Tax Methodology" below and "APPENDIX A – Rate and Method of Apportionment of Special Tax."

The amount of Special Taxes that Improvement Area 4 may levy in any year, and from which principal and interest on the Bonds is to be paid, is strictly limited by the maximum rates approved by the qualified electors within Improvement Area 4 which are set forth as the "Maximum Special Tax A" for facilities in the Special Tax Formula (the "**Maximum Annual Special Tax**"). Under the Special Tax Formula, Special Taxes for the purpose of making payments on the Bonds will be levied annually in an amount, not in excess of the annual Maximum Annual Special Tax. The Special Taxes and any interest earned on the Special Taxes constitute a trust fund for the principal of and interest on the Bonds pursuant to the Fiscal Agent Agreement and, so long as the principal of and interest on these obligations remains unpaid, the Special Taxes and investment earnings thereon will not be used for any other purpose, except as permitted by the Fiscal Agent Agreement, and will be held in trust for the benefit of the owners thereof and will be applied pursuant to the Fiscal Agent Agreement. The Special Tax Formula apportions the Annual Costs (as defined in the Special Tax Formula and described below) among the taxable parcels of real property within Improvement Area 4 according to the rate and methodology set forth in the Special Tax Formula. See "–Special Tax Methodology" below. See also "APPENDIX A – Rate and Method of Apportionment of Special Tax."

The City may levy the Special Tax at the Maximum Annual Special Tax rate, which has been authorized by the qualified electors within Improvement Area 4, as set forth in the Special Tax Formula, if conditions so require. Because each year's Special Tax levy is limited to the Maximum Annual Special Tax rates authorized as set forth in the Special Tax Formula, no assurance can be given that, in the event of Special Tax delinquencies, the amount of the Annual Costs will in fact be collected in any given year. See "SPECIAL RISK FACTORS – Levy and Collection of the Special Tax" herein. The Special Taxes are collected for the City by the County in the same manner and at the same time as *ad valorem* property taxes.

Special Tax Methodology

The Special Tax authorized under the Act applicable to land within Improvement Area 4 will be levied and collected according to the tax liability determined by the City through the application of the appropriate amount or rate as described in the Special Tax Formula set forth in "APPENDIX A – Rate and Method of Apportionment of Special Tax" and in accordance with the Act. See "SPECIAL RISK FACTORS – Levy and Collection of Special Tax." Capitalized terms set forth in this section and not otherwise defined have the meanings set forth in the Special Tax Formula.

Determination of Special Tax Requirement for Facilities. Each year, the City will determine the "**Special Tax Requirement for Facilities**," which includes the following items (less any applicable credits for available revenues):

(i) debt service on bonds issued for Improvement Area 4;
(ii) any amounts needed to replenish bond reserve funds;
(iii) pay Administrative Expenses;
(iv) an amount equal to Special Tax delinquencies reasonably anticipated for such year and for previous year's delinquencies in excess of the amount estimated for such year; and
(v) pay-as-you-go construction expenditures for authorized improvements.

The calculation of the Special Tax Requirement for Facilities is the basis for the amount of Special Tax to be levied within Improvement Area 4. In no event may the City levy a Special

Tax in any year above the Maximum Annual Special Tax identified for each parcel in the Special Tax Formula.

Parcels Subject to the Special Tax. Each Fiscal Year, all Taxable Property within Improvement Area 4 shall be classified as Developed Property, Final Mapped Property, Undeveloped Property, Taxable Property Owner Association Property, or Taxable Public Property and shall be subject to Special Taxes in accordance with the Special Tax Formula determined pursuant to the provisions thereof. Residential Property shall be assigned to Land Use Classes 1 through 6 as listed in Table 1 in the Special Tax Formula based on the description and the Residential Floor Area for each Dwelling Unit. Non-Residential Property shall be assigned to Land Use Class 7.

Transition Year. A portion of the Maximum Special Tax A will transition from being used for public facilities to public services as described in the Special Tax Formula as of the Transition Year. "**Transition Year**" means the first year in which the CFD Administrator determines that the Transition Event has occurred in the prior Fiscal Year, and "**Transition Event**" means the earlier of (i) July 1, 2072 or (ii) the Fiscal Year when the CFD Administrator determines that the following events have occurred: (i) all Bonds secured by the levy and collection of Special Tax A in the CFD have been fully repaid, (ii) all Administrative Expenses from prior Fiscal Years have been paid or reimbursed to the City, and (iii) there are no other Authorized Facilities that the City intends to fund with Bonds and Facilities Taxes.

Assigned Special Tax A and Backup Special Tax A. The Maximum Special Tax A for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax A and (ii) the amount derived by application of the Backup Special Tax A. In the Transition Year and each Fiscal Year thereafter, no Special Tax A shall be levied on Undeveloped Property, unless there are delinquent Special Tax A amounts on a Parcel of Undeveloped Property, in which case such delinquent Special Tax A amounts can continue to be levied against a parcel until they are collected.

Developed Property. Residential Property shall be assigned to Land Use Classes 1 through 6 as listed in Table 1 to the Special Tax Formula based on the Residential Floor Area for each Dwelling Unit. Non-Residential Property shall be assigned to Land Use Class 7. Pursuant to the Special Tax Formula, the Assigned Special Tax that was authorized to be levied in Fiscal Year 2021-22 for each Assessor's Parcel classified as Developed Property is shown on Table 1 to the Special Tax Formula. The Backup Special Tax A for an Assessor's Parcel of Developed Property equaled $25,922 per Acre for Fiscal Year 2021-22. On each July 1, the Assigned Special Tax A and the Backup Special Tax A shall be increased by an amount equal to 2.00% of the amount in effect for the previous Fiscal Year. The Assigned Special Taxes for Fiscal Year 2025-26 are set forth in Table 5, herein.

Furthermore, all Assessor's Parcels shall be relieved simultaneously and permanently from the obligation to pay and disclose the Backup Special Tax A if the CFD Administrator calculates that (i) the annual debt service required for the Outstanding Bonds, when compared to the Assigned Special Tax A that could be levied against all Assessor's Parcels of Developed Property, results in 110% debt service coverage (i.e., the Assigned Special Tax A that could be levied against all Developed Property in each remaining Fiscal Year based on the then existing development is at least equal to the sum of (a) 1.10 times the debt service necessary to support the remaining Outstanding Bonds in each corresponding Fiscal Year, and (b) the Administrative Expenses as defined in

Section A of the Special Tax Formula), and (ii) all authorized Bonds have already been issued or the City has covenanted that it shall not issue any additional Bonds (except refunding bonds) to be supported by the Assigned Special Taxes.

In some instances, an Assessor's Parcel of Developed Property may contain more than one (1) Land Use Class. The Special Taxes levied on an Assessor's Parcel shall be the sum of the Special Taxes for all Land Use Classes located on that Assessor's Parcel. If an Assessor's Parcel of Developed Property includes both Residential Property and Non-Residential Property, the Acreage to be assigned to the Non-Residential Property for purposes of establishing the annual Special Tax A shall equal the Non-Residential Floor Area on the Assessor's Parcel divided by Total Floor Area on the Assessor's Parcel multiplied by the Acreage of the Assessor's Parcel. Furthermore, for a condominium plan, if only a portion of its building permits have been issued, the remaining portion of the condominium plan shall be considered Final Mapped Property. The CFD Administrator's allocation to each type of property shall be final.

Final Mapped Property, Undeveloped Property, and Other Categories. The Fiscal Year 2021-22 Maximum Special Tax for each Assessor's Parcel of Final Mapped Property, Undeveloped Property, Taxable Property Owner Association Property, and Taxable Public Property shall be $25,922 per Acre. On each July 1, the Maximum Special Tax for Final Mapped Property, Undeveloped Property, Taxable Property Owner Association Property, and Taxable Public Property shall be increased by an amount equal to 2.00% of the amount in effect for the previous Fiscal Year.

The calculation of the Maximum Special Tax for Final Mapped Property for Fiscal Year 2025-26 is shown in the following table:

Final Mapped Property Special Tax Calculation

Final Mapped Property Acres [1]	21.21
Undeveloped Property Acres [2]	183.04
Maximum Special Tax (Per Acre) [2]	28,059
Total	**$5,730,833**

(1) Based on the area/acreage identified for residential lots on the recorded final map. Includes 21.21 remaining final mapped acres in Villages A, B, K, I, & J,.
(2) Source: County Equalized Roll, as of 1/1/2025. Gross acreage based on current parcel configuration of large lots. Rate and Method of Apportionment for Improvement Area No. 4 of CFD No. 2018-2 (Westlake Villages II).
Source: DTA Public Finance, Inc.

Annual Levy of Special Tax A. For each Fiscal Year, the CFD Administrator shall determine the Special Tax A Levy as follows:

First: The Assigned Special Tax A shall be levied on each Assessor's Parcel of Developed Property in an amount equal to 100% of the applicable Assigned Special Tax A for Developed Property.

Second: If additional monies are needed to satisfy the Special Tax A Requirement after the first step has been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Final Mapped Property until (i) the total Special Taxes levied under the first two steps listed herein is equal the Special Tax A Requirement, or (ii) the Special Taxes levied on Final Mapped Property equal 100% of the Maximum Special Tax, whichever comes first.

Third: If additional monies are needed to satisfy the Special Tax A Requirement after the first two steps have been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property until (i) the total Special Taxes levied under the first three steps listed herein is equal the Special Tax A Requirement, or (ii) the Special Tax A levied on Undeveloped Property equals 100% of the Maximum Special Tax A, whichever occurs first.

Fourth: If additional monies are needed to satisfy the Special Tax A Requirement after the first three steps have been completed, then the levy of the Special Tax A on each Assessor's Parcel of Developed Property for which the Maximum Special Tax A is determined through the application of the Backup Special Tax A shall be increased in equal percentages from the Assigned Special Tax A up to 100% of the Maximum Special Tax A for each such Assessor's Parcel of Developed Property until (i) the total Special Taxes levied under the first four steps listed herein is equal the Special Tax A Requirement, or (ii) the Special Taxes levied on all Developed Property equal 100% of the Maximum Special Tax A for Developed Property, whichever occurs first.

Fifth: If additional monies are needed to satisfy the Special Tax A Requirement after the first four steps have been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Taxable Property Owner Association Property until (i) the total Special Taxes levied under the first five steps listed herein is equal the Special Tax A Requirement, or (ii) the Special Taxes levied on all Taxable Property Owner Association Property equal 100% of the Maximum Special Tax A for Property Owner Association Property, whichever occurs first.

Sixth: If additional monies are needed to satisfy the Special Tax A Requirement after the first five steps have been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Taxable Public Property until (i) the total Special Taxes levied under the first six steps listed herein is equal the Special Tax A Requirement, or (ii) the Special Taxes levied on all Taxable Public Property equal 100% of the Maximum Special Tax A for Taxable Public Property, whichever occurs first.

Notwithstanding the above, the CFD Administrator or its designee may, in any Fiscal Year, levy Proportionately less than 100% of the Assigned Special Tax A in the first step (above), when (i) the City is no longer required to levy the Special Tax A beyond the first step (above) in order to meet the Special Tax A Requirement; and (ii) all authorized Bonds have already been issued or the City has covenanted that it will not issue any additional Bonds (except refunding bonds), to be supported by the Special Tax A.

Termination of Special Tax A. Special Tax A will be levied and collected (up to maximum allowable amount) for as long as needed to pay the principal and interest on the Bonds and other costs incurred in order to construct and acquire the authorized public facilities; provided, however, Special Tax A may not be levied after fiscal Year 2071-72.

Prepayment of Special Tax A. The Special Tax Formula provides that landowners may permanently satisfy all or a portion of Special Tax A by a cash settlement with the City. The amount of the prepayment required is to be calculated according to a formula set forth in the Special Tax Formula, which is generally based on the Parcel's share of the outstanding Bonds, remaining facilities costs which have not been bonded, the Reserve Fund, fees, call premiums, negative arbitrage and any expenses incurred by the City in connection with the prepayment and expected future facilities costs.

Annual Special Tax; Maximum Special Tax

The annual Special Tax will be calculated by the City and levied each year to meet the Special Tax Requirement for Facilities. However, in no event may the City levy a Special Tax in any year above the Maximum Annual Special Tax identified for each parcel in the Special Tax Formula. See "APPENDIX A – Rate and Method of Apportionment of Special Tax."

In addition to the maximum annual Special Tax rate limitation in the Special Tax Formula, Section 53321(d) of the Act provides that the special tax levied against any parcel for which an occupancy permit for private residential use has been issued may not be increased as a consequence of delinquency or default by the owner of any other parcel within a community facilities district by more than 10% above the amount that would have been levied in such Fiscal Year had there never been any such delinquencies or defaults. The debt service on the Bonds has been structured so that an annual Special Tax levy only on residential properties will be sufficient for annual payments on the Bonds, however in cases of significant delinquencies, default in the payment of principal of and interest on the Bonds may occur.

The Special Tax levy may include a pay-as-you-go component. The Special Tax Formula provides a mechanism whereby the City may utilize the pay-as-you-go component to pay for and/or reimburse developers of property in Improvement Area 4 for a portion of the cost of Improvements not funded by proceeds of the bonds issued for Improvement Area 4. In the event it is utilized, proceeds of the annual Special Tax levy will first be used to pay the Annual Costs other than pay-as-you-go expenditures and second, if the levy included a pay-as-you-go component, for authorized facilities costs not funded from Bond proceeds.

Levy and Collection of Special Taxes

The City shall cause Special Taxes in an amount corresponding to the Special Tax Requirement for Facilities to be levied each Fiscal Year in accordance with the Ordinance such that the computation of the levy is complete before the final date on which the County Treasurer-Tax Collector will accept the transmission of the Special Tax amounts for the parcels within Improvement Area 4 for inclusion on the next secured real property tax roll. Upon the completion of the computation of the amounts of the levy, the City shall prepare or cause to be prepared, and shall transmit to the County Treasurer-Tax Collector such data as the County Treasurer-Tax Collector requires to include the levy of the Special Taxes on the next secured real property tax roll.

The City shall fix and levy the amount of Special Taxes within Improvement Area 4 required for the payment of principal of and interest on any outstanding Bonds of Improvement Area 4 becoming due and payable during the ensuing Bond Year, including any necessary replenishment or expenditure of the Reserve Fund for the Bonds and an amount estimated to be sufficient to pay the Administrative Expenses during such year, all in accordance with the rate and method of apportionment of the Special Taxes for Improvement Area 4 and the Ordinance. In any event, the Special Taxes so levied shall not exceed the authorized amounts as provided in the proceedings pursuant to the Resolution of Formation.

The Special Taxes shall be payable and be collected in the same manner and at the same time and in the same installment as the general taxes on real property are payable, and have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on real property.

Special Tax Fund

The City covenants that it will receive Net Taxes in trust for the Owners and will instruct the Chief Financial Officer to deposit all Net Taxes with the Fiscal Agent at least three Business Days prior to each Interest Payment Date, and the City shall have no beneficial right or interest in the amounts so deposited, except as provided by this Agreement. All such Net Taxes shall be disbursed, allocated and applied solely to the uses and purposes set forth in this Agreement, and shall be accounted for separately and apart from all other money, funds, accounts or other resources of the City.

Pursuant to the Fiscal Agent Agreement, the Fiscal Agent establishes as a separate fund to be held by the Fiscal Agent for the benefit of the owners of the Bonds, the Special Tax Fund. The Fiscal Agent is required to deposit the Special Taxes in the Special Tax Fund and thereafter transfer the Net Taxes on the dates and in the amounts in the following order of priority:

(1) To the Interest Account of the Special Tax Fund, at least one Business Day prior to each Interest Payment Date, the amount required to pay interest the Bonds on the immediately succeeding Interest Payment Date; provided, that to the extent that deposits have been made in the Interest Account from the proceeds of the sale of an issue of the Bonds, or otherwise, the transfer from the Special Tax Fund need not be made;

(2) To the Principal Account of the Special Tax Fund, at least one Business Day prior to each Interest Payment Date, the amount required to pay principal of the Bonds (including mandatory sinking fund payments) on the immediately succeeding Interest Payment Date; provided, that to the extent that deposits have been made in the Interest Account from the proceeds of the sale of an issue of the Bonds, or otherwise, the transfer from the Special Tax Fund need not be made;

(3) To the Redemption Account of the Special Tax Fund, moneys needed for the purpose of redeeming Bonds called for optional redemption prior to maturity, to be applied on or after the redemption date to the payment of principal, interest and premiums, if any, on the Bonds to be redeemed;

(4) To the Reserve Fund, after taking into account amounts then on deposit in the Reserve Fund, the amounts needed so that the amount in the Reserve Fund equals the Reserve Requirement; and

(5) To the Surplus Fund, as soon as practicable after each September 2, all remaining amounts in the Special Tax Fund. The amounts in the Surplus Fund are not pledged to the repayment of the Bonds and may be used by the City for any lawful purpose. Moneys deposited in the Surplus Fund shall be transferred by the Fiscal Agent upon the direction of the City.

Reserve Fund

The Fiscal Agent Agreement establishes the Reserve Fund, and within the Reserve Fund, the 2025 Reserve Account, to be held by the Fiscal Agent, to the credit of which a deposit shall be made upon issuance of the Bonds in the amount of the Reserve Requirement with respect to the Bonds as of the date of their delivery.

Moneys in the 2025 Reserve Account of the Reserve Fund shall be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds as a reserve for the payment of principal of, and interest on, the Bonds and will be subject to a lien in favor of the Owners of the Bonds. Unless otherwise set forth in a Supplemental Agreement, for each Series of Additional Bonds covered by the Reserve Fund, the Fiscal Agent shall establish a separate account within the Reserve Fund for each such Series, which account shall be maintained purely for accounting purposes, and amounts in all accounts within the Reserve Fund shall be pledged to all Bonds equally and ratably.

Upon delivery of the Bonds, the amount on deposit in the 2025 Reserve Account of the Reserve Fund will be established by depositing certain proceeds of the Bonds in the amount of the "**Reserve Requirement**" for the Bonds, which means , as of the date of any calculation, an amount equal to the lesser of (a) Maximum Annual Debt Service on the respective Outstanding Bonds covered by the Reserve Fund, (b) 125% of the average Annual Debt Service on the respective Outstanding Bonds covered by the Reserve Fund, or (c) 10% of the original principal amount of the respective Bonds covered by the Reserve Fund (or the issue price of the respective Bonds excluding accrued interest, if the net original issue discount or premium is less than 98% or more than 102% of the principal amount of the respective Bonds), as calculated by the City. However, in no event will the City, in connection with the issuance of Additional Bonds covered by the Reserve Fund be obligated to deposit an amount in the Reserve Fund which is in excess of the amount permitted by the applicable provisions of the Tax Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, in the event the amount of any such deposit into the Reserve Fund is so limited, the Reserve Requirement will, in connection with the issuance of such Additional Bonds, be increased only by the amount of such deposit as permitted by the Code, and the City may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Fund Credit Instrument in the Reserve Fund as described above.

The City is required to maintain an amount of money or other security equal to the Reserve Requirement in the Reserve Fund at all times that the Bonds are outstanding. Except as otherwise provided in the Fiscal Agent Agreement, all amounts deposited in the Reserve Fund will be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Special Tax Fund in the event of any deficiency of the amount required for payment of the principal of, and interest on, the Bonds on such Interest Payment Date.

Whenever the amount in the Reserve Fund exceeds the then applicable Reserve Requirement, the Fiscal Agent will transfer an amount equal to the excess from the Reserve Fund to the Improvement Fund, if the Project has not been completed as of the date of such transfer, or if the Project has been completed, to the Special Tax Fund to be used for the payment of the principal of and interest on the Outstanding Bonds, except that investment earnings on amounts in the Reserve Fund may be withdrawn from the Reserve Fund for purposes of making payment to the Federal government to comply with rebate requirements.

The City has the right at any time to cause the Fiscal Agent to release funds from the Reserve Fund, in whole or in part, by tendering to the Fiscal Agent: (1) a Qualified Reserve Fund Credit Instrument, and (2) an opinion of Bond Counsel stating that such release will not, of itself, cause the portion of the interest on the Bonds to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Fiscal Agent, the Fiscal Agent will transfer such funds from the Reserve Fund to the City. Prior to the expiration of any Qualified Reserve Fund Credit Instrument, the City is obligated either to replace such Qualified Reserve

Fund Credit Instrument with a new Qualified Reserve Fund Credit Instrument, or to deposit or cause to be deposited with the Fiscal Agent an amount of funds such that the funds on deposit in the Reserve Fund together with all Qualified Reserve Fund Credit Instruments held by the Fiscal Agent is at least equal to the Reserve Requirement (which funds may come from a draw by the Fiscal Agent on the Qualified Reserve Fund Credit Instrument prior to its expiration). Any Qualified Reserve Fund Credit Instrument deposited with the Fiscal Agent shall contain instructions to the Fiscal Agent with respect to the purpose and use thereof.

Under the Fiscal Agent Agreement, a "**Qualified Reserve Fund Credit Instrument**" is defined as an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company, provided that all of the following requirements are met: (a) the long-term credit rating of such bank or insurance company is rated at the time of issuance in the "AA" category or higher by S&P or Moody's (without regard to qualifier); (b) such letter of credit or surety bond has a term of at least 12 months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the Reserve Requirement; and (d) the Fiscal Agent is authorized pursuant to the terms of such letter of credit or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Special Tax Fund for the purpose of making payments required pursuant to the Fiscal Agent Agreement or the amount to be restored to the Reserve Fund if not timely renewed or extended.

If a Qualified Reserve Fund Credit Instrument were obtained in the future, and the long-term credit rating of the provider thereof was downgraded after the date of issuance of such Qualified Reserve Fund Credit Instrument, the City would not be obligated to replace the Qualified Reserve Fund Credit Instrument or otherwise fund the Reserve Fund.

Delinquent Payments; Teeter Plan; Covenant for Superior Court Foreclosure

General. The Special Tax will be collected in the same manner and the same time as *ad valorem* property taxes, except at the City's option, the Special Taxes may be billed directly to property owners or collected at a different time to meet the City's financial obligations. In the event of a delinquency in the payment of any installment of Special Taxes, the City is authorized by the Act to order institution of an action in superior court to foreclose the lien therefor.

Teeter Plan. In 1949, the California Legislature enacted an alternative method for the distribution of property taxes to local agencies. This method, commonly known as the Teeter Plan, is set forth in Sections 4701-4717 of Revenue and Taxation Code of the State of California. The San Joaquin County Board of Supervisors (the "Board of Supervisors") approved implementation of the Teeter Plan in November 1993, both as to general and special taxes entered and collected on the secured tax roll.

Generally, the Teeter Plan provides for a tax distribution procedure by which secured roll taxes, special taxes and assessments are distributed to taxing agencies within a county included in the Teeter Plan on the basis of the tax levy, rather than on the basis of actual tax collections. A county then receives all future delinquent tax payments, penalties and interest, and a complex tax redemption distribution system for all taxing agencies is avoided. In connection with the Teeter Plan, a county can advance to the participating taxing agencies an amount equal to 95% of the total then-prior years' delinquent secured property taxes, 100% of the total then-prior years' delinquent secured special taxes, including the associated penalties and interest, and 100% of the then-current year's secured roll levy.

The Teeter Plan remains in effect unless the Board of Supervisors orders discontinuance. The County policy provides that it may order discontinuance of the Teeter Plan as to special taxes for the next year if the rate of delinquency for a taxing district exceeds 3% in any Fiscal Year. Unless and until the Board of Supervisors orders discontinuance of the Teeter Plan with respect to the District, the City is credited with 100% of the scheduled Special Tax payments without regard to actual amounts collected. The City can give no assurance, however, that the Teeter Plan will be continued in future years.

If any tax or assessment which was distributed to a Teeter Plan participant is subsequently changed by correction, cancellation or refund, a *pro rata* adjustment for the amount of the change is made on the records of the treasurer of the County and the County Auditor. Such an adjustment would be an offset to future distributions of tax revenues to the District.

So long as the County maintains its policy of collecting taxes pursuant to said procedures and the City meets the Teeter Plan requirements, the City will receive 100% of the annual installments levied on taxable parcels in Improvement Area 4 without regard to actual collections. No assurance can be given that the County will continue to include special taxes levied within community facilities districts in the Teeter Plan, and the County could decide to discontinue the inclusion of such special taxes in the Teeter Plan at any time, or to discontinue the Teeter Plan in its entirety.

Foreclosure Covenant. The City has covenanted in the Fiscal Agent Agreement with and for the benefit of the Owners of the Bonds that it will annually on or before October 1 of each year review the public records of the County of San Joaquin relating to the collection of the Special Tax in order to determine the amount of the Special Tax collected in the prior Fiscal Year, and if the City determines on the basis of such review that:

- Aggregate Delinquencies. The amount so collected is deficient by more than 5% of the total amount of the Special Tax levied in such Fiscal Year, it will within 30 days thereafter institute foreclosure proceedings as authorized by the Act in order to enforce the lien of the delinquent installment of the Special Tax against each separate lot or parcel of land in Improvement Area 4 for which such installment of the Special Tax is delinquent, and will diligently prosecute and pursue such foreclosure proceedings to judgment and sale; or

- Individual Delinquencies. The amount so collected is deficient by less than 5% of the total amount of the Special Tax levied in Improvement Area 4 in such Fiscal Year, but that property owned by any single property owner in Improvement Area 4 is delinquent by more than $5,000 with respect to the Special Tax due and payable by such property owner in such Fiscal Year and prior Fiscal Year(s), it will within 30 days thereafter institute foreclosure proceedings as authorized by the Act in order to enforce the lien of the delinquent installment of the Special Tax against each such property, and will diligently prosecute and pursue such foreclosure proceedings to judgment and sale.

The Chief Financial Officer shall notify legal counsel of any such delinquency of which it is aware, and such legal counsel shall commence, or cause to be commenced, such actions to collect such delinquencies and subsequent foreclosure proceedings in such a manner as such counsel deems appropriate.

Notwithstanding the foregoing, the City's obligation to pursue foreclosure shall be at the option of the City so long as (i) the Teeter Plan is in effect with respect to any delinquent parcel

meeting the conditions above, and (ii) there is no then-outstanding draw on any amounts in the Reserve Fund.

Foreclosure Proceedings. Under the Act, foreclosure proceedings are instituted by the bringing of an action in the superior court of the county in which the parcel lies, naming the owner and other interested persons as defendants. The action is prosecuted in the same manner as other civil actions. In such action, the real property subject to the special taxes may be sold at a judicial foreclosure sale for a minimum price that will be sufficient to pay or reimburse the delinquent special taxes.

The Owners of the Bonds benefit from the Reserve Fund established pursuant to the Fiscal Agent Agreement; however, if delinquencies in the payment of the Special Taxes with respect to the Bonds are significant enough to completely deplete the Reserve Fund, there could be a default or a delay in payments of principal and interest to the owners of the Bonds pending prosecution of foreclosure proceedings and receipt by the City of the proceeds of foreclosure sales. Provided that it is not levying the Special Tax at the Maximum Annual Special Tax rates set forth in the Special Tax Formula, the City may adjust (but not to exceed the Maximum Annual Special Tax and subject to the limitation described under the caption "– Special Tax Methodology – Limitation on Increases of Special Tax Levy" above) the Special Taxes levied on all property within Improvement Area 4 subject to the Special Tax to provide an amount required to pay debt service on the Bonds and to replenish the Reserve Fund.

Under current law, a judgment debtor (property owner) has at least 120 days from the date of service of the notice of levy in which to redeem the property to be sold. If a judgment debtor fails to redeem and the property is sold, his or her only remedy is an action to set aside the sale, which must be brought within 90 days of the date of sale. If, as a result of such an action a foreclosure sale is set aside, the judgment is revived and the judgment creditor is entitled to interest on the revived judgment as if the sale had not been made (California Code of Civil Procedure Section 701.680).

Foreclosure by court action is subject to normal litigation delays, the nature and extent of which are largely dependent upon the nature of the defense, if any, put forth by the debtor and the condition of the calendar of the superior court of the county. Such foreclosure actions can be stayed by the superior court on generally accepted equitable grounds or as the result of the debtor's filing for relief under the Federal bankruptcy laws. The Act provides that, upon foreclosure, the Special Tax lien will have the same lien priority as is provided for *ad valorem* taxes and special assessments. See "VALUE OF PROPERTY WITHIN IMPROVEMENT AREA 4 AND SPECIAL TAX BURDEN – Overlapping Liens and Priority of Lien."

No assurances can be given that the real property subject to a judicial foreclosure sale will be sold or, if sold, that the proceeds of sale will be sufficient to pay any delinquent Special Tax installment. The Act does not require the City to purchase or otherwise acquire any lot or parcel of property foreclosed upon if there is no other purchaser at such sale.

Section 53356.6 of the Act requires that property sold pursuant to foreclosure under the Act be sold for not less than the amount of judgment in the foreclosure action, plus post-judgment interest and authorized costs, unless the consent of the owners of 75% of the outstanding Bonds is obtained. However, under Section 53356.6 of the Act, the City, as judgment creditor, is entitled to purchase any property sold at foreclosure using a "credit bid," where the City could submit a bid crediting all or part of the amount required to satisfy the judgment for the delinquent amount of the Special Tax. If the City becomes the purchaser under a credit bid, the City must pay the

amount of its credit bid into the redemption fund established for the Bonds, but this payment may be made up to 24 months after the date of the foreclosure sale.

Additional Bonds

In addition to the Bonds, the City may, by a Supplemental Agreement, authorize the issuance additional special tax bonds, payable from Net Taxes and secured, unless otherwise provided in the Supplemental Agreement, by the Net Taxes equally and ratably with Bonds ("**Additional Bonds**"), and the City may issue, and the Fiscal Agent may authenticate and deliver to the purchaser thereof, Additional Bonds of any series so established, in such principal amount as shall be determined by the City, but only upon compliance by the City with the requirements set forth in the Supplemental Agreement, and subject to the following specific conditions, which are hereby made conditions precedent to the issuance of any such Additional Bonds:

(i) No default in the Bonds shall have occurred and then be continuing.

(ii) The Supplemental Agreement providing for the issuance of the Additional Bonds shall specify the purpose for which such Additional Bonds being issued, which shall be one or more of the following:

(A) to provide moneys needed to construct and acquire a portion of the Project, by depositing into the Improvement Fund the proceeds of such Additional Bonds to be so applied, or

(B) to refund all or part of the Bonds or Additional Bonds then Outstanding, by depositing in trust with the Fiscal Agent, moneys or Federal Securities in the amount necessary to discharge all liability of the City with respect to the bonds to be refunded as provided in the Fiscal Agent Agreement.

The Supplemental Agreement may, but is not required, provide for the payment of expenses incidental to such purposes, including the costs of issuance of such Additional Bonds, interest on Bonds of such Series for any period authorized under the Act and, in the case of Bonds issued to refund other Bonds, expenses incident to calling, redeeming, paying or otherwise discharging the Bonds to be refunded.

(iii) The Bonds of such Series shall be payable as to principal on September 1 in each year in which principal becomes due, and shall be payable as to interest semiannually on March 1 and September 1, except that the first installment of interest may be payable on either March 1 or September 1 and shall be for a period not longer than six (6) months.

(iv) Fixed serial maturities or Sinking Fund Payments, or any combination thereof, shall be established in amounts sufficient to provide for the retirement of all of the Bonds of such Series on or before their respective maturity dates.

(v) The aggregate principal amount of all Bonds shall not exceed $90,000,000, being the total amount of Bonds for Improvement Area 4 authorized to be issued.

(vi) After giving effect to the issuance of such Series of Bonds:

(A) Projected Maximum Special Taxes plus projected investment earnings on amounts held in the Reserve Fund to be transferred to the Special Tax Fund pursuant to the terms of this Fiscal Agent Agreement for each Bond Year are equal to or greater than one hundred ten percent (110%) of maximum Debt Service for each Bond Year that the Bonds and Additional Bonds will be outstanding; provided that such projection of investment earnings on amounts held in the Reserve Fund may assume an investment rate equal to the City's average portfolio rate available to the City at the time of determination; and

(B) The aggregate value of all parcels in Improvement Area 4 subject to the Special Tax, including then existing improvements and any facilities to be constructed or acquired with the proceeds of the proposed series of Bonds, as determined by an MAI appraisal or, in the alternative, the assessed value of all such parcels and improvements thereon (and improvements to be financed from proceeds of the Bonds proposed to be issued) as shown on the then current County tax roll, or by a combination of both methods, is at least 3.00 times the sum of (i) the aggregate principal amount of all Bonds then outstanding plus (ii) the aggregate principal amount of the series of Bonds proposed to be issued, plus (iii) the aggregate principal amount of any bonds then outstanding and payable from assessments which are a lien against property in Improvement Area 4, plus (iv) a portion of the aggregate principal amount of all Mello-Roos bonds, other than Bonds then outstanding, and payable at least partially from special taxes to be levied on parcels of land subject to the Special Tax within Improvement Area 4 (the **"Other Mello-Roos Bonds"**) equal to the aggregate principal amount of the Other Mello-Roos Bonds multiplied by a fraction, the numerator of which is the amount of special taxes levied for the Other Mello-Roos Bonds on parcels of land within Improvement Area 4 subject to the Special Tax, and the denominator of which is the total amount of special taxes levied for the Other Mello-Roos Bonds on all parcels of land subject to the Special Tax against which the special taxes are levied to pay the Other Mello-Roos Bonds (such fraction to be determined based upon the special taxes which could be levied the year in which maximum annual debt service on the Other Mello-Roos Bonds occurs), based upon information from the most recent available fiscal year.

Notwithstanding the preceding paragraphs of this subsection (vi), if a developer shall have deposited with the Fiscal Agent cash or a letter of credit from a reputable bank which is acceptable to the City, in an amount (the “Letter of Credit Amount”) equal to the shortfall in the valuation of the property in the District to meet the value-to-lien requirement set forth in the preceding paragraph, the Letter of Credit Amount shall be excluded from the debt computation under this subsection (ii). Any such letter of credit deposited with the Fiscal Agent shall remain in effect, and the Letter of Credit Amount shall not be reduced or the letter of credit thereafter terminated, until satisfaction of the preceding paragraphs of this subsection (B) with respect to the amount by which the letter of credit is proposed to be reduced, or with respect to the Letter of Credit Amount in connection with the proposed termination of the letter of credit.

Additional Bonds may be issued for the purpose of refunding any outstanding Bonds without meeting the foregoing conditions of this subsection (vi) so long as debt service on the refunding Bonds in each Bond Year is less than debt service on the Bonds refunded.

Nothing in the Fiscal Agent Agreement shall be interpreted to prohibit issuance of bonds or Additional Bonds secured on a subordinate basis to the Bonds. In addition, nothing in the Fiscal Agent Agreement contained shall prevent or be construed to prevent the Supplemental Agreement providing for the issuance of Additional Bonds from pledging or otherwise providing, in addition to the security given or intended to be given by the Fiscal Agent Agreement, additional security for the benefit of such Additional Bonds or any portion thereof.

DEBT SERVICE SCHEDULE

The annual debt service on the Bonds, based on the interest rates and maturity schedule set forth on the inside cover of this Official Statement (assuming no early redemptions), is set forth below.

Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Special Tax Bonds Series 2025
Debt Service Schedule*

Period Ending (Sept. 1)	Bonds Principal	Bonds Interest	Bonds Total

* Preliminary; subject to change.
(1) Capitalized interest will be used to pay debt service on the Bonds on March 1, 2026.
Source: Underwriter.

The projected annual debt service coverage on the Bonds (based on the Assigned Special Tax and the projected debt service on the Bonds) is shown below.

Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Debt Service Coverage Based on Assigned Special Tax

Period Ending (Sept.1)	Assigned Special Taxes[(1)]	Administrative Expenses[(2)]	Special Taxes Available For Debt Service	2025 Bonds Net Debt Service*	Debt Service Coverage*
2025	$0	$0	$0	$0	NA
2026	$1,187,673	($26,010)	$1,161,663	$1,055,109	1.1010x
2027	$1,617,771	($26,530)	$1,591,241	$1,442,969	1.1028x
2028	$1,650,126	($27,061)	$1,623,066	$1,470,969	1.1034x
2029	$1,683,129	($27,602)	$1,655,527	$1,502,469	1.1019x
2030	$1,716,791	($28,154)	$1,688,637	$1,532,219	1.1021x
2031	$1,751,127	($28,717)	$1,722,410	$1,565,219	1.1004x
2032	$1,786,150	($29,291)	$1,756,858	$1,596,219	1.1006x
2033	$1,821,873	($29,877)	$1,791,996	$1,625,219	1.1026x
2034	$1,858,310	($30,475)	$1,827,835	$1,657,219	1.1030x
2035	$1,895,477	($31,084)	$1,864,392	$1,691,969	1.1019x
2036	$1,933,386	($31,706)	$1,901,680	$1,724,219	1.1029x
2037	$1,972,054	($32,340)	$1,939,714	$1,758,463	1.1031x
2038	$2,011,495	($32,987)	$1,978,508	$1,794,888	1.1023x
2039	$2,051,725	($33,647)	$2,018,078	$1,833,238	1.1008x
2040	$2,092,759	($34,320)	$2,058,440	$1,868,256	1.1018x
2041	$2,134,614	($35,006)	$2,099,608	$1,904,944	1.1022x
2042	$2,177,307	($35,706)	$2,141,601	$1,946,244	1.1004x
2043	$2,220,853	($36,420)	$2,184,433	$1,983,244	1.1014x
2044	$2,265,270	($37,149)	$2,228,121	$2,020,944	1.1025x
2045	$2,310,575	($37,892)	$2,272,684	$2,064,075	1.1011x
2046	$2,356,787	($38,649)	$2,318,137	$2,107,100	1.1002x
2047	$2,403,923	($39,422)	$2,364,500	$2,148,300	1.1006x
2048	$2,452,001	($40,211)	$2,411,790	$2,188,725	1.1019x
2049	$2,501,041	($41,015)	$2,460,026	$2,233,100	1.1016x
2050	$2,551,062	($41,835)	$2,509,226	$2,275,875	1.1025x
2051	$2,602,083	($42,672)	$2,559,411	$2,321,775	1.1024x
2052	$2,654,125	($43,526)	$2,610,599	$2,370,250	1.1014x
2053	$2,707,207	($44,396)	$2,662,811	$2,415,750	1.1023x
2054	$2,761,351	($45,284)	$2,716,067	$2,468,000	1.1005x
2055	$2,816,578	($46,190)	$2,770,389	$2,516,175	1.1010x
Total	**$63,944,623**	**($1,055,176)**	**$62,889,447**	**$57,083,145**	**NA**

* *Preliminary; subject to change*.

(1) For Fiscal Year 2025-2026, the total special tax shall equal the Assigned Special Tax on Developed Property. For all future years, the amount shown represents the Assigned Special Tax for Fiscal Year 2025-26 (assuming full buildout) escalating by 2% per year, per the Rate and Method of Apportionment.

(2) Based on an estimated Administration Expense budget of $25,000 in FY 2023-24.

(3) Preliminary bond sizing, dated June 30, 2025. Excludes amounts funded from Capitalized Interest.

Sources: City of Stockton, Underwriter, DTA.

THE DISTRICT AND IMPROVEMENT AREA 4

Formation of the District and Improvement Area 4

On June 19, 2018, the City Council adopted the Resolution of Formation, which formed the District, and Improvement Area 1 and Improvement Area 2 therein. In January 2022, certain parcels that were formerly within Improvement Area 2 were moved into newly established Improvement Area 3 and Improvement Area 4.

Location and Description of the District and the Immediate Area

The District. The District is bounded on the west by Bishop Cut, on the north by Eight Mile Road, on the east by Regatta Lane and on the south by Disappointment Slough in the City. It is part of a larger development project, as described further herein. See "OWNERSHIP AND DEVELOPMENT OF IMPROVEMENT AREA 4."

Maps. The maps on the following pages show the area of the District and Improvement Area 4 therein.

[Reserved for Map #1 – Aerial Overview]

[Reserved for Map #2 – DTA Map Overview]

[Reserved for Map #3 – Detailed Improvement Area 4 Plan]

Environmental Matters

Flood Zone. According to the Federal Emergency Management Agency (FEMA) National Flood Insurance Program, Flood Insurance Rate Map (FIRM), the subject is located within Zone X (areas outside of the 0.2% annual chance flood plain), as reflected by FEMA map panel 06077C-0295F (dated October 16, 2009).

Seismic Conditions. According to the Seismic Safety Commission, the subject properties are located within Zone 3, which is considered to be the lowest risk zone in California. There are only two zones in California: Zone 4, which is assigned to areas near major faults; and Zone 3, which is assigned to all other areas of more moderate seismic activity. In addition, the subject is not located in a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone), as defined by Special Publication 42 (revised January 1994) of the California Department of Conservation, Division of Mines and Geology.

Fire Hazard. Land in Improvement Area 4 is not located within a High Fire Hazard Severity Zone or Very High Fire Hazard Severity Zone as defined by CalFIRE.

The Improvements

The City expects to utilize proceeds of the Bonds to reimburse the Master Developer for costs expended for infrastructure facilities constructed and necessary to facilitate development in Improvement Area 4 and, more broadly, the District. Authorized District facilities consist generally of roadway improvements, water and wastewater system improvements, drainage system improvements, sound walls, landscaping and certain incidental expenses. The Special Tax Formula provides that the funding of Improvement costs can also be made from collections of the Special Tax available as the "pay-as-you-go" component of Special Taxes. The pay-as-you-go funding component could provide for funding of the cost of the Improvements in excess of the amount provided from Bond proceeds through annual Special Tax collections in excess of the amount needed to pay the debt service on the Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Special Tax Methodology."

OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4

Unpaid Special Taxes do not constitute a personal indebtedness of the owners of the parcels within Improvement Area 4. There is no assurance that the present property owners or any subsequent owners will have the ability to pay the Special Taxes or that, even if they have the ability, they will choose to pay the Special Taxes. An owner may elect to not pay the Special Taxes when due and cannot be legally compelled to do so. Neither the City nor any Bondowner will have the ability at any time to seek payment directly from the owners of property within Improvement Area 4 of the Special Tax or the principal or interest on the Bonds, or the ability to control who becomes a subsequent owner of any property within Improvement Area 4.

The Master Developer and Lennar Homes have provided certain information set forth in this section entitled "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4." No representation is made by the City or the Underwriter as to the accuracy or adequacy of such information so provided. There may be material adverse changes to this information after the date of this Official Statement. In addition, any Internet addresses included below are for reference only, and the information on those Internet sites is not a part of

this Official Statement or incorporated by reference into this Official Statement. Certain other information contained below has been obtained from the Appraisal. See APPENDIX B.

No assurance can be given that development of the property will be completed, or that it will be completed in a timely manner or in the configuration or to the density described herein, or that Lennar Homes or any other property owner will or will not retain ownership of its property in Improvement Area 4. Neither the Bonds nor the Special Taxes are personal obligations of the Master Developer, Lennar Homes or of any subsequent landowners; and in the event that a landowner defaults in the payment of the Special Taxes, the District may proceed with judicial foreclosure but has no recourse to the assets of any landowner. As a result, other than as provided herein, no financial statements or information is, or will be, provided about the Master Developer, Lennar Homes or any other landowners. The Bonds are secured only by the Special Taxes and moneys available under the Fiscal Agent Agreement. See "SECURITY FOR THE BONDS" and "SPECIAL RISK FACTORS" herein.

Current Ownership

The following table shows the estimated Fiscal Year 2025-26 maximum special taxes levied on owners of property in Improvement Area 4 as of the June 30, 2025 date of value of the Appraisal. The Special Tax for Fiscal Year 2025-26 will only be levied on Developed Property as defined in the Special Tax Formula. Additional information on the Master Developer and each of Lennar Homes and their planned development in Improvement Area 4 is provided below.

Table 1
Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Estimated Top Taxpayers for Fiscal Year 2025-26

Owners of Record[(1)]	Number of Lots[(1)]	Taxable Acres[(2)]	Est. FY 2025-26 Assigned Special Taxes[(3)]	Share of Special Tax
Individual Owners	140	21.70	$431,710	27.22%
Lennar Homes [(2)]	371	57.04	1,154,340	72.78
Master Developer	729	123.71	0	0.00
Totals	**1,240**	**202.44**	**$1,586,049.96**	**100.00%**

(1) Source: Appraisal prepared by Integra Realty Resources, dated June 30, 2025.
(2) Based on the area/acreage identified for residential lots on the Recorded Final Maps.
(3) Buildout based on projected plan types provided by the merchant builder. No special taxes are anticipated to be levied on property owned by the Master Developer, for purposes of funding debt service or priority administration for the proposed bond issuance.
Source: DTA.

Development Plan and Current Status

General. Land in Improvement Area 4 is developing into 1,240 single family homes as part of a larger residential community referred to as the "Westlake Villages Development," being developed by the Master Developer in the City (herein, the "**Westlake Villages Development**"). More specifically, Improvement Area 4 consists of 511 residential lots being developed by Lennar Homes that are generally located at the intersection of Westlake Drive and Scott Creek Drive, within the City, and an additional 729 lots located to the southwest of that still owned by the Master Developer.

Lennar Homes is developing its 511 lots into five villages ranging from 69 to 145 lots with typical lot sizes from 4,500 to 7,350 square feet. Several of the villages have waterfront lots on man-made lakes, which (according to the Appraiser) demand a premium. The five villages are being developed into six communities with floor plans ranging in size from 1,579 to 3,647 square feet. As of June 30, 2025, with respect to the 511 lots currently being developed by Lennar Homes in Improvement Area 4, 140 homes had been completed, sold and closed to individual homeowners; 45 homes had been completed but still owned by Lennar Homes; and 179 homes were under construction.

The Master Developer maintains an internet website (www.westlakeliving.com) for the Westlake Villages Development. The website address is given for reference and convenience only, and the information on the website may be incomplete or inaccurate and has not been reviewed by the City or the Underwriter. Nothing on the website is a part of this Official Statement or incorporated into this Official Statement by reference.

Utilities. It is expected that utility service for the taxable property in Improvement Area 4 will be provided by the following entities:

Utility	**Provider**
Water/Sewer	City of Stockton
Electricity/Natural Gas	Pacific Gas & Electric (PG&E)
Data/Phone	Comcast/AT&T

Backbone Infrastructure and Other Development Conditions. The Development Agreement and Subdivision Agreement require satisfaction of various items as conditions of development of the Westlake Villages Development. All of the backbone infrastructure improvements necessary for the build-out of Lennar Homes' 511 single-family homes in Improvement Area 4, including backbone roads and related improvements are in place. A listing of the key capital improvements – both backbone infrastructure and in-tracts – is set forth in Table 2 on the following page.

Table 2
List of Key Capital Improvements and In-Tracts
Improvement Area 4 (Portion) (Villages A, B and K)
As of June 30, 2025

List of Capital Improvements/ Discrete Components	Planning Area	Total Costs Estimated [1]	Percent of Total Cost Estimate	Completion Percentage / Expended to Date	Allocated to Villages A, B, K
WATER IMPROVEMENTS					
VILLAGE A IN-TRACT	4	$620,921	2.79%	100.00%	$620,921
VILLAGE B IN-TRACT	4	657,035	2.96	100.00	657,035
VILLAGE K IN-TRACT	4	1,302,118	5.86	100.00	1,302,118
SUBTOTAL		**$2,580,074**	**11.60%**		**$2,580,074**
SANITARY SEWER IMPROVEMENTS					
VILLAGE A IN-TRACT	4	$394,307	1.77%	100.00%	$394,307
VILLAGE B IN-TRACT	4	527,782	2.37	100.00	527,782
VILLAGE K IN-TRACT	4	714,633	3.21	100.00	714,633
SUBTOTAL		**$1,636,721**	**7.36%**		**$1,636,721**
STREET/ROADWAY IMPROVEMENTS					
VILLAGE A IN-TRACT	4	$3,867,101	17.39%	100.00%	$3,867,101
VILLAGE B IN-TRACT	4	2,221,970	9.99	100.00	2,221,970
VILLAGE K IN-TRACT	4	4,896,382	22.02	100.00	4,896,382
SUBTOTAL		**$10,985,453**	**49.41%**		**$10,985,453**
STORM DRAIN IMPROVEMENTS					
VILLAGE A IN-TRACT	4	$315,547	1.42%	100.00%	$315,547
VILLAGE B IN-TRACT	4	300,675	1.35	100.00	300,675
VILLAGE K IN-TRACT	4	1,045,832	4.70	100.00	1,045,832
SPINE 2B & 2C	4	5,254,158	23.63	100.00	5,254,158
VILLAGE G IN-TRACT	4	105,336	0.47	100.00	105,336
SUBTOTAL		**$7,021,549**	**31.58%**		**$7,021,549**
PARK IMPROVEMENTS					
VILLAGE A IN-TRACT	4	$9,975	0.04%	100.00%	$9,975
VILLAGE B IN-TRACT	4	0	0.00%	100.00	0
VILLAGE K IN-TRACT	4	0	0.00%	100.00	0
SUBTOTAL		**$9,975**	**0.04%**		**$9,975**
TOTAL ESTIMATE		**$22,233,772**	**100.00%**		**$22,233,772**

(1) Estimates, subject to change.
Source: Master Developer.

Development Agreement and Subdivision Agreement

Development Agreement. The City entered into a Development Agreement in September 2004 (as amended to date, the "**Development Agreement**") with Spanos Family Partnership, a California general partnership and certain individuals to which Stockton Westlake Investment, LLC, and Lennar Homes are successors in interest with respect to the land owned by each party in the District. The Development Agreement's purpose is to preserve existing policies, rules and regulations with respect to the Westlake Villages Development. All of the property in the District is subject to the requirements of the Development Agreement. The Development Agreement was entered into in accordance with Sections 65864 through 65869.5 of the California Government Code, as implemented through the Stockton City Code. The Development Agreement runs with the property and is set to expire on January 10, 2040.

Subdivision Agreement. The City entered into a Subdivision Agreement on January 31, 2006 (as amended to date, the "**Subdivision Agreement**") with Spanos Family Partnership, a

California general partnership, which subsequently assigned the Subdivision Agreement to Stockton Westlake Investment, LLC. The Subdivision Agreement is the primary implementation tool for the development of the Westlake Villages project and creates a binding contract between the City and the parties thereto, and their assigned successors in interest, which sets forth the needed infrastructure improvements, park dedication requirements, timing and method for financing improvements and other specific performance obligations of the City and the Master Developer and its successors, including obligations related to development of the property in the District, with the terms, conditions, rules, regulations, entitlements, vested rights and other provisions relating to the development of the property in the District. Included are provisions relating to infrastructure improvements, public dedication requirements, landscaping amenities and other obligations of the parties.

The Subdivision Agreement runs with the property, and may be modified only by mutual consent of the parties. With the Agreement in place, subject to compliance with the terms of the Agreement, construction of homes within the District may occur upon City approval of subdivision maps, satisfaction of certain design requirements and conditions of such maps and issuance of building permits.

The Master Developer

Ownership Structure of Master Developer. The Master Developer has been installing the public improvements necessary for development of the District, exercising options to purchase land within the District from Stockton Westlake Investments, LLC, and selling lots to merchant homebuilders/land banks. Both the Master Developer and Stockton Westlake Investments, LLC are owned by members of the Spanos family. The Master Developer has been involved in the entitlement and development of the Westlake Villages Development since 2014. The Spanos family, through various entities, has owned the land for more than 25 years.

Relevant Experience of Spanos Family and Related Entities. Starting in 1960 by Alex G. Spanos, the Spanos family has formed a variety of privately held real estate companies focused on the development of multi-family housing and master planned communities (collectively, the "**Spanos Family Companies**"). Over the past 60 years, Spanos Family Companies have developed more than 125 apartment projects across the country consisting of over 50,000 apartment units. Spanos Family Companies currently have offices in 7 states, with the primary office located in Stockton, California. Additionally, the Spanos family has owned a majority stake in the Los Angeles Chargers football team (previously the San Diego Chargers) for over 35 years.

Spanos Family Companies have worked on master planned communities in Stockton for more than 25 years. Spanos Family Companies have entitled and sold Spanos Park West, a largely residential subdivision in the City, including more than 1,700 homes built to the immediate east of Westlake Villages Development, along with the Parkwest Place shopping center and apartments and Walmart in the late 1990's and early 2000's. Preceding that project, Spanos Family Companies entitled and sold Spanos Park East, a residential subdivision in the City, including approximately 1,000 homes located on the east side of Highway 5 in the City that were built in the early 1990s.

Master Developer's Financing Plan

Cost Incurred for the Improvements. The Master Developer has expended over $22 million dollars on the construction and installation of Improvements to facilitate construction of

homes in Villages A, B and K within Improvement Area 4, in addition to costs attributable to other Improvement Areas of the project, which commenced in late 2018. See Table 2 above for a detailed break-down of the status and costs of the backbone and in-tract improvements constructed by the Master Developer for the lots within Villages A, B and K within Improvement Area 4.

The Improvements include spine road infrastructure on Regatta Lane, Scott Creek Drive, traffic signals located at Eight Mile Road & Regatta Lane and Scott Creek Drive & Regatta Lane, perimeter precast masonry walls, common area landscaping, an artificial lake, sanitary lift station, wet utility trunk lines (storm drain, sanitary sewer, water, and non-potable water lines) and partial improvements to Eight Mile Road. Further, the Improvements include the in-tract construction and installation of paved streets, wet utility trunk lines (storm drain, sanitary sewer, water and non-potable water lines), joint trenches for dry utilities, curbs, gutters, and sidewalks. All required fees and engineering and consulting required entitlements, permits and soft costs have been paid for the Improvements.

Funding Sources. The Master Developer has used, and intends to use, the following sources of funds to finance the Improvements for the Westlake Villages Development:

- Equity from the partner-entities comprising the Master Developer (see "–The Master Developer," above, for more information about these entities).

- Sales of lots in the District (including Improvement Area 4) to merchant builders and other developers (see "– Lennar Homes" herein).

- Proceeds of special tax bonds secured by land within the District (including Improvement Area 4).

- Pay-as-you-go Special Taxes available to the Master Developer under the Acquisition Agreement (see "–Acquisition Agreement" below).

Notwithstanding the belief of the Master Developer that it will have sufficient funds to complete its planned development, no assurance can be given that sources of financing available to the Master Developer will be sufficient to complete such development as currently anticipated. While the Master Developer has made internal financing available in the past for similar activities, there can be no assurance whatsoever of its willingness or ability to do so in the future. Neither the Master Developer nor the Spanos Family Companies or any of their affiliates has any legal obligation of any kind to make any such funds available or to obtain loans or lines of credit. If and to the extent that internal financing, loan proceeds, lines of credit, or bond proceeds are inadequate to pay the costs to complete the Master Developer's planned development, there could be a shortfall in the funds required to complete such proposed development and portions of such development might not be completed.

Acquisition Agreement. In connection with the formation of the District, the City and the Master Developer entered into a Funding, Construction and Acquisition Agreement (the "**Acquisition Agreement**") which provides that the Master Developer will construct (or cause to be constructed or funded) the Improvements, and the City, upon completion of construction and acceptance (or through progress payments on segments of a particular Improvement prior to completion of the entire Improvement), will purchase the Improvements or reimburse the Master Developer for expended amounts from the proceeds of the Bonds and/or Special Taxes on a pay-

as-you-go basis. The Master Developer will be responsible for the portion of the cost of construction of the Improvements not paid with Bond proceeds.

The Rate and Method provides that the funding of Improvement costs can also be made from collections of the Special Tax available as the "pay-as-you-go" component of Special Taxes. The pay-as-you-go funding component is expected to provide for funding of the cost of a portion of the Improvements in excess of the amount provided from bond proceeds (if such proceeds are not sufficient) through annual Special Tax collections in excess of the amount needed to pay the debt service. Pursuant to current City policy, the City contemplates utilizing this funding mechanism during the expected build-out of the District or 20 years, whichever is shorter. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Special Tax Methodology" and " – Special Tax Fund."

Lennar Homes and the Land Bank

Lennar Homes' Development Plan. Lennar Homes is currently developing 511 lots in 5 villages within Improvement Area 4. More details are found in the following tables.

Lennar Homes' Current Development
(Villages A, B, K, I and J) (511 lots)
As of June 30, 2025

Village/Community	Finished Lots	Partially Completed Homes	Completed Homes	Homes Sold and Closed to Homeowners	Total
Village A – Breezes at Westlake	3	33	5	28	*69*
Village B – Breakers Cove at Westlake	30	37	11	29	*107*
– Waterways at Westlake	1	2	0	0	*3*
Village K – Shoreside at Westlake	0	10	8	0	*18*
– Waterways at Westlake	24	38	4	61	*127*
Village I – Lakeside at Westlake	6	32	8	12	*58*
– Waterfront at Westlake	1	10	9	10	*30*
Village J – Lakeside at Westlake	66	12	0	0	*78*
– Waterfront at Westlake	16	5	0	0	*21*
Totals	***147***	***179***	***45***	***140***	***511***

Source: Appraisal; Lennar Homes.

Community	Total Units	Floor Plans	Approx. Square Footage Range	Base Home Pricing[(1)]
Breezes at Westlake	69	4	2,138 – 3,308	$644,990 – $767,990
Breakers Cove at Westlake	107	4	1,765 – 2,966	$589,990 – $708,990
Waterways at Westlake	130	4	1,579 – 2,528	$537,990 – $661,990
Shoreside at Westlake	18	4	2,127 – 2,776	$617,140 – $701,487
Lakeside at Westlake	136	5	2,355 – 3,647	$679,861 – $831,178
Waterfront at Westlake	51	3	2,937 – 3,568	$800,324 – $880,164
Totals	***511***			

(1) Base home prices are as of June 30, 2025 and subject to change. Base home prices shown exclude lot premiums, options and extras and any incentives or price reductions, including mortgage rate buy-downs.
Source: Appraisal; Lennar Homes.

No assurance can be given that home construction and sales will be carried out on the anticipated timeline and according to the plans outlined herein, or that the home construction and sale plans or base prices set forth above will not change after the date of this Official Statement.

Lennar Homes reserves the right to change its development at any time without notice. Additionally, homes sold may not result in closed escrows as sales contracts are subject to cancellation.

Land-Banking Arrangement*.* As noted above, KLLB AIV LLC, a Delaware limited liability company and KL LB BUY 1 LLC, a Delaware limited liability company (together, the "**Land Bank**") are jointly serving as landbank to Lennar Homes with respect to the 511 lots that Lennar Homes currently plans to develop within Improvement Area 4. Lennar Homes and the Land Bank entered into an Option Agreement for 511 lots in Improvement Area 4 (the "**Land Bank Lots**"), whereby Lennar Homes has the option, but not the obligation, to purchase the Land Bank Lots from the Land Bank pursuant to a take-down schedule (described below). There is no guarantee that Lennar Homes will acquire all 511 lots as planned. While the Option Agreement is in place, Lennar Homes is responsible for making all tax payments on the Land Bank Lots. In addition, Lennar Homes can accelerate the takedown of lots and Lennar Homes can, and has, pull building permits and begin house construction on the Land Bank Lots held by the Land Bank before those lots are taken down.

The Land Bank is serving as a land bank for Lennar Homes and is not a homebuilder. In the event Lennar Homes does not acquire all of the Land Bank Lots, the Land Bank expects to market and sell such lots to another homebuilder.

KLLB AIV LLC and KL LB BUY 1 LLC are affiliates of, and managed by, Kennedy Lewis Investment Management, which is a credit-focused alternative asset manager founded in 2017 by David Kennedy Chene and Darren Lewis Richman. The firm manages private funds, a business development company (Kennedy Lewis Capital Company), and collateralized loan obligations (Generate Advisors LLC). The firm is headquartered in New York, with additional offices in Miami and Geneva.

Lennar Homes. Lennar Homes is based in Irvine, California. Lennar Homes has been in the business of developing residential real estate communities in California since 1996. On February 1, 2022, Lennar Homes of California, Inc., a California corporation, was converted to a California limited liability company and is now known as Lennar Homes of California, LLC, a California limited liability company ("**Lennar Homes**" or the "**Developer**"). All references herein to Lennar Homes prior to February 1, 2022 shall mean Lennar Homes of California, Inc. a California corporation, and all references herein to Lennar Homes on and after February 1, 2022 shall mean Lennar Homes of California, LLC, a California limited liability company.

Lennar Homes is wholly-owned by U.S. Home, LLC, a Delaware limited liability company ("**U.S. Home**"). U.S. Home is wholly-owned by Lennar Corporation, which is based in Miami, Florida. Founded in 1954, Lennar Corporation completed its initial public offering in 1971 and listed its common stock on the New York Stock Exchange in 1972. Lennar Corporation's Class A and Class B common stock are listed on the New York Stock Exchange under the symbols "LEN" and "LEN.B." respectively. Lennar Corporation is one of the largest homebuilders in the United States based on home sales revenues and net earnings, and operates under a number of brand names, including Lennar Homes and U.S. Home. Lennar Homes primarily develops residential communities both within the Lennar family of builders and through consolidated and unconsolidated partnerships in which Lennar Homes maintains an interest.

Lennar Corporation is subject to the informational requirements of the Exchange Act and in accordance therewith files reports, proxy statements and other information with the SEC. Such filings, particularly the Annual Report on Form 10-K and its most recent Quarterly Report on Form

10-Q, set forth, among other things, certain data relative to the consolidated results of operations and financial position of Lennar Corporation and its consolidated subsidiaries, including Lennar Homes, as of such dates.

The SEC maintains a website that contains reports, proxy and other information statements and other information regarding registrants that file electronically with the SEC, including Lennar Corporation. The address of such website is www.sec.gov. All documents filed by Lennar Corporation pursuant to the requirements of the Exchange Act after the date of this Periodic Report will be available for inspection in such manner as the SEC prescribes.

Copies of Lennar Corporation's Annual Report and related financial statements, prepared in accordance with generally accepted accounting standards, are available from Lennar Corporation's website at www.lennar.com. *The foregoing website addresses and references to filings with the SEC are given for reference and convenience only, and the information on such websites and on file with the SEC does not form a part of this Official Statement and is not incorporated by reference herein. No representation is made in this Official Statement as to the accuracy or adequacy of the information contained on such websites. Lennar Corporation and Lennar Homes are not obligated to advance funds for construction or development or to pay ad valorem property taxes or the Special Taxes and investors should not rely on the information and financial statements contained on such websites in evaluating whether to buy, hold or sell the Bonds. The information contained on such websites may be incomplete or inaccurate and has not been reviewed by the City or the Underwriter.*

Lennar Financing Plan. Lennar Homes plans to fund its home construction costs through internally generated funds (which may include home sales revenue and funding from its parent company).

Although Lennar Homes expects to have sufficient funds available to undertake and complete its development activities in Improvement Area 4, there can be no assurance, however, that amounts necessary to finance the remaining development and home construction costs will be available to Lennar Homes when needed. While Lennar Homes' parent company has made such internal funding available in the past, there can be no assurance whatsoever of its willingness or ability to do so in the future. Neither Lennar Homes nor any other entity or person is under any legal obligation of any kind to expend funds for the development of and construction of homes on Lennar Homes' property in Improvement Area 4. Lennar Homes has no legal obligation to Bondholders to make any such funds available for construction or development, or the payment of ad valorem property taxes or the Special Taxes. Any contributions Lennar or any other entity or person to fund the costs of such development are entirely voluntary.

If and to the extent that the aforementioned sources are inadequate to pay the costs to complete the planned development by Lennar Homes within Improvement Area 4 and other financing is not put into place, there could be a shortfall in the funds required to complete the proposed development by Lennar Homes or to pay ad valorem property taxes or Special Taxes related to Lennar Homes' property in Improvement Area 4, and the remaining portions of such development may not be completed. Many factors beyond Lennar Homes' control, or a decision by Lennar Homes to alter its current plans, may cause the actual sources and uses to differ from the projections. See "SPECIAL RISK FACTORS" herein for a discussion of risk factors."

VALUE OF PROPERTY WITHIN IMPROVEMENT AREA 4 AND SPECIAL TAX BURDEN

The value of the land within Improvement Area 4 is a critical factor in determining the investment quality of the Bonds. If a property owner defaults in the payment of the Special Tax, the City's only remedy is to foreclose on the delinquent property in an attempt to obtain funds with which to pay the delinquent Special Tax. Although a portion of Improvement Area 4 is developed, a variety of economic, political, and natural occurrences incapable of being accurately predicted can affect land values and eventual completion of development. See "SPECIAL RISK FACTORS – Property Values and Property Development."

Unpaid Special Taxes do not constitute a personal indebtedness of the owners of the parcels within Improvement Area 4, and the owners have made no commitment to pay the principal of or interest on the Bonds or to support payment of the Bonds in any manner. There is no assurance that the owners have the ability to pay the Special Taxes or that, even if they have the ability, they will choose to pay such taxes. An owner may elect to not pay the Special Taxes when due and cannot be legally compelled to do so. Neither the City nor any Bondholder will have the ability at any time to seek payment from the owners of property within Improvement Area 4 of any Special Tax or any principal or interest due on the Bonds, or the ability to control who becomes a subsequent owner of any property within Improvement Area 4.

The Appraisal

General. At the request of the City, Integra Realty Resources, Sacramento, California (the "**Appraiser**") prepared an Appraisal Report with a date of value of June 30, 2025 (the "**Appraisal**"). The Appraisal estimates a value for all taxable property in Improvement Area 4. The Appraisal is set forth in its entirety in APPENDIX B hereto. *The description herein of the Appraisal is intended for limited purposes only; the Appraisal should be read in its entirety. The conclusions reached in the Appraisal are subject to certain assumptions and qualifications which are set forth in the Appraisal.*

Property Appraised. The appraised properties consist of all 1,240 residential lots within Improvement Area 4, some of which is owned by Lennar Homes (or the Land Bank), some of which is owned by the Master Developer and some of which is owned by individual homeowners.

Value Estimates. The Appraiser was requested to provide a market value of the appraised properties by Assessor's parcel, as well as a cumulative, or aggregate, value of the property, as of the date of inspection (value). The Appraiser has concluded a "not-less-than" market value estimate of $167,584,000 for taxable property in Improvement Area 4, representing the cumulative, or aggregate, values, in accordance with the assumptions and conditions set forth in the Appraisal. Total value represents a "not-less-than" value given that, for each single-family lot improved with a completed home without a complete assessed improvement value reflected on the County of San Joaquin Assessor's Tax Roll, the Appraiser valued the home based on the smallest floor plan within each community with a completed home, without consideration for upgrades and lot premiums. The valuation accounts for the impact of the lien of the Special Tax and excludes property in Improvement Area 4 designated for public and quasi-public purposes and not subject to the Special Tax of Improvement Area 4. Values by ownership are shown in the following table.

Table 4
Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Appraised Value of Taxable Property in Improvement Area 4

Owner	Appraised Value
Lennar Homes[1]	$87,149,200
Individual Homeowners	72,765,000
Master Developer	7,670,000
Total[2]	***$167,584,000***

(1) Ownership includes partially-improved lots, homes under construction and completed homes. For additional details, see APPENDIX B – The Appraisal.
(2) Total value represents a "not-less-than" value given that, for each single-family lot improved with a completed home without a complete assessed improvement value reflected on the County of San Joaquin Assessor's Tax Roll, the Appraiser valued the home based on the smallest floor plan within each community with a completed home, without consideration for upgrades and lot premiums.
Source: The Appraisal; *Lennar Homes.*

Appraisal Methodology. In the Appraisal, the Appraiser provides estimates of market value of the appraised properties by ownership and Assessor's parcel, as well as an aggregate, or cumulative value of the properties. The Appraiser used the sales comparison approach to value to determine the market value of each component comprising the appraised properties (being improved residential lots, with some new homes under construction). The cumulative, or aggregate, value of the appraised properties represents the sum of the value estimates concluded for each ownership interest, which is not equivalent to the market value of Improvement Area 4 as a whole. For additional details, see APPENDIX B.

Hypothetical Condition. The market value estimated by the Appraiser is based on a hypothetical condition. A hypothetical condition is defined by USPAP as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of the analysis." The estimate of market value is subject to the hypothetical condition that certain of the proceeds from the Bonds are available to reimburse for infrastructure improvements completed. The estimate of market value accounts for the impact of the Lien of the Special Taxes securing the Bonds.

Extraordinary Assumptions and Limiting Conditions. In considering the estimate of value evidenced by the Appraisal, the Appraisal is based upon a number of standard and special assumptions that affect the estimates as to value, some of which include that there were no adverse soil conditions, toxic substances or other environmental hazards that may interfere or inhibit development of the appraised properties. If, at some future date, items are discovered that are determined to have a detrimental impact on value, the Appraiser reserves the right to amend the opinion of value stated in the Appraisal. For more information and a complete description of certain other assumptions made by the Appraiser, see "APPENDIX B – The Appraisal."

Because the Appraiser arrived at an estimate of current market value based upon certain assumptions which may or may not be fulfilled, no assurance can be given that, should the parcels become delinquent due to unpaid Special Taxes, and be foreclosed upon and offered for sale for the amount of the delinquency, any bid would be received for such property or, if a bid is received, that such bid would be sufficient to pay such delinquent Special Taxes.

No assurance can be given that the estimated absorption will be achieved or attained over an extended period of time; real estate is cyclical in nature, and it is impossible to accurately

forecast and project specific demand over a projected absorption period. See "SPECIAL RISK FACTORS – Property Values and Property Development."

Limitations of Appraised or Assessed Valuation. Property values may not be evenly distributed throughout Improvement Area 4; thus, certain parcels may have a greater value than others. This disparity is significant because in the event of nonpayment of the Special Tax, the only remedy is to foreclose against the delinquent parcel.

No assurance can be given that the foregoing valuation can or will be maintained during the period of time that the Bonds are outstanding in that the City has no control over the market value of the property within Improvement Area 4 or the amount of additional indebtedness that may be issued in the future by other public agencies, the payment of which, through the levy of a tax or an assessment, may be on a parity with the Special Taxes. See "– Overlapping Liens and Priority of Lien" below.

For a description of certain risks that might affect the assumptions made in the Appraisal, see "SPECIAL RISK FACTORS" herein.

Value to Special Tax Burden Ratios

The value of the land within Improvement Area 4 is a critical factor in determining the investment quality of the Bonds. If a property owner defaults in the payment of a Special Tax, the County's only remedy is to foreclose on the delinquent property in an attempt to obtain funds with which to pay the delinquent Special Taxes. See "SECURITY FOR THE BONDS – Delinquent Payments; Teeter Plan; Covenant for Superior Court Foreclosure" and "SPECIAL RISK FACTORS – Bankruptcy and Foreclosure Delays." Reductions in District property values due to a downturn in the economy, natural disasters such as earthquakes or floods, stricter land use regulations or other events could have an adverse impact on the security for payment of the Special Taxes. The Special Tax is levied on each parcel within Improvement Area 4 and only the respective individual parcel is responsible for its allocated Special Tax.

Based upon the $167,584,000 appraised value of taxable property in Improvement Area 4 and an estimated principal amount of Bonds of $26,285,000*, as well as overlapping land-secured debt attributable to those parcels, for a total direct and overlapping land-secured debt amount of $26,446,353*, the value-to-lien ratio for such property is approximately 6.34* to 1; provided, however, that the value-to-lien ratio of individual parcels may vary significantly.

In comparing the value of the real property within Improvement Area 4 and the principal amount of the Bonds, it should be noted that only the real property upon which there is a delinquent Special Tax can be foreclosed upon, and the real property within Improvement Area 4 cannot be foreclosed upon as a whole to pay delinquent Special Taxes of the owners of such parcels within Improvement Area 4 unless all of the property is subject to a delinquent Special Tax. In any event, individual parcels may be foreclosed upon separately to pay delinquent Special Taxes levied against such parcels.

* Preliminary; subject to change.

Assigned Special Tax. The following table summarizes the Assigned Special Tax for parcels in Improvement Area 4.

Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Assigned Special Tax Calculation(1)
for Fiscal Year 2025-26

Land Use Class	Property Description	FY 2025-2026 Assigned Special Tax
1	SINGLE FAMILY DETACHED (>3,000 SF)	$3,822.07
2	SINGLE FAMILY DETACHED (2,700 - 3,000 SF)	3,140.14
3	SINGLE FAMILY DETACHED (2,400 - 2,699 SF)	2,948.55
4	SINGLE FAMILY DETACHED (2,100 - 2,399 SF)	2,825.15
5	SINGLE FAMILY DETACHED (1,800 - 2,099 SF)	2,793.76
6	SINGLE FAMILY DETACHED (< 1,800 SF)	2,762.37
7	NON-RESIDENTIAL PROPERTY	28,058.81
N/A	BACKUP SPECIAL TAX PER ACRE	$28,058.81
N/A	FINAL MAPPED/UNDEVELOPED PROPERTY	$28,058.81

(1) Rate and Method of Apportionment for Improvement Area No. 4 of CFD No. 2018-2 (Westlake Villages II).
Source: DTA Public Finance, Inc.

Share of Assigned Special Tax – At Build-Out. The following tables summarizes the estimated total Assigned Special Tax and share of Assigned Special Tax for parcels in Improvement Area 4, assuming full development at build-out.

Table 5A
Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Assigned Special Tax Calculation for Fiscal Year 2025-26
– Assuming Full Development (Villages A, B, K, I, and J)

Land Use Class	Property Description	Assigned Special Tax	No. of Planned Units[1]	Estimated Total Assigned Special Tax	Share of Assigned Special Tax
1	SINGLE FAMILY DETACHED (>3,000 SF)	$3,822	115	$439,538	27.71%
2	SINGLE FAMILY DETACHED (2,700 - 3,000 SF)	3,140	75	235,510	14.85
3	SINGLE FAMILY DETACHED (2,400 - 2,699 SF)	2,949	79	232,935	14.69
4	SINGLE FAMILY DETACHED (2,100 - 2,399 SF)	2,825	126	355,969	22.44
5	SINGLE FAMILY DETACHED (1,800 - 2,099 SF)	2,794	53	148,069	9.34
6	SINGLE FAMILY DETACHED (< 1,800 SF)	2,762	63	174,029	10.97
	Total		**511**	**$1,586,050**	**100.00%**

(1) Buildout based on projected plan types provided by the merchant builder. Merchant builder did not provide anticipated plan types for certain lots, and such lots are conservatively assigned to the smallest plan type in the respective Village.
Source: DTA.

Table 5B
Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Assigned Special Tax Calculation for Fiscal Year 2025-26
– Assuming Full Development (All Villages in IA No. 4)

Land Use Class	Property Description	Assigned Special Tax	Number of Planned Units Villages A, B, K, I, & J [1]	Number of Planned Units Balance of Improvement Area No. 4 [2]	Estimated Total Assigned Special Tax	Share of Assigned Special Tax
1	SINGLE FAMILY DETACHED (>3,000 SF)	$3,822	115	121	$902,008	23.69%
2	SINGLE FAMILY DETACHED (2,700 - 3,000 SF)	$3,140	75	121	615,467	16.16
3	SINGLE FAMILY DETACHED (2,400 - 2,699 SF)	$2,949	79	121	589,709	15.49
4	SINGLE FAMILY DETACHED (2,100 - 2,399 SF)	$2,825	126	122	700,637	18.40
5	SINGLE FAMILY DETACHED (1,800 - 2,099 SF)	$2,794	53	122	488,908	12.84
6	SINGLE FAMILY DETACHED (< 1,800 SF)	$2,762	63	122	511,038	13.42
	Total		**511**	**729**	**$3,807,766**	**100.00%**

(1) Buildout based on projected plan types provided by the merchant builder. Merchant builder did not provide anticipated plan types for certain lots, and such lots are conservatively assigned to the smallest plan type in the respective Village.
(2) Source: Master Developer. Preliminary allocation of units, subject to change.
Source: DTA.

Share of Assigned Special Tax – Current Development. The following table summarizes the estimated total Assigned Special Tax and share of Assigned Special Tax for parcels in Improvement Area 4, based on the status of development as of the date indicated.

Table 6
Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Assigned and Final Mapped Property Special Tax Calculations for Fiscal Year 2025-26 – Current Development Status (As of April 30, 2025)

Developed Property Assigned Special Tax Calculation

Land Use Class	Property Description	Assigned Special Tax	Building Permits Issued [1]	Total Assigned Special Tax	Share of Special Taxes
1	SINGLE FAMILY DETACHED (>3,000 SF)	$3,822	96	$366,919	30.89%
2	SINGLE FAMILY DETACHED (2,700 - 3,000 SF)	$3,140	63	$197,829	16.66
3	SINGLE FAMILY DETACHED (2,400 - 2,699 SF)	$2,949	67	$197,553	16.63
4	SINGLE FAMILY DETACHED (2,100 - 2,399 SF)	$2,825	66	$186,460	15.70
5	SINGLE FAMILY DETACHED (1,800 - 2,099 SF)	$2,794	43	$120,132	10.11
6	SINGLE FAMILY DETACHED (< 1,800 SF)	$2,762	43	$118,782	10.00
	Developed Property Subtotal:		**378**	**$1,187,673**	**100.00%**

Final Mapped Property Special Tax Calculation	
Final Mapped Property Acres [1]	21.21
Undeveloped Property Acres [2]	183.04
Maximum Special Tax (Per Acre) [2]	28.059
Total	**$5,730,833**

(1) Based on the area/acreage identified for residential lots on the recorded final map. Includes 21.21 remaining final mapped acres in Villages A, B, K, I, & J.
(2) Source: County Equalized Roll, as of 1/1/2025. Gross acreage based on current parcel configuration of large lots. Rate and Method of Apportionment for Improvement Area No. 4 of CFD No. 2018-2 (Westlake Villages II).

Final Mapped Property Special Tax Calculation

Land Use Class	Property Description	Maximum Special Tax (per Acre)	Actual Special Tax (per Acre)[4]	Total Final Mapped Special Tax	Share of Special Taxes
Final Mapped	FINAL MAPPED PROPERTY *(144.92* Remaining Acres) [2]	$28,059	$0	$0	0.00%
Undeveloped	UNDEVELOPED PROPERTY (183.04 Remaining Acres) [3]	$28,059	$0	$0	0.00%
	Final Mapped Property Subtotal:			**$0**	**0.00%**
	Developed Property, Final Mapped Property, and Undeveloped Property Grand Total:			**$1,187,673**	**100.00%**

(1) Source: Lennar Homes. As of April 30, 2025.
(2) Acreage of lots for which a building permit has not been issued as of May 1, 2025. Includes 21.21 acres in Villages A, B, K, I, & J and 123.71 acres for the remaining 729 lots in IA No. 4.
(3) Source: County Equalized Roll, as of January 1, 2025.
(4) Initial estimate based on building permit issuances as of May 1, 2025. Pursuant to the Rate and Method of Apportionment, the actual Special Tax for Final Mapped Property will depend on the number of building permits issued as of May 1, 2025.

Source: DTA.

Value-to-Lien Ratios by Major Property Owners. The following table summarizes the value-to-lien ratios of property in Improvement Area 4 against the Bonds and overlapping land-secured debt in Improvement Area 4, by major property owners (as of the June 30, 2025 date of value in the Appraisal) for purposes of application of the Special Tax Formula.

Table 7
Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Value-to-Lien Ratio by Major Property Owners
Based on Estimated Special Tax Levy for Fiscal Year 2025-26

Property Owner	Number of Lots [1]	Taxable Acre [2] [3]	Appraised Value [1]	Estimated FY 2025-26 Actual Special Tax Levy* [4]	Percent of FY 2025-26 Maximum Special Tax Levy*	Reclamation District No. 2042 CFD No. 2001-1 [5]	Series 2025 Bonds*	Total Land Secured Debt*	Value to Lien Ratio*
Individual Owners	140	21.70	$72,765,000	$431,710	36.35%	$44,206	$9,554,400	$9,598,606	7.58
Lennar Homes[2]	371	57.04	87,149,000	755,963	63.65	117,147	16,730,600	16,847,747	5.17
Master Developer	729	123.71	7,670,000	0	0.00	N/A	0	0	N/A
Totals	**1,240**	**202.44**	**$167,584,000**	**$1,187,673**	**100.00%**	**$161,353**	**$26,285,000**	**$26,446,353**	**6.34**

* *Preliminary; subject to change.*
(1) Source: Appraisal prepared by Integra Realty Resources, dated July 3, 2025.
(2) Based on the area/acreage identified for residential lots on the recorded final map.
(3) Source: Master Developer. Taxable acres based on a preliminary site plan with anticipated lot configurations for the balance of IA No. 4. Subject to change.
(4) Assumes that special taxes will be applied first to Developed Property and second to Final Mapped Property, per the Rate and Method of Apportionment, and the special tax revenue generated from those land uses would generate sufficient revenues to fund annual debt service and priority administration costs. No levy would be applied to Undeveloped property.
(5) Current DTA Estimate, subject to change. CalMuni's Overlapping Debt Report. The outstanding debt was allocated proportionally among the 202.44 taxable acres.
Source: DTA.

Overlapping Liens and Priority of Lien

The principal of and interest on the Bonds are payable from the Special Tax authorized to be collected within Improvement Area 4, and payment of the Special Tax is secured by a lien on certain real property within Improvement Area 4. Such lien is co-equal to and independent of the lien for general taxes and any other liens imposed under the Act, regardless of when they are imposed on the property in Improvement Area 4. The imposition of additional special taxes, assessments and general property taxes will increase the amount of independent and co-equal liens which must be satisfied in foreclosure. The City, the County and certain other public agencies are authorized by the Act to form other community facilities districts and improvement areas and, under other provisions of State law, to form special assessment districts, either or both of which could include all or a portion of the land within Improvement Area 4.

Other public agencies whose boundaries overlap those of Improvement Area 4 could, without the consent of the City and in certain cases without the consent of the owners of the land within Improvement Area 4, impose additional taxes or assessment liens on the land within Improvement Area 4. The lien created on the land within Improvement Area 4 through the levy of such additional taxes or assessments may be secured on parity with the lien of the Special Tax. In addition, construction loans may be obtained by the homebuilder owners and home loans are likely to be obtained by ultimate homeowners. The deeds of trust securing such debt on property within Improvement Area 4, however, will be subordinate to the lien of the Special Tax.

There can be no assurance that the current owners, or any subsequent owner, will not petition for the formation of other community facilities districts and improvement areas or for a special assessment district or districts and that parity special taxes or special assessments will not be levied by the County or some other public agency to finance additional public facilities, however no other special districts are currently contemplated or foreseen by the City.

Set forth on the following page is an overlapping debt table showing the existing authorized indebtedness payable with respect to property within Improvement Area 4. This table has been prepared by California Municipal Statistics Inc. as of the date indicated, and is included for general information purposes only. Neither the City nor the Underwriter has reviewed the data for completeness or accuracy and make no representations in connection therewith.

Sample Tax Bill

The following tables summarize the representative property tax bills for Fiscal Year 2025-26 for certain land use classes of residential property in Improvement Area 4, based on the 3 villages being developed by Lennar Homes.

Table 9A
Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Effective Tax Rate Analysis Fiscal Year 2025-26
(Village A)

VILLAGE/NAME/BUILDER		VILLAGE A			
ESTIMATED HOME SIZE [1]		3,308	3,175	2,872	2,138
LAND USE CLASS [2]		1	1	2	4
LAND USE CLASS DESCRIPTION		(> 3,000 SF)	(> 3,000 SF)	(2,700 - 3,000 SF)	(2,100 - 2,399 SF)
BASE SALES PRICE [1]		$767,990	$742,990	$701,990	$644,990
AD-VALOREM TAXES [3]	RATE	AMOUNT	AMOUNT	AMOUNT	AMOUNT
BASE PROPERTY TAX RATE	1.0000%	$7,679.90	$7,429.90	$7,019.90	$6,449.90
LODI USD 2002 MEASURE K BOND	0.018%	$139.77	$135.22	$127.76	$117.39
LODI USD 2016 MEASURE U BOND	0.041%	$316.41	$306.11	$289.22	$265.74
LODI SFID1 2006 MEASURE L BOND	0.041%	$316.41	$306.11	$289.22	$265.74
SJ DELTA COLL 2004 MEASURE L BOND	0.012%	$93.69	$90.64	$85.64	$78.69
TOTAL GENERAL PROPERTY TAXES	***1.1128%***	***$8,546.19***	***$8,267.99***	***$7,811.74***	***$7,177.45***
OVERLAPPING ASSESSMENTS [4]					
WESTLAKE VILL ZONE C-6 LNDSCP	$116.34	$116.34	$116.34	$116.34	$116.34
WEST LAKE VILLAGE MUD ZONE 11	$4.42	$4.42	$4.42	$4.42	$4.42
CENTRAL DELTA WATER	$2.00	$2.00	$2.00	$2.00	$2.00
WATER ZONE 2	$2.00	$2.00	$2.00	$2.00	$2.00
SJC MOSQUITO ABATE	$1.20	$1.20	$1.20	$1.20	$1.20
SJC MOSQ & VCTR CONTR-BEN ASMT	$9.92	$9.92	$9.92	$9.92	$9.92
RECL DISTR NO 2042 (MR)	$37.38	$37.38	$37.38	$37.38	$37.38
RECL DISTR NO 2042	$53.14	$53.14	$53.14	$53.14	$53.14
CSA NO 53 - HAZ WASTE	$4.00	$4.00	$4.00	$4.00	$4.00
TOTAL SPECIAL ASSESSMENTS & CHARGES	***$230.40***	***$230.40***	***$230.40***	***$230.40***	***$230.40***
TOTAL EFFECTIVE TAX RATE EXCLUDING CFD		1.14%	1.14%	1.15%	1.15%
IMPROVEMENT AREA NO. 4 OF CFD 2018- 2 (FACILITIES) [5]		*$3,822.07*	*$3,822.07*	*$3,140.14*	*$2,825.15*
CFD 2018-2 (SERVICES) [6]		$657.46	$657.46	$657.46	$657.46
PROJECTED TOTAL PROPERTY TAXES		**$13,256.12**	***$12,977.92***	**$11,839.74**	**$10,890.46**
PROJECTED TOTAL EFFECTIVE TAX RATE		**1.73%**	**1.75%**	**1.69%**	**1.69%**

(1) Source: Appraisal prepared by Integra Realty Resources, dated July 3, 2025.
(2) Rate and Method of Apportionment for Improvement Area No. 4 of CFD No. 2018-2 (Westlake Villages II).
(3) Source: County of San Joaquin Tax Collector. Based on tax rates for FY 2024-25.
(4) Based on review of taxes/assessments on subject property and neighboring properties.
(5) Source: Rate and Method of Apportionment. Assigned Special Tax A applicable for FY 2025-26.
(6) Source: Rate and Method of Apportionment. Special Tax B applicable for FY 2025-26.

Table 9B
Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Effective Tax Rate Analysis Fiscal Year 2025-26
(Village B)

VILLAGE/NAME/BUILDER		VILLAGE B			
ESTIMATED HOME SIZE [1]		2,966	2,403	1,944	1,765
LAND USE CLASS [2]		2	3	5	6
LAND USE CLASS DESCRIPTION		(2,700 - 3,000 SF)	(2,400 - 2,699 SF)	(1,800 - 2,099 SF)	(< 1,800 SF)
BASE SALES PRICE [1]		$708,990	$630,990	$597,990	$589,990
AD-VALOREM TAXES [3]	RATE	AMOUNT	AMOUNT	AMOUNT	AMOUNT
BASE PROPERTY TAX RATE	1.0000%	$7,089.90	$6,309.90	$5,979.90	$5,899.90
LODI USD 2002 MEASURE K BOND	0.018%	$129.04	$114.84	$108.83	$107.38
LODI USD 2016 MEASURE U BOND	0.041%	$292.10	$259.97	$246.37	$243.08
LODI SFID1 2006 MEASURE L BOND	0.041%	$292.10	$259.97	$246.37	$243.08
SJ DELTA COLL 2004 MEASURE L BOND	0.012%	$86.50	$76.98	$72.95	$71.98
TOTAL GENERAL PROPERTY TAXES	***1.1128%***	***$7,889.64***	***$7,021.66***	***$6,654.43***	***$6,565.41***
OVERLAPPING ASSESSMENTS [4]					
WESTLAKE VILL ZONE C-6 LNDSCP	$116.34	$116.34	$116.34	$116.34	$116.34
WEST LAKE VILLAGE MUD ZONE 11	$4.42	$4.42	$4.42	$4.42	$4.42
CENTRAL DELTA WATER	$2.00	$2.00	$2.00	$2.00	$2.00
WATER ZONE 2	$2.00	$2.00	$2.00	$2.00	$2.00
SJC MOSQUITO ABATE	$1.20	$1.20	$1.20	$1.20	$1.20
SJC MOSQ & VCTR CONTR-BEN ASMT	$9.92	$9.92	$9.92	$9.92	$9.92
RECL DISTR NO 2042 (MR)	$37.38	$37.38	$37.38	$37.38	$37.38
RECL DISTR NO 2042	$53.14	$53.14	$53.14	$53.14	$53.14
CSA NO 53 - HAZ WASTE	$4.00	$4.00	$4.00	$4.00	$4.00
TOTAL SPECIAL ASSESSMENTS & CHARGES	***$230.40***	***$230.40***	***$230.40***	***$230.40***	***$230.40***
TOTAL EFFECTIVE TAX RATE EXCLUDING CFD		1.15%	1.15%	1.15%	1.16%
IMPROVEMENT AREA NO. 4 OF CFD 2018- 2 (FACILITIES) [5]		*$3,140.14*	*$2,948.55*	*$2,793.76*	*$2,762.37*
CFD 2018-2 (SERVICES) [6]		$657.46	$657.46	$657.46	$657.46
PROJECTED TOTAL PROPERTY TAXES		**$11,917.64**	**$10,858.06**	**$10,336.05**	**$10,215.64**
PROJECTED TOTAL EFFECTIVE TAX RATE		**1.68%**	**1.72%**	**1.73%**	**1.73%**

(1) Source: Appraisal prepared by Integra Realty Resources, dated July 3, 2025.
(2) Rate and Method of Apportionment for Improvement Area No. 4 of CFD No. 2018-2 (Westlake Villages II).
(3) Source: County of San Joaquin Tax Collector. Based on tax rates for FY 2024-25.
(4) Based on review of taxes/assessments on subject property and neighboring properties.
(5) Source: Rate and Method of Apportionment. Assigned Special Tax A applicable for FY 2025-26.
(6) Source: Rate and Method of Apportionment. Special Tax B applicable for FY 2025-26.

Table 9C
Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Effective Tax Rate Analysis Fiscal Year 2025-26
(Village K)

VILLAGE/NAME/BUILDER		VILLAGE K			
ESTIMATED HOME SIZE [1]		2,776	2,612	2,386	2,127
LAND USE CLASS [2]		2	3	4	4
LAND USE CLASS DESCRIPTION		(2,700 - 3,000 SF)	(2,400 - 2,699 SF)	(2,100 - 2,399 SF)	(2,100 - 2,399 SF)
BASE SALES PRICE [1]		$661,990	$572,990	$556,990	$537,990
AD-VALOREM TAXES [3]	RATE	AMOUNT	AMOUNT	AMOUNT	AMOUNT
BASE PROPERTY TAX RATE	1.0000%	$6,619.90	$5,729.90	$5,569.90	$5,379.90
LODI USD 2002 MEASURE K BOND	0.018%	$120.48	$104.28	$101.37	$97.91
LODI USD 2016 MEASURE U BOND	0.041%	$272.74	$236.07	$229.48	$221.65
LODI SFID1 2006 MEASURE L BOND	0.041%	$272.74	$236.07	$229.48	$221.65
SJ DELTA COLL 2004 MEASURE L BOND	0.012%	$80.76	$69.90	$67.95	$65.63
TOTAL GENERAL PROPERTY TAXES	***1.1128%***	***$7,366.62***	***$6,376.23***	***$6,198.18***	***$5,986.75***
OVERLAPPING ASSESSMENTS [4]					
WESTLAKE VILL ZONE C-6 LNDSCP	$116.34	$116.34	$116.34	$116.34	$116.34
WEST LAKE VILLAGE MUD ZONE 11	$4.42	$4.42	$4.42	$4.42	$4.42
CENTRAL DELTA WATER	$2.00	$2.00	$2.00	$2.00	$2.00
WATER ZONE 2	$2.00	$2.00	$2.00	$2.00	$2.00
SJC MOSQUITO ABATE	$1.20	$1.20	$1.20	$1.20	$1.20
SJC MOSQ & VCTR CONTR-BEN ASMT	$9.92	$9.92	$9.92	$9.92	$9.92
RECL DISTR NO 2042 (MR)	$37.38	$37.38	$37.38	$37.38	$37.38
RECL DISTR NO 2042	$53.14	$53.14	$53.14	$53.14	$53.14
CSA NO 53 - HAZ WASTE	$4.00	$4.00	$4.00	$4.00	$4.00
TOTAL SPECIAL ASSESSMENTS & CHARGES	***$230.40***	***$230.40***	***$230.40***	***$230.40***	***$230.40***
TOTAL EFFECTIVE TAX RATE EXCLUDING CFD		1.15%	1.15%	1.15%	1.16%
IMPROVEMENT AREA NO. 4 OF CFD 2018- 2 (FACILITIES) [5]		*$3,140.14*	*$2,948.55*	*$2,825.15*	*$2,825.15*
CFD 2018-2 (SERVICES) [6]		$657.46	$657.46	$657.46	$657.46
PROJECTED TOTAL PROPERTY TAXES		**$11,394.62**	**$10,212.64**	**$9,911.19**	**$9,699.76**
PROJECTED TOTAL EFFECTIVE TAX RATE		**1.72%**	**1.78%**	**1.78%**	**1.80%**

(1) Source: Appraisal prepared by Integra Realty Resources, dated July 3, 2025.
(2) Rate and Method of Apportionment for Improvement Area No. 4 of CFD No. 2018-2 (Westlake Villages II).
(3) Source: County of San Joaquin Tax Collector. Based on tax rates for FY 2024-25.
(4) Based on review of taxes/assessments on subject property and neighboring properties.
(5) Source: Rate and Method of Apportionment. Assigned Special Tax A applicable for FY 2025-26.
(6) Source: Rate and Method of Apportionment. Special Tax B applicable for FY 2025-26.

Table 9D
Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Effective Tax Rate Analysis Fiscal Year 2025-26
(Village I)

VILLAGE/NAME/BUILDER		VILLAGE I							
ESTIMATED HOME SIZE [1]		3,647	3,568	3,393	3,167	2,963	2,937	2,610	2,355
LAND USE CLASS [2]		1	1	1	1	2	2	3	4
LAND USE CLASS DESCRIPTION		(> 3,000 SF)	(> 3,000 SF)	(> 3,000 SF)	(> 3,000 SF)	(2,700 - 3,000 SF)	(2,700 - 3,000 SF)	(2,400 - 2,699 SF)	(2,100 - 2,399 SF)
BASE SALES PRICE [1]		$831,178	$880,164	$773,865	$741,962	$764,584	$800,324	$706,577	$679,861
AD-VALOREM TAXES [3]	RATE	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT
BASE PROPERTY TAX RATE	1.0000%	$8,311.78	$8,801.64	$7,738.65	$7,419.62	$7,645.84	$8,003.24	$7,065.77	$6,798.61
LODI USD 2002 MEASURE K BOND	0.018%	$151.27	$160.19	$140.84	$135.04	$139.15	$145.66	$128.60	$123.73
LODI USD 2016 MEASURE U BOND	0.041%	$342.45	$362.63	$318.83	$305.69	$315.01	$329.73	$291.11	$280.10
LODI SFID1 2006 MEASURE L BOND	0.041%	$342.45	$362.63	$318.83	$305.69	$315.01	$329.73	$291.11	$280.10
SJ DELTA COLL 2004 MEASURE L BOND	0.012%	$101.40	$107.38	$94.41	$90.52	$93.28	$97.64	$86.20	$82.94
TOTAL GENERAL PROPERTY TAXES	***1.1128%***	***$9,249.35***	***$9,794.46***	***$8,611.57***	***$8,256.55***	***$8,508.29***	***$8,906.01***	***$7,862.79***	***$7,565.49***
OVERLAPPING ASSESSMENTS [4]									
WESTLAKE VILL ZONE C-6 LNDSCP	$116.34	$116.34	$116.34	$116.34	$116.34	$116.34	$116.34	$116.34	$116.34
WEST LAKE VILLAGE MUD ZONE 11	$4.42	$4.42	$4.42	$4.42	$4.42	$4.42	$4.42	$4.42	$4.42
CENTRAL DELTA WATER	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00
WATER ZONE 2	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00
SJC MOSQUITO ABATE	$1.20	$1.20	$1.20	$1.20	$1.20	$1.20	$1.20	$1.20	$1.20
SJC MOSQ & VCTR CONTR-BEN ASMT	$9.92	$9.92	$9.92	$9.92	$9.92	$9.92	$9.92	$9.92	$9.92
RECL DISTR NO 2042 (MR)	$37.38	$37.38	$37.38	$37.38	$37.38	$37.38	$37.38	$37.38	$37.38
RECL DISTR NO 2042	$53.14	$53.14	$53.14	$53.14	$53.14	$53.14	$53.14	$53.14	$53.14
CSA NO 53 - HAZ WASTE	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00
TOTAL SPECIAL ASSESSMENTS & CHARGES	***$230.40***	***$230.40***	***$230.40***	***$230.40***	***$230.40***	***$230.40***	***$230.40***	***$230.40***	***$230.40***
TOTAL EFFECTIVE TAX RATE EXCLUDING CFD		1.14%	1.14%	1.14%	1.14%	1.14%	1.14%	1.15%	1.15%
IMPROVEMENT AREA NO. 4 OF CFD 2018- 2 (FACILITIES) [5]		*$3,822.07*	*$3,822.07*	*$3,822.07*	*$3,822.07*	*$3,140.14*	*$3,140.14*	*$2,948.55*	*$2,825.15*
CFD 2018-2 (SERVICES) [6]		$657.46	$657.46	$657.46	$657.46	$657.46	$657.46	$657.46	$657.46
PROJECTED TOTAL PROPERTY TAXES		**$13,959.28**	**$14,504.39**	**$13,321.50**	**$12,966.48**	**$12,536.29**	**$12,934.00**	**$11,699.19**	**$11,278.50**
PROJECTED TOTAL EFFECTIVE TAX RATE		**1.68%**	**1.65%**	**1.72%**	**1.75%**	**1.64%**	**1.62%**	**1.66%**	**1.66%**

(1) Source: Appraisal prepared by Integra Realty Resources, dated July 3, 2025.
(2) Rate and Method of Apportionment for Improvement Area No. 4 of CFD No. 2018-2 (Westlake Villages II).
(3) Source: County of San Joaquin Tax Collector. Based on tax rates for FY 2024-25.
(4) Based on review of taxes/assessments on subject property and neighboring properties.
(5) Source: Rate and Method of Apportionment. Assigned Special Tax A applicable for FY 2025-26.
(6) Source: Rate and Method of Apportionment. Special Tax B applicable for FY 2025-26.

Table 9E
Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Effective Tax Rate Analysis Fiscal Year 2025-26
(Village J)

VILLAGE/NAME/BUILDER		VILLAGE J						
ESTIMATED HOME SIZE [1]		3,568	2,776	2,963	2,937	2,612	2,386	2,127
LAND USE CLASS [2]		1	2	2	2	3	4	4
LAND USE CLASS DESCRIPTION		(> 3,000 SF)	(2,700 - 3,000 SF)	(2,700 - 3,000 SF)	(2,700 - 3,000 SF)	(2,400 - 2,699 SF)	(2,100 - 2,399 SF)	(2,100 - 2,399 SF)
BASE SALES PRICE [1]		$880,164	$701,487	$764,584	$800,324	$727,048	$666,010	$617,140
AD-VALOREM TAXES [3]	RATE	AMOUNT	AMOUNT	AMOUNT	AMOUNT			
BASE PROPERTY TAX RATE	1.0000%	$8,801.64	$7,014.87	$7,645.84	$8,003.24	$7,270.48	$6,660.10	$6,171.40
LODI USD 2002 MEASURE K BOND	0.018%	$160.19	$127.67	$139.15	$145.66	$132.32	$121.21	$112.32
LODI USD 2016 MEASURE U BOND	0.041%	$362.63	$289.01	$315.01	$329.73	$299.54	$274.40	$254.26
LODI SFID1 2006 MEASURE L BOND	0.041%	$362.63	$289.01	$315.01	$329.73	$299.54	$274.40	$254.26
SJ DELTA COLL 2004 MEASURE L BOND	0.012%	$107.38	$85.58	$93.28	$97.64	$88.70	$81.25	$75.29
TOTAL GENERAL PROPERTY TAXES	***1.1128%***	***$9,794.46***	***$7,806.15***	***$8,508.29***	***$8,906.01***	***$8,090.59***	***$7,411.36***	***$6,867.53***
OVERLAPPING ASSESSMENTS [4]								
WESTLAKE VILL ZONE C-6 LNDSCP	$116.34	$116.34	$116.34	$116.34	$116.34	$116.34	$116.34	$116.34
WEST LAKE VILLAGE MUD ZONE 11	$4.42	$4.42	$4.42	$4.42	$4.42	$4.42	$4.42	$4.42
CENTRAL DELTA WATER	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00
WATER ZONE 2	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00	$2.00
SJC MOSQUITO ABATE	$1.20	$1.20	$1.20	$1.20	$1.20	$1.20	$1.20	$1.20
SJC MOSQ & VCTR CONTR-BEN ASMT	$9.92	$9.92	$9.92	$9.92	$9.92	$9.92	$9.92	$9.92
RECL DISTR NO 2042 (MR)	$37.38	$37.38	$37.38	$37.38	$37.38	$37.38	$37.38	$37.38
RECL DISTR NO 2042	$53.14	$53.14	$53.14	$53.14	$53.14	$53.14	$53.14	$53.14
CSA NO 53 - HAZ WASTE	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00	$4.00
TOTAL SPECIAL ASSESSMENTS & CHARGES	***$230.***40	***$230.40***	***$230.40***	***$230.40***	***$230.40***	***$230.40***	***$230.40***	***$230.40***
TOTAL EFFECTIVE TAX RATE EXCLUDING CFD		1.14%	1.15%	1.14%	1.14%	1.14%	1.15%	1.15%
IMPROVEMENT AREA NO. 4 OF CFD 2018- 2 (FACILITIES) [5]		*$3,822.07*	*$3,140.14*	*$3,140.14*	*$3,140.14*	*$2,948.55*	*$2,825.15*	*$2,825.15*
CFD 2018-2 (SERVICES) [6]		$657.46	$657.46	$657.46	$657.46	$657.46	$657.46	$657.46
PROJECTED TOTAL PROPERTY TAXES		**$14,504.39**	**$11,834.14**	**$12,536.29**	**$12,934.00**	**$11,927.00**	**$11,124.37**	**$10,580.54**
PROJECTED TOTAL EFFECTIVE TAX RATE		**1.65%**	**1.69%**	**1.64%**	**1.62%**	**1.64%**	**1.67%**	**1.71%**

(1) Source: Appraisal prepared by Integra Realty Resources, dated July 3, 2025.
(2) Rate and Method of Apportionment for Improvement Area No. 4 of CFD No. 2018-2 (Westlake Villages II).
(3) Source: County of San Joaquin Tax Collector. Based on tax rates for FY 2024-25.
(4) Based on review of taxes/assessments on subject property and neighboring properties.
(5) Source: Rate and Method of Apportionment. Assigned Special Tax A applicable for FY 2025-26.
(6) Source: Rate and Method of Apportionment. Special Tax B applicable for FY 2025-26.

Special Tax Collection and Delinquency Rate

The first year for levy and collection of the Special Taxes will be for Fiscal Year 2025-26; accordingly, there is no delinquency history. Future delinquencies in the payment of property taxes (including the Special Taxes) with respect to property in Improvement Area 4, to the extent not covered by the Teeter Plan, could result in draws on the Reserve Fund established, and perhaps, ultimately, a default in the payment on the Bonds. See "SECURITY FOR THE BONDS

– Delinquent Payments; Teeter Plan; Covenant for Superior Court Foreclosure" and "SPECIAL RISK FACTORS."

SPECIAL RISK FACTORS

The purchase of the Bonds described in this Official Statement involves a degree of risk that may not be appropriate for some investors. The following includes a discussion of some of the risks which should be considered before making an investment decision. This discussion does not purport to be comprehensive or definitive or a complete statement of all factors that may be considered as risks in evaluating the credit quality of the Bonds.

Limited Obligation of the City to Pay Debt Service

The City has no obligation to pay principal of and interest on the Bonds in the event Special Tax collections are delinquent, other than from amounts, if any, on deposit in the Reserve Fund or funds derived from the tax sale or foreclosure and sale of parcels on which levies of the Special Tax are delinquent, nor is the City obligated to advance funds to pay such debt service on the Bonds. The Bonds are not general obligations of the City but are limited obligations of the City and Improvement Area 4 payable solely from the proceeds of the Special Tax and certain funds held under the Fiscal Agent Agreement, including amounts deposited in the Reserve Fund and investment income thereon, and the proceeds, if any, from the sale of property subject to the Special Tax in the event of a foreclosure. See "SECURITY FOR THE BONDS." Tax revenues available for the payment of the Bonds will be limited to the Net Taxes levied and collected on taxable property within Improvement Area 4.

Levy and Collection of the Special Tax

General. The principal source of payment of principal of and interest on the Bonds is the proceeds of the annual levy and collection of the Special Tax against property within Improvement Area 4.

Limitation on Maximum Annual Special Tax Rate. The annual levy of the Special Tax is subject to the maximum annual Special Tax rate authorized in the Special Tax Formula. The levy cannot be made at a higher rate even if the failure to do so means that the estimated proceeds of the levy and collection of the Special Tax, together with other available funds, will not be sufficient to pay debt service on the Bonds.

In addition to the maximum annual Special Tax rate limitation in the Special Tax Formula, Section 53321(d) of the Act provides that the special tax levied against any parcel for which an occupancy permit for private residential use has been issued may not be increased as a consequence of delinquency or default by the owner of any other parcel within a community facilities district by more than 10% above the amount that would have been levied in such Fiscal Year had there never been any such delinquencies or defaults. In cases of significant delinquency, these factors may result in defaults in the payment of principal of and interest on the Bonds.

No Relationship Between Property Value and Special Tax Levy. Because the Special Tax Formula is not based on property value, the levy of the Special Tax will rarely, if ever, result in a uniform relationship between the value of particular Taxable Parcels and the amount of the levy of the Special Tax against those parcels. Thus, there will rarely, if ever, be a uniform

relationship between the value of the Taxable Parcels and their proportionate share of debt service on the Bonds, and certainly not a direct relationship.

Factors that Could Lead to Special Tax Deficiencies. The following are some of the factors that might cause the levy of the Special Tax on any particular Taxable Parcels to vary from the Special Tax that might otherwise be expected:

Transfers to Governmental Entities. The number of Taxable Parcels could be reduced through the acquisition of Taxable Parcels by a governmental entity and failure of the government to pay the Special Tax based upon a claim of exemption or, in the case of the federal government or an agency thereof, immunity from taxation, thereby resulting in an increased tax burden on the remaining taxed parcels.

Property Tax Delinquencies. Failure of the owners of Taxable Parcels to pay property taxes (and, consequently, the Special Tax), or delays in the collection of or inability to collect the Special Tax by tax sale or foreclosure and sale of the delinquent parcels, could result in a deficiency in the collection of Net Taxes. For a summary of recent Special Tax collection and delinquency rates in Improvement Area 4, see "VALUE OF PROPERTY WITHIN IMPROVEMENT AREA 4 AND SPECIAL TAX BURDEN" herein.

Concentration of Ownership

The majority of taxable property within Improvement Area 4 is currently owned by Lennar Homes. An owner of property in Improvement Area 4 is not personally obligated to pay the Special Tax attributable to the owner's property. Rather, the Special Tax is an obligation only against the parcel of property, secured by the amount which could be realized in a foreclosure proceeding against the property, and not by any promise of the owner to pay. If the value of the property is not sufficient, taking into account other obligations also constituting a lien against the property, the City, Fiscal Agent and owners of the Bonds have no recourse against the owner, such as filing a lawsuit to collect money.

Failure of Lennar Homes, or any future owner of significant property subject to the Special Taxes in Improvement Area 4 to pay installments of Special Taxes when due could cause the depletion of the Reserve Fund prior to reimbursement from the resale of foreclosed property or payment of the delinquent Special Tax and, consequently, result in the delinquency rate reaching a level that would cause an insufficiency in collection of the Special Tax to meet the City's obligations on the Bonds. In that event, there could be a delay or failure in payments on the Bonds. See "SPECIAL RISK FACTORS – Bankruptcy and Foreclosure Delays" below and "SECURITY FOR THE BONDS – Delinquent Payments; Teeter Plan; Covenant for Superior Court Foreclosure."

Development of undeveloped property within Improvement Area 4 may be subject to unexpected delays, disruptions and changes which may affect the willingness and ability of landowners to pay the Special Taxes when due. Certain infrastructure improvements remain to be completed in order to complete construction within Improvement Area 4. No assurance can be given that the remaining proposed residential development will be partially or fully completed, and for purposes of evaluating the investment quality of the Bonds, prospective purchasers should consider the possibility that such parcels will remain vacant and only partially improved.

Appraised Values

The Appraisal estimates the market value of the taxable property within Improvement Area 4. This market value is merely the present opinion of the Appraiser, and is subject to the assumptions and limiting conditions stated in the Appraisal. The City has not sought the present opinion of any other appraiser of the value of the taxed parcels. A different present opinion of value might be rendered by a different appraiser.

The opinion of value relates to sale by a willing seller to a willing buyer as of the date of valuation, each having similar information and neither being forced by other circumstances to sell or to buy. Consequently, the opinion is of limited use in predicting the selling price at a foreclosure sale, because the sale is forced and the buyer may not have the benefit of full information.

In considering the estimates of value evidenced by the Appraisal, it should be noted that the Appraisal is based upon a number of standard and special assumptions which affect the estimates as to value, as well as the hypothetical condition of the Improvements having been completed, as set forth in the Appraisal (see APPENDIX B hereto). The improvements to be financed by the Bonds were not in place as of the date of inspection; thus, the value estimate is subject to a hypothetical condition (of such improvements being in place).

In addition, the opinion is a present opinion. It is based upon present facts and circumstances. Differing facts and circumstances may lead to differing opinions of value. The appraised market value is not evidence of future value because future facts and circumstances may differ significantly from the present.

No assurance can be given that any of the appraised property in Improvement Area 4 could be sold in a foreclosure for the estimated market value contained in the Appraisal. Such sale is the primary remedy available to Bondowners if that property should become delinquent in the payment of Special Taxes.

Property Values and Property Development

The value of taxable property within Improvement Area 4 is a critical factor in determining the investment quality of the Bonds. If a property owner defaults in the payment of the Special Tax, the City's only remedy is to foreclose on the delinquent property in an attempt to obtain funds with which to pay the delinquent Special Tax.

Land values could be adversely affected by economic and other factors beyond the City's control, such as a general economic downturn, relocation of employers out of the area, shortages of water, electricity, natural gas or other utilities, destruction of property caused by earthquake, flood, wildfires, or other natural disasters, environmental pollution or contamination, or unfavorable economic conditions. Land in Improvement Area 4 is adjacent to cropland areas utilized for hay and corn production, which could increase the chances of a fire in the area, and in an area protected from flooding by levees which could be breached.

Neither the Underwriter nor the City has evaluated development risks related to the development of land in Improvement Area 4. Since these are largely business risks of the type that property owners customarily evaluate individually, and inasmuch as changes in land ownership may well mean changes in the evaluation with respect to any particular parcel, the City is issuing the Bonds without regard to any such evaluation. Thus, the creation of the District (and

Improvement Area 4 therein) and the issuance of the Bonds in no way implies that the Underwriter or the City has evaluated these risks or the reasonableness of these risks.

The following is a discussion of specific risk factors that could affect the timing or scope of property development in Improvement Area 4 or the value of property in Improvement Area 4.

Land Development. Land values are influenced by the level of development in the area in many respects.

First, undeveloped or partially developed land is generally less valuable than developed land and provides less security to the Owners of the Bonds should it be necessary for Improvement Area 4 to foreclose on undeveloped or partially developed property due to the nonpayment of Special Taxes.

Second, failure to complete development on a timely basis could adversely affect the land values of those parcels that have been completed. Lower land values would result in less security for the payment of principal of and interest on the Bonds and lower proceeds from any foreclosure sale necessitated by delinquencies in the payment of the Special Tax. See "VALUE OF PROPERTY WITHIN IMPROVEMENT AREA 4 AND SPECIAL TAX BURDEN – Value to Special Tax Burden Ratios." No assurance can be given that the proposed development within Improvement Area 4 will be completed, and in assessing the investment quality of the Bonds, prospective purchasers should evaluate the risks of non-completion.

Neither the Master Developer nor Lennar Homes nor any other person provides any assurances that the project currently envisioned for the land in Improvement Area 4 will be completed, or that available sources of financing that will actually be available and sufficient to complete such projected development. The Master Developer and Lennar Homes have no obligation to the City or to owners of the Bonds to complete the project or the construction of homes within Improvement Area 4.

***Risks of Real Estate Investment Generally*.** Continuing development of land within Improvement Area 4 may be adversely affected by changes in general or local economic conditions, fluctuations in the real estate market, increased construction costs, development, financing and marketing capabilities of individual property owners, water or electricity shortages, and other similar factors. Development in Improvement Area 4 may also be affected by development in surrounding areas, which may compete with Improvement Area 4. In addition, land development operations are subject to comprehensive federal, state and local regulations, including environmental, land use, zoning and building requirements. There can be no assurance that proposed land development operations within Improvement Area 4 will not be adversely affected by future government policies, including, but not limited to, governmental policies to restrict or control development, or future growth control initiatives. There can be no assurance that land development operations within Improvement Area 4 will not be adversely affected by these risks.

***Natural Disasters*.** The value of the parcels in Improvement Area 4 in the future can be adversely affected by a variety of natural occurrences, particularly those that may affect infrastructure and other public improvements and private improvements on the parcels in Improvement Area 4 and the continued habitability and enjoyment of such private improvements. For example, the areas in and surrounding Improvement Area 4, like those in much of the State, may be subject to earthquakes or other unpredictable seismic activity. See "THE DISTRICT AND

IMPROVEMENT AREA 4 – Environmental Matters" and "SPECIAL RISK FACTORS – Natural Calamities" below.

Legal Requirements. Other events that may affect the value of a parcel include changes in the law or application of the law. Such changes may include, without limitation, local growth control initiatives, local utility connection moratoriums and local application of statewide tax and governmental spending limitation measures. Development in Improvement Area 4 may also be adversely affected by the application of laws protecting endangered or threatened species.

Hazardous Substances. Any discovery of a hazardous substance detected on property within Improvement Area 4 would affect the marketability and the value of some or all of the property in Improvement Area 4. In that event, the owners and operators of a parcel within Improvement Area 4 may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws. State law with regard to hazardous substances are also applicable to property within Improvement Area 4 and are as stringent as the federal laws. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance condition of property whether or not the owner (or operator) has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the parcels be contaminated by a hazardous substance is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The values set forth in the Appraisal do not take into account the possible reduction in marketability and value of any of the parcels within Improvement Area 4 by reason of the possible liability of the owner (or operator) for the remedy of a hazardous substance condition on a parcel. Although the City is not aware that the owner (or operator) of any of the property within Improvement Area 4 has a current liability for a hazardous substance with respect to any of the parcels, it is possible that such liabilities do currently exist and that the City is not aware of them.

Further, it is possible that liabilities may arise in the future with respect to any of the parcels within Improvement Area 4 resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the value of a parcel within Improvement Area 4 that is realizable upon a foreclosure sale.

Endangered and Threatened Species. It is illegal to harm or disturb any plants or animals in their habitat that have been listed as endangered species by the United States Fish & Wildlife Service under the Federal Endangered Species Act or by the California Fish & Game Commission under the California Endangered Species Act without a permit. The discovery of an endangered plant or animal could delay development of undeveloped property in Improvement Area 4 or reduce the value of such property.

Natural Calamities

General. Natural disasters, such as seismic events, flooding, landslides or wildfires, could affect the willingness or ability of owners of land in Improvement Area 4 to pay the Special Taxes, and could have a negative impact on the Bonds. There can be no assurance that the occurrence of any natural calamity would not cause substantial interference to or impact the timely repayment of the Bonds.

Seismic. Like much of the State, land in Improvement area 4 is located in a seismically active area. If there were to be an occurrence of severe seismic activity in the area of Improvement Area 4, such an occurrence may adversely affect development therein and/or the levy and collection of the Special Taxes. Land in Improvement area 4 could be at risk from strong ground motion and secondary effects related to a seismic event, including ground failure and seismically induced flooding caused by dam failures.

Droughts. California is subject to droughts from time-to-time. Although California is not currently in a drought, drought may reoccur in the future, and have a material adverse impact on land in Improvement area 4, which in turn could have a material adverse impact on the timely repayment of the Bonds.

Wildfires and Fire Insurance. In the past, drought conditions in the State (see "– Natural Calamities – Droughts" above) have led to increased risk of wildfire. In particular, certain electrical operators in the State have seen their distribution/transmission lines cause billions of dollars in property damage and the loss of lives. In 2023, as in several prior years, for example, devastating wildfires burned in various communities in California, causing wide-spread damage. In 2025, communities in Los Angeles County, including Pacific Palisades, Malibu and Altadena, experienced widespread devastation from wildfires causing losses of life, thousands of burned homes, and billions of dollars in property damage. Although not located in a very high fire hazard severity zone, no assurance can be given that wildfires will not erupt in the City and negatively impact development of land in Improvement area 4 or willingness and ability to pay the Special Taxes in the future.

On January 16, 2025, Governor Gavin Newsom issued Executive Order N-10-25 (the "Governor's Order") which canceled penalties, costs and interest on overdue property taxes (including special taxes) within certain zip codes affected by the Palisades Fire and the Altadena Fire during calendar year 2025. This will likely cause a delay in the payment of special taxes by certain property owners in any community facilities districts affected by Governor's Order. Unless the majority of property owners within the community facilities districts pay their special taxes voluntarily or have mortgage impound accounts, it is likely that the community facilities districts will need to draw upon a reserve fund to make debt service payments on outstanding bonds prior to the expiration of the Governor's Order and it is possible that outstanding bonds will experience a payment default. In the event of a major fire or other natural disaster affecting land in Improvement area 4, a similar order could impact the debt service payment for the Bonds.

Climate Change. City finances may be negatively impacted by climate change. Local impacts of climate change are not definitive, but parcels in the City could experience changes to local and regional weather patterns; increased risk of flooding from severe weather events including heavy rain, hail and thunderstorms; and water restrictions resulting from future drought conditions. See, for example, the discussions above regarding extreme heat, wildfires and droughts.

Other Possible Claims Upon the Value of Taxable Property

While the Special Taxes are secured by the Taxable Parcels in Improvement Area 4, the security only extends to the value of such property that is not subject to priority and parity liens and similar claims. The table in the section entitled "VALUE OF PROPERTY WITHIN IMPROVEMENT AREA 4 AND SPECIAL TAX BURDEN – Overlapping Liens and Priority of Lien" shows the presently outstanding amount of governmental obligations (with stated exclusions), the tax or assessment for which is or may become an obligation of one or more of the Taxable Parcels. The table also states the additional amount of general obligation bonds the tax for which, if and when issued, may become an obligation of one or more of the Taxable Parcels. The table does not specifically identify which of the governmental obligations are secured by liens on one or more of the Taxable Parcels.

The City, the County and certain other public agencies are authorized by the Act to form other community facilities districts and improvement areas and, under other provisions of State law, to form special assessment districts, either or both of which could include all or a portion of the land within Improvement Area 4. Other governmental obligations may be authorized and undertaken or issued in the future, the tax, assessment or charge for which may become an obligation of one or more of the parcels of taxable property and may be secured by a lien on a parity with the lien of the Special Tax securing the Bonds.

In general, as long as the Special Tax is collected on the County tax roll, the Special Tax and all other taxes, assessments and charges also collected on the tax roll are on a parity, that is, are of equal priority. Questions of priority become significant when collection of one or more of the taxes, assessments or charges is sought by some other procedure, such as foreclosure and sale. In the event of proceedings to foreclose for delinquency of Special Taxes securing the Bonds, the Special Tax will be subordinate only to existing prior governmental liens, if any. Otherwise, in the event of such foreclosure proceedings, the Special Taxes will generally be on a parity with the other taxes, assessments and charges, and will share the proceeds of such foreclosure proceedings on a pro rata basis. Although the Special Taxes will generally have priority over non-governmental liens on a Taxable Parcel, regardless of whether the non-governmental liens were in existence at the time of the levy of the Special Tax or not, this result may not apply in the case of bankruptcy. See "– Bankruptcy and Foreclosure Delays" below.

Bankruptcy and Foreclosure Delays

The Fiscal Agent Agreement generally provides that the Special Tax is to be collected in the same manner as ordinary *ad valorem* property taxes are collected and, except as provided in the special covenant for foreclosure described in "SECURITY FOR THE BONDS – Delinquent Payments of Special Tax; Teeter Plan; Covenant for Superior Court Foreclosure" and in the Act, is subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for ordinary ad valorem property taxes. Under these procedures, if taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the County.

If sales or foreclosures of property are necessary, there could be a delay in payments to owners of the Bonds pending such sales or the prosecution of foreclosure proceedings and receipt by the City of the proceeds of sale if the Reserve Fund is depleted. See "SECURITY FOR THE BONDS – Delinquent Payments; Teeter Plan; Covenant for Superior Court Foreclosure."

The ability of the City to collect interest and penalties specified by State law and to foreclose against properties having delinquent Special Tax installments may be limited in certain respects with regard to properties in which the Federal Deposit Insurance Corporation (the "**FDIC**") has or obtains an interest. The FDIC would obtain such an interest by taking over a financial institution that has made a loan that is secured by property within Improvement Area 4.

The payment of the Special Tax and the ability of the City to foreclose the lien of a delinquent unpaid Special Tax may also be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State of California relating to judicial foreclosure. The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Other laws generally affecting creditors' rights or relating to judicial foreclosure may affect the ability to enforce payment of Special Taxes or the timing of enforcement of Special Taxes. For example, the Soldiers and Sailors Civil Relief Act of 1940 affords protections such as a stay in enforcement of the foreclosure covenant, a six-month period after termination of military service to redeem property sold to enforce the collection of a tax or assessment and a limitation on the interest rate on the delinquent tax or assessment to persons in military service if the court concludes the ability to pay such taxes or assessments is materially affected by reason of such service.

To the extent that property in Improvement Area 4 continues to be owned by a limited number of property owners, the chances are increased that the Reserve Fund could be fully depleted during any such delay in obtaining payment of delinquent Special Taxes. As a result, sufficient moneys would not be available in the Reserve Fund to make up shortfalls resulting from delinquent payments of the Special Tax and thereby to pay principal of and interest on the Bonds on a timely basis.

FDIC/Federal Government Interests in Properties

General. The ability of the City to foreclose the lien of delinquent unpaid Special Tax installments may be limited with regard to properties in which the Federal Deposit Insurance Corporation (the "**FDIC**"), the Drug Enforcement Agency, the Internal Revenue Service, or other federal agency has or obtains an interest.

Federal courts have held that, based on the supremacy clause of the United States Constitution, in the absence of Congressional intent to the contrary, a state or local agency cannot foreclose to collect delinquent taxes or assessments if foreclosure would impair the federal government interest.

The supremacy clause of the United States Constitution reads as follows: "This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the contrary notwithstanding."

This means that, unless Congress has otherwise provided, if a federal governmental entity owns a parcel that is subject to Special Taxes within Improvement Area 4 but does not pay taxes

and assessments levied on the parcel (including Special Taxes), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

Moreover, unless Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and Improvement Area 4 wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on parity with the Special Taxes and preserve the federal government's mortgage interest. In *Rust v. Johnson* (9th Circuit; 1979) 597 F.2d 174, the United States Court of Appeal, Ninth Circuit held that the Federal National Mortgage Association ("**FNMA**") is a federal instrumentality for purposes of this doctrine, and not a private entity, and that, as a result, an exercise of state power over a mortgage interest held by FNMA constitutes an exercise of state power over property of the United States.

No Acceleration Provisions

The Bonds do not contain a provision allowing for their acceleration in the event of a payment default or other default under the terms of the Bonds or the Fiscal Agent Agreement. Under the Fiscal Agent Agreement, a Bondowner is given the right for the equal benefit and protection of all Bondowners similarly situated to pursue certain remedies. So long as the Bonds are in book-entry form, DTC will be the sole Bondowner and will be entitled to exercise all rights and remedies of Bond holders, in accordance with its procedures and rules.

Loss of Tax Exemption

As discussed under the caption "TAX MATTERS," interest on the Bonds might become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were issued as a result of future acts or omissions of the City in violation of its covenants in the Fiscal Agent Agreement. The Fiscal Agent Agreement does not contain a special redemption feature triggered by the occurrence of an event of taxability. As a result, if interest on the Bonds were to become includable in gross income for purposes of federal income taxation, the Bonds would continue to remain outstanding until maturity unless earlier redeemed pursuant to optional redemption, mandatory sinking fund redemption or special mandatory redemption upon prepayment of the Special Taxes.

IRS Audit of Tax-Exempt Bond Issues

The Internal Revenue Service (the "**IRS**") has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the IRS. It is also possible that the market value of such Bonds might be affected as a result of such an audit of such Bonds (or by an audit of similar bonds or securities).

Voter Initiatives

From time to time, initiative measures qualify for the State ballot pursuant to the State's constitutional initiative process and those measures could be adopted by State voters. The adoption of any such initiative might place limitations on the ability of the State, the City, the County or other local districts to increase revenues or to increase appropriations or on the ability of the landowners to complete the development of Improvement Area 4. See "– Property Values and Property Development" above.

Under the State Constitution, the power of initiative is reserved to the voters for the purpose of enacting statutes and constitutional amendments. Since 1978, the voters have exercised this power through the adoption of Proposition 13 and similar measures, including Proposition 218, which was approved in the general election held on November 5, 1996, and Proposition 26, which was approved on November 2, 2010.

Any such initiative may affect the collection of fees, taxes and other types of revenue by local agencies such as the City. Subject to overriding federal constitutional principles, such collection may be materially and adversely affected by voter-approved initiatives, possibly to the extent of creating cash-flow problems in the payment of outstanding obligations such as the Special Tax Bonds.

Proposition 218—Voter Approval for Local Government Taxes—Limitation on Fees, Assessments, and Charges—Initiative Constitutional Amendment, added Articles XIIIC and XIIID to the State Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges.

On November 2, 2010, State voters approved Proposition 26, entitled the "Supermajority Vote to Pass New Taxes and Fees Act". Section 1 of Proposition 26 declares that Proposition 26 is intended to limit the ability of the State Legislature and local government to circumvent existing restrictions on increasing taxes by defining the new or expanded taxes as "fees." Proposition 26 amended Articles XIIIA and XIIIC of the State Constitution. The amendments to Article XIIIA limit the ability of the State Legislature to impose higher taxes (as defined in Proposition 26) without a two-thirds vote of the Legislature. Article XIIIC requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes require a majority vote and taxes for specific purposes ("special taxes") require a two-thirds vote.

The Special Taxes and bonded indebtedness limit for Improvement Area 4 were authorized by not less than a two-thirds vote of the landowners who constituted the qualified electors of Improvement Area 4 at the time of such voted authorization. In connection with such election, all of the landowner electors provided waivers customarily required in connection with landowner elections, unanimously waiving, among other matters, legal requirements pertaining to the conduct of such election. The City believes, therefore, that issuance of the Bonds and levying of the Special Tax does not require the conduct of further proceedings under the Mello-Roos Act, Proposition 218, or Proposition 26.

Like their antecedents, Proposition 218 and Proposition 26 are continuing to undergo both judicial and legislative scrutiny. Certain provisions of Proposition 218 and Proposition 26 may be examined by the courts for their constitutionality.

Case Law Related to Mello-Roos Act

On August 1, 2014, the California Court of Appeal, Fourth Appellate District, issued its opinion in *City of San Diego v. Melvin Shapiro, et al.* (D063997). The case involved a Convention Center Facilities District (the "**CCFD**") established by the City of San Diego. The CCFD is a financing district established under San Diego's city charter (the "**Charter**") and was intended to function much like a community facilities district established under the Act. The CCFD was comprised of all of the real property in the entire city. However, the CCFD special tax was to be levied only on properties in the CCFD that were improved with a hotel.

At the election to authorize the CCFD special tax, the CCFD proceedings limited the electorate to owners of hotel properties and lessees of real property owned by a governmental entity on which a hotel was located. Registered voters in the City of San Diego were not permitted to vote. This definition of the qualified electors of the CCFD was based on Section 53326(c) of the Act, which generally provides that, if a special tax will not be apportioned in any tax year on residential property, the legislative body may provide that the vote shall be by the landowners of the proposed community facilities district whose property would be subject to the special tax. The *San Diego* Court held that the CCFD special tax election did not comply with its Charter and with applicable provisions of the State Constitution -- specifically Article XIIIA, section 4 ("Cities, Counties and special districts, by a two-thirds vote of the qualified electors of such district, may impose special taxes on such district . . .") and Article XIIIC, section 2(d) ("No local government may impose, extend, or increase any special tax unless and until that tax is submitted to the electorate and approved by a two-thirds vote.") -- because the electors in the CCFD election should have been the registered voters residing within the CCFD (the boundaries of which were coterminous with the boundaries of the City of San Diego).

As to Improvement Area 4, there were no registered voters within Improvement Area 4 at the time of the election to authorize the Special Taxes. Significantly, the *San Diego* Court expressly stated that it was not addressing the validity of a landowner election to impose special taxes on property pursuant to the Act in situations where there are fewer than 12 registered voters. Therefore, by its terms, the *San Diego* Court's holding does not apply to the special tax election in Improvement Area 4. Moreover, Sections 53341 and 53359 of the Act establish a limited period of time in which special taxes levied under the Act may be challenged by a third party, which time period has now passed.

Pandemic Diseases

The spread of pandemic diseases (such as COVID-19), and responses intended to slow their spread, may result in negative impacts to the homebuilding operations and sales of homes within Improvement Area 4 in the future. There can be no assurances that the spread of pandemic diseases and related shelter in place order and/or social distancing requirements imposed by governmental authorities in response will not materially adversely impact the pace of sales of lots or homes or the willingness of owners of land in Improvement Area 4, including the Master Developer, Lennar Homes or individual homeowners, to pay the Special Taxes securing the Bonds. In addition, no assurance can be given that the property tax payment dates will not be deferred in the future, which may cause a delay in the receipt of Net Taxes by the City for the payment of the Bonds. Finally, stock and municipal bond markets in the U.S. and globally could see significant volatility attributed to pandemic disease concerns; there can be no assurances that these or other concerns that emerge later will not materially adversely impact the secondary market for the Bonds.

TAX MATTERS

Federal Tax Status. In the opinion of Jones Hall LLP, San Mateo, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Bonds may be subject to the corporate alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the "**Tax Code**") that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes "original issue premium" for purposes of federal income taxes and State of California personal income taxes. *De minimis* original issue discount and original issue premium are disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Bonds who purchase the Bonds after the initial offering of a substantial amount of such maturity. Owners of such Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Bond's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Bond is amortized each year over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Bond premium is not deductible for federal income tax purposes. Owners of premium Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes.

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax

status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the Bonds, or as to the consequences of owning or receiving interest on the Bonds, as of any future date. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the Bonds, the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on the Bonds.

LEGAL MATTERS

Legal Opinion

The legal opinion of Jones Hall LLP, San Mateo, California, Bond Counsel, approving the validity of the Bonds will be made available to purchasers at the time of original delivery and is attached in substantially final form as APPENDIX E.

Jones Hall LLP, San Mateo, California, is also serving as Disclosure Counsel to the City. The City Attorney will pass upon certain legal matters for the City. Kutak Rock LLP, Los Angeles, California will pass upon certain legal matters for the Underwriter as counsel to the Underwriter.

No Litigation

At the time of delivery of and payment for the Bonds, the City Attorney will deliver his opinion that to the best of its knowledge there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or regulatory agency pending against the City affecting its existence or the titles of its officers to office or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Fiscal Agent Agreement, or the collection or application of the Special Tax to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Fiscal Agent Agreement or any action of the City contemplated by any of said documents, or in any way contesting the completeness or accuracy of this Official Statement or any amendment or supplement thereto, or contesting the powers of the City or its authority with respect to the Bonds or any action of the City contemplated by any of said documents.

CONTINUING DISCLOSURE

The City

The City will covenant for the benefit of owners of the Bonds to provide certain financial information and operating data relating to Improvement Area 4 (the "**City Annual Report**") by not later than March 31 following the end of the City's fiscal year, commencing March 31, 2026, with the report for the fiscal year ending June 30, 2025, and to provide notices of the occurrence of certain listed events ("**Notice Events**"). These covenants have been made in order to assist the Underwriter in complying with Securities Exchange Commission Rule 15c2-12(b)(5), as amended (the "**Rule**"). The specific nature of the information to be contained in the Annual Report or the notices of listed events is set forth in APPENDIX F.

In the preceding five years, the City failed to timely comply in certain respects with its previous undertakings with regard to the Rule, including failing to timely file the fiscal years 2021 and 2023 audited financial statements and not including certain data in the "Customer Class by Type of Account and Number of Connections" information for 2019 water bonds. The City filed its 2023 audited financial statements on March 21, 2024, which was 51 days past the filing deadline.

Lennar Homes

The Underwriter does not consider Lennar Homes to be an "obligated person" with respect to the Bonds for purpose of the Rule. Notwithstanding the foregoing, to provide updated information with respect to their development within Improvement Area 4, Lennar Homes has agreed to execute a Developer Continuing Disclosure Certificate, the form of which is set forth in APPENDIX F (the "**Developer Continuing Disclosure Certificate**"), for the benefit of the owners of the Bonds, pursuant to which it will covenant to provide, semiannual reports on March 31 and September 30 of each year and notice of the occurrence of certain events with respect to itself and the property it owns in Improvement Area 4 until satisfaction of certain conditions set forth in its Developer Continuing Disclosure Certificate. The complete text of the Developer Continuing Disclosure Certificate is set forth in APPENDIX F.

Lennar Homes' obligation to provide semiannual reports and listed event disclosures will terminate upon the earliest to occur of: (a) the legal defeasance, prior redemption or payment in full of all of the Bonds; or (b) when Lennar Homes, together with its Affiliates, collectively own fewer than __ planned residential lots in Improvement Area 4.

Lennar Homes Prior Continuing Disclosure Compliance. Lennar Homes represents that, other than as disclosed in this paragraph, to the actual knowledge of Lennar Homes, Lennar Homes has not failed in any material respect to comply with any previous undertaking by it to provide periodic continuing disclosure reports or notices of material events with respect to community facilities districts or assessment districts in California within the past five years. However, (i) in connection with the $16,780,000 California Municipal Finance Authority Special Tax Revenue Bonds BOLD Program Series 2020B, Lennar Homes inadvertently failed to file the initial Semi-Annual Report by the due date of May 1, 2021, but filed a curative report on May 21, 2021; and (ii) in connection with the $5,795,000 City of Rancho Cordova Grantline 208 Community Facilities District No. 2018-1 Special Tax Bonds, Series 2021B, Lennar Homes inadvertently failed to file the initial annual report by the due date of April 1, 2022, but filed a curative report on September 21, 2022.

NO RATINGS

The City has not applied to a rating agency for the assignment of a rating to the Bonds and does not contemplate applying for a rating.

UNDERWRITING

The Bonds are being purchased by Oppenheimer & Co. Inc., as underwriter (the "**Underwriter**"), at a purchase price of $_____, which represents the aggregate principal amount of the Bonds ($_____) less an Underwriter's discount of $_____ and [less/ plus] an original issue [discount/premium] of $_____.

The purchase agreement relating to the Bonds provides that the Underwriter will purchase all of the Bonds, if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in such purchase agreement.

The Underwriter may offer and sell the Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page hereof. The offering prices may be changed from time to time by the Underwriter.

MUNICIPAL ADVISOR

The City has retained Del Rio Advisors, LLC of Modesto, California, as municipal advisor (the "Municipal Advisor") in connection with the offering of the Bonds. All financial and other information presented in this Official Statement has been provided by the City and others from their records. Unless otherwise footnoted, the Municipal Advisor takes no responsibility for the accuracy or completeness of the data provided by the City or others and has not undertaken to make an independent verification or does not assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. The Municipal Advisor has assisted the City with the structure, timing and terms for the sale of the Bonds. The Municipal Advisor provides municipal advisory services only and does not engage in the underwriting, marketing, or trading of municipal securities or other negotiable instruments. The fee of the Municipal Advisor is contingent upon the successful closing of the Bonds.

EXECUTION

The execution and delivery of the Official Statement by the City has been duly authorized by the City Council, acting as the legislative body of the District.

CITY OF STOCKTON

By: _____
Authorized Officer

APPENDIX A

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

APPENDIX B

THE APPRAISAL

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF FISCAL AGENT AGREEMENT

The following contains a brief summary of certain provisions of the Fiscal Agent Agreement not found in the main body of the Official Statement. Investors are hereby directed to obtain a complete copy of the Fiscal Agent Agreement, which is available from the City or the Fiscal Agent upon request.

Certain Definitions

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Sections 53311 *et seq.* of the California Government Code.

"*Administrative Expenses*" means any or all of the following:

(a) the expenses directly related to the administration of Improvement Area 4, including, but not limited to, the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or a designee thereof or both); the costs of collecting the Special Taxes (whether by San Joaquin County, the City or otherwise); the costs of remitting the Special Taxes to the Fiscal Agent; the costs associated with preparing Special Tax disclosure statements and responding to the public inquiries regarding the Special Taxes; the costs of the City, Improvement Area 4 or any designee thereof related to an appeal of the Special Tax;

(b) the costs of the Fiscal Agent (including its legal counsel) in the discharge of the duties of the Fiscal Agent pertaining to the Bonds required under this Fiscal Agent Agreement and any Supplemental Agreement;

(c) the costs of the City or any designee thereof of complying with the City, Improvement Area 4, or obligated person disclosure requirements associated with applicable federal or state securities laws of the Act pertaining to the Bonds;

(d) any amounts required to be rebated to the federal government; and

(e) all other costs and expenses of the City (including, but not limited to, an allocable share of the salaries of the City staff directly related to the foregoing, a proportionate amount of City general administrative overhead related to the foregoing, and amounts advanced by the City for any administrative purpose of Improvement Area 4, including costs related to prepayments of Special Taxes, recordings related to such prepayments and satisfaction of Special Taxes, amounts advanced to ensure maintenance of tax exemption, and the costs of prosecuting foreclosure of delinquent Special Taxes, which amounts advanced are subject to reimbursement from other sources, including proceeds of foreclosure) and the Fiscal Agent incurred in connection with the discharge of their respective duties hereunder and in any way related to the administration of Improvement Area 4 and all actual costs and expenses incurred in connection with the administration of the Bonds.

"Agreement" means the Fiscal Agent Agreement, as it may be amended or supplemented from time to time by any Supplemental Agreement.

"Annual Debt Service" means, for each Bond Year and each Series of Outstanding Bonds, the sum of (i) the interest due on the respective Series of Outstanding Bonds in such Bond Year, assuming that such Outstanding Bonds are retired as scheduled, and (ii) the principal amount of the respective Series of Outstanding Bonds, including any mandatory sinking fund payments, due in such Bond Year.

"Authorized Officer" means the City Manager, Chief Financial Officer, City Clerk, City Attorney, including any deputy, acting or interim officer holding such position, or any other officer or employee authorized by the City Council of the City or by an Authorized Officer to undertake the action referenced in this Agreement as required to be undertaken by an Authorized Officer.

"Bond Counsel" means any attorney or firm of attorneys acceptable to the City and nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

"Bond Year" means each twelve-month period beginning on September 2 in any year and extending to the next succeeding September 1, both dates inclusive; except that the first Bond Year shall begin on the Closing Date and end on September 1, 2026.

"Business Day" means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in the state in which the Principal Office of the Fiscal Agent is located are authorized or obligated by law or executive order to be closed.

"CDIAC" means the California Debt and Investment Advisory Commission of the office of the State Treasurer of the State of California or any successor agency or bureau thereto.

"Closing Date" means the date upon which there is a physical delivery of the Bonds in exchange for the amount representing the purchase price of the Bonds by the Original Purchaser.

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Continuing Disclosure Certificate" means the Continuing Disclosure Certificate, dated as of the Closing Date, related to the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Debt Service" means the scheduled amount of interest and amortization of principal payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

"District" means the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) formed pursuant to the Resolution of Formation.

"*Fair Market Value*" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction

(as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security—State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) the investment is the Local Agency Investment Fund of the State of California, but only if at all times during which the investment is held its yield is reasonably expected to be equal to or greater than the yield on a reasonably comparable direct obligation of the United States.

"Federal Securities" means any of the following which are non-callable and which at the time of investment are legal investments under the laws of the State of California for funds held by the Fiscal Agent (the Fiscal Agent entitled to rely upon investment direction from the City as a certification that such investment constitutes a legal investment).

(i) Direct general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the United States Department of the Treasury) and obligations, the payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America, including, without limitation, such of the foregoing which are commonly referred to as "stripped" obligations and coupons; or

(ii) Any of the following obligations of the following agencies of the United States of America: (i) direct obligations of the Export-Import Bank, (ii) certificates of beneficial ownership issued by the Farmers Home Administration, (iii) participation certificates issued by the General Services Administration, (iv) mortgage-backed bonds or passthrough obligations issued and guaranteed by the Government National Mortgage Association, (v) project notes issued by the United States Department of Housing and Urban Development, and (vi) public housing notes and bonds guaranteed by the United States of America.

"Chief Financial Officer" means the duly acting Chief Financial Officer or Treasurer of the City, or if the City has no Chief Financial Officer, such officer of the City serving a similar role.

"Fiscal Agent" means the Fiscal Agent appointed by the City and acting as an independent fiscal agent with the duties and powers in the Agreement provided, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in the Agreement.

"Fiscal Year" means the twelve-month period extending from July 1 in a calendar year to June 30 of the succeeding year, both dates inclusive.

"Information Services" means "EMMA" or the "Electronic Municipal Market Access" system of the Municipal Securities Rulemaking Board; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the City may designate in an Officer's Certificate delivered to the Fiscal Agent.

"Maximum Annual Debt Service" means, for each Series of Outstanding Bonds, the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of the respective Series of Outstanding Bonds.

"Officer's Certificate" means a written certificate of the City signed by an Authorized Officer of the City.

"Ordinance" means any ordinance of the City levying the Special Taxes.

"Original Purchaser" means the first purchaser of the Bonds from the City.

"Outstanding," when used as of any particular time with reference to Bonds, means (subject to the provisions of the Agreement) all Bonds except (i) Bonds theretofore canceled by the Fiscal Agent or surrendered to the Fiscal Agent for cancellation; (ii) Bonds paid or deemed to have been paid within the meaning of the Agreement; and (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the City pursuant to the Agreement or any Supplemental Agreement.

"Owner" or *"Bondowner"* means any person who shall be the registered owner of any Outstanding Bond.

"Participating Underwriter" shall have the meaning ascribed thereto in the Continuing Disclosure Certificate.

"Prepayment" means moneys received by the City from the prepayment of Special Taxes as provided in the "Rate, Method of Apportionment, and Manner of Collection of Special Tax" applicable to Improvement Area 4.

"Principal Office" means the corporate trust office of the Fiscal Agent set forth in the Agreement, or such other or additional offices as may be designated by the Fiscal Agent.

"Record Date" means the fifteenth (15th) day of the month next preceding the month of the applicable Interest Payment Date whether or not such day is a Business Day.

"Regulations" means temporary and permanent regulations promulgated under the Code.

"Resolution of Formation" means Resolution No. 2018-06-19-1502-01, adopted by the City Council of the City on June 19, 2018 establishing the District for the purpose of providing for the financing of certain public facilities in and for such District.

"Supplemental Agreement" means an agreement the execution of which is authorized by a resolution which has been duly adopted by the City under the Act and which agreement is amendatory of or supplemental to the Agreement, but only if and to the extent that such agreement is specifically authorized under the Agreement.

Certain Covenants

Punctual Payment. The City will punctually pay or cause to be paid the principal of, and interest and any premium on, the Bonds when and as due in strict conformity with the terms of the Agreement, and it will faithfully observe and perform all of the conditions covenants and requirements of the Agreement and all Supplemental Agreements and of the Bonds.

Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the City shall not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Bonds and shall not, directly or indirectly, be a party to the approval of any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the City, such claim for interest so extended or funded shall not be entitled, in case of default under the Agreement, to the benefits of the Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Against Encumbrances. The City will not encumber, pledge or place any charge or lien upon any of the Special Tax Revenues or other amounts pledged to the Bonds superior to or on a parity with the pledge and lien herein created for the benefit of the Bonds, except as permitted by the Agreement.

Books and Accounts. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries shall be made of all transactions relating to the expenditure of amounts disbursed from the Special Tax Fund and to the Special Tax Revenues. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Fiscal Agent and the Owners of not less than ten percent (10%) of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

The Fiscal Agent will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Fiscal Agent, in which complete and correct entries shall be made of all transactions relating to the expenditure of amounts disbursed from the Bond Fund, the Reserve Fund and the Costs of Issuance Fund. Such books of record and accounts shall at all times during business hours and upon reasonable prior notice, be subject to the inspection of the City and the Owners of not less than ten percent (10%) of the principal amount of the Bonds then Outstanding, or their representatives duly authorized in writing.

Protection of Security and Rights of Owners. The City will preserve and protect the security of the Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the delivery of any of the Bonds by the City, the Bonds shall be incontestable by the City.

Private Activity Bond Limitation. The City shall assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Collection of Special Tax Revenues. The City shall comply with all requirements of the Act so as to assure the timely collection of Special Tax Revenues, including without limitation, the enforcement of delinquent Special Taxes. On or within five (5) Business Days of each June 1, the Fiscal Agent shall provide the Chief Financial Officer with a notice stating the amount then on deposit in the Bond Fund and the Reserve Fund.

The City shall effect the levy of the Special Taxes each Fiscal Year in accordance with the Ordinance such that the computation of the levy is complete before the final date on which County Auditor will accept the transmission of the Special Tax amounts for the parcels within Improvement Area 4 for inclusion on the next secured real property tax roll. Upon the completion of the computation of the amounts of the levy, the City shall prepare or cause to be prepared, and shall transmit to the Chief Financial Officer, such data as the County Auditor requires to include the levy of the Special Taxes on the next secured real property tax roll.

The City shall fix and levy the amount of Special Taxes within Improvement Area 4 required for the payment of principal of and interest on any outstanding Bonds of Improvement Area 4 becoming due and payable during the ensuing Bond Year, including any necessary replenishment or expenditure of the Reserve Fund for the Bonds and an amount estimated to be sufficient to pay the Administrative Expenses during such year, all in accordance with the rate and method of apportionment of the Special Taxes for Improvement Area 4 and the Ordinance. In any event, the Special Taxes so levied shall not exceed the authorized amounts as provided in the proceedings pursuant to the Resolution of Formation.

The City covenants that it will receive Net Taxes in trust for the Owners and will instruct the Chief Financial Officer to deposit all Net Taxes with the Fiscal Agent at least three Business Days prior to each Interest Payment Date, and the City shall have no beneficial right or interest in the amounts so deposited, except as provided by this Agreement. All such Net Taxes shall be disbursed, allocated and applied solely to the uses and purposes set forth in this Agreement, and shall be accounted for separately and apart from all other money, funds, accounts or other resources of the City.

Further Assurances. The City will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Agreement, and for the better assuring and confirming unto the Owners of the rights and benefits provided in the Agreement.

No Arbitrage. The City shall not take, or permit or suffer to be taken by the Fiscal Agent or otherwise, any action with respect to the gross proceeds of the Bonds which if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code and Regulations.

Maintenance of Tax-Exemption. The City shall take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Bonds.

Yield of the Bonds. In determining the yield of the Bonds to comply with the Agreement, the City will take into account redemption (including premium, if any) in advance of maturity based on the reasonable expectations of the City, as of the Closing, without regard to whether or not redemption moneys are received or Bonds are redeemed.

Modification or Amendment of the Fiscal Agent Agreement

The Agreement and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Agreement pursuant to the affirmative vote at a meeting of Owners, or with the written consent without a meeting, of the

Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in the Agreement. No such modification or amendment shall (i) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation by the City of any pledge or lien upon the Special Taxes superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by the Act, the laws of the State of California or the Agreement), or reduce the percentage of Bonds required for the amendment hereof. No such amendment may modify any of the rights or obligations of the Fiscal Agent without its written consent.

The Agreement and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Agreement, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(A) to add to the covenants and agreements of the City in the Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power in the Agreement reserved to or conferred upon the City;

(B) to make modifications not adversely affecting any outstanding series of Bonds of the City in any material respect;

(C) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Agreement, or in regard to questions arising under the Agreement, as the City and the Fiscal Agent may deem necessary or desirable, and which shall not adversely affect the rights of the Owners of the Bonds;

(D) to make such additions, deletions or modifications as may be necessary or desirable to assure compliance with Section 148 of the Code relating to required rebate of excess investment earnings to the United States or otherwise as may be necessary to assure exclusion from gross income for federal income tax purposes of interest on the Bonds or to conform with the Regulations.

No such amendment may modify any of the rights or obligations of the Fiscal Agent without its written consent.

If consent of the Owners is required, the Supplemental Agreement shall not become effective unless there shall be filed with the Fiscal Agent the written consents of the Owners of at least 60% in aggregate principal amount of the Bonds then Outstanding (exclusive of Bonds disqualified as provided in the Agreement) and a notice shall have been mailed as hereinafter provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by the Agreement. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Fiscal Agent prior to the date when the notice hereinafter provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the City shall mail a notice to the Owners in the manner hereinbefore provided for the mailing of the Supplemental Agreement, stating in substance that the Supplemental Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided (but failure to mail copies of said notice shall not affect the validity of the Supplemental Agreement or consents thereto). Proof of the mailing of such notice shall be filed with the Fiscal Agent. A record, consisting of the papers required to be filed with the Fiscal Agent, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Agreement shall become effective upon the filing with the Fiscal Agent of the proof of mailing of such notice, and the Supplemental Agreement shall be deemed conclusively binding (except as otherwise above specifically provided) upon the City and the Owners of all Bonds at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty-day period.

Bonds owned or held for the account of the City, excepting any pension or retirement fund, shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds provided for in the Agreement, and shall not be entitled to vote upon, consent to, or take any other action provided for in the Agreement. Upon request, the City shall provide an Officer's Certificate to the Fiscal Agent listing those Bonds which are disqualified pursuant to the Agreement.

Defeasance and Discharge

If the City shall pay and discharge the entire indebtedness on all or any portion of the Bonds Outstanding in any one or more of the following ways:

(A) by well and truly paying or causing to be paid the principal of, and interest and any premium on, such Bonds Outstanding, as and when the same become due and payable;

(B) by depositing with the Fiscal Agent, in trust, at or before maturity, money which, together with (in the event that all of the Bonds are to be defeased) the amounts then on deposit in the funds and accounts provided for in the Agreement, is fully sufficient to pay such Bonds Outstanding, including all principal, interest and redemption premiums, or;

(C) by irrevocably depositing with the Fiscal Agent, in trust, cash and Federal Securities in such amount as the City shall determine as confirmed by an independent certified public accountant will, together with the interest to accrue thereon and (in the event that all of the Bonds are to be defeased) moneys then on deposit in the fund and accounts provided for in the Agreement, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates;

and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption shall have been given as in the Agreement provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice, then, at the election of the City, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Special Taxes and other funds provided for in the Agreement and all other obligations of the City under the Agreement with respect to such Bonds Outstanding shall cease and terminate, except only the

obligations of the City related to certain tax matters and to pay or cause to be paid to the Owners of the Bonds not so surrendered and paid all sums due thereon and all amounts owing to the Fiscal Agent pursuant to the Agreement; and thereafter Special Taxes shall not be payable to the Fiscal Agent. Notice of such election shall be filed with the Fiscal Agent.

APPENDIX D

SAN JOAQUIN COUNTY AND CITY OF STOCKTON DEMOGRAPHIC INFORMATION

*Improvement Area 4 of the District is located in the City of Stockton (the "**City**"), which is located in the center of San Joaquin County (the "**County**"), California (the "**State**"). Certain financial and economic data for the City, County and State are presented in this appendix for information purposes only. The Bonds are not a debt or obligation of the City, County or State, but are a limited obligation of the City secured solely by the Net Taxes generated in Improvement Area 4 and certain other funds held pursuant to the Fiscal Agent Agreement, all as described in more detail in this Official Statement.*

General

The City is situated amidst the farmland of California's San Joaquin Valley, a subregion of the Central Valley, whose boundaries encompass 64.8 square miles of waterways, which make up the California Delta. The City is located 78 miles east of the San Francisco Bay area, 345 miles north of Los Angeles and 45 miles south of Sacramento. The Stockton Metropolitan Statistical Area, which encompasses the entire County, covers approximately 1,400 square miles.

The City was founded by Captain Charles Maria Weber in 1849 after he acquired Rancho de los Franceses and is named after Robert F. Stockton and was the first community in the State to not have a name of Spanish or Native American origin. The City is located on the San Joaquin River in northern San Joaquin Valley. With approximately 320,000 people, Stockton is the 11th largest city in California and the 61st largest city in the United States. According to the United States Census Bureau, the City occupies a total area of 64.8 square miles, of which 61.7 square miles is land and 3.1 square miles (4.76%) is water. The City is a municipal corporation and a charter city, duly organized and existing under the constitution and laws of the State.

Stockton is the largest inland seaport in California. Since the California Gold Rush, it has served as a gateway to the Central Valley. It provided easy access for trade and transportation to the southern gold mines. It has been the location of the oldest chartered university in California, University of the Pacific, since 1923. Historically an agricultural community, Stockton's economy has since diversified into other industries, which include telecommunications and manufacturing. Stockton's central location, relative to both San Francisco and Sacramento, as well as its proximity to the state and interstate freeway system, together with its comparatively inexpensive land costs, have prompted several companies to base their regional operations in the City.

Population

Population figures for the City, the County and the State for the last five years are shown in the following table.

CITY OF STOCKTON, SAN JOAQUIN COUNTY AND THE STATE OF CALIFORNIA
Population Estimates
Calendar Years 2021 through 2025 as of January 1

Calendar Year	City of Stockton	San Joaquin County	State of California
2021	320,574	781,220	39,369,530
2022	321,000	784,289	39,179,680
2023	318,906	787,696	39,228,444
2024	323,355	802,328	39,420,663
2025	320,877	805,856	39,529,101

Source: State Department of Finance estimates.

Major Employers

The following table lists the largest employers within the City.

CITY OF STOCKTON
Principal Employers
Fiscal Year 2022-23

Employer Name	No. of Employees
Stockton Unified School District	5,341
Amazon	4,650
St. Joseph's Medical Center	3,200
San Joaquin County Office of Education	2,436
City of Stockton	2,138
University of the Pacific	1,816
Pacific Gas and Electric	1,550
Lincoln Unified School District	1,125
Kaiser Permanente	1,065
San Joaquin Delta College	813

Source: City of Stockton Annual Comprehensive Financial Report 2022-23.

The County's major employers are set forth below in alphabetized order.

COUNTY OF SAN JOAQUIN
Major Employers
(As of July 2025)

Employer Name	Location	Industry
Amazon Fulfillment Ctr	Stockton	Mail Order Fulfillment Service
Ashley Lane LP	Stockton	Real Estate
Blue Shield of California	Lodi	Insurance
Dameron Hospital	Stockton	Hospitals
Foster Care Svc	Stockton	Government Offices-County
Leprino Foods Co	Tracy	Cheese Processors (mfrs)
Lodi Health Home Health Agency	Lodi	Home Health Service
M & R Co	Lodi	Fruits & Vegetables-Growers & Shippers
Medline	Tracy	Physicians & Surgeons Equip & Supls-Whls
NA Chaderjian Youth	Stockton	State Govt-Correctional Institutions
O-G Packing & Cold Storage Co	Stockton	Fruits & Vegetables-Growers & Shippers
Prima Frutta Packing Inc	Linden	Fruit & Produce Packers
Safeway Distribution Ctr	Tracy	Distribution Centers (whls)
San Joaquin County CA Pubc	Stockton	Government Offices-County
San Joaquin County Human Svc	Stockton	Government Offices-County
San Joaquin County Sch	Stockton	School Districts
San Joaquin General Hospital	French Camp	Hospitals
San Joaquin Sheriff's Office	French Camp	Government Offices-County
Sjgov	Stockton	Government Offices-County
St Joseph's Regional Health	Stockton	Health Services
Stockton Police Dept	Stockton	Police Departments
Stockton Unified Sch Dist	Stockton	Facilities Management
Stockton Unified School Dist	Stockton	Schools
Walmart Supercenter	Stockton	Department Stores
Waste Management-Lodi Transfer	Lodi	Solid Waste Collection

Source: California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2025 1st Edition.

Employment and Industry

The Community Facilities District is included in the Stockton Metropolitan Statistical Area ("**MSA**"), which includes all of San Joaquin County. The unemployment rate in San Joaquin County was 6.0 percent in May 2025, down from a revised 6.4 percent in April 2025, and above the year-ago estimate of 5.6 percent. This compares with an unadjusted unemployment rate of 4.9 percent for California and 4.0 percent for the nation during the same period.

Set forth below is data from calendar years 2020 to 2024 reflecting the County's civilian labor force, employment and unemployment. These figures are county-wide statistics and may not necessarily accurately reflect employment trends in the Community Facilities District.

STOCKTON-LODI MSA
(San Joaquin County)
Annual Average Labor Force and Employment by Industry
Calendar Years 2020 through 2024
(March 2024 Benchmark)

	2020	2021	2022	2023	2024
Civilian Labor Force [1]	347,200	349,400	356,700	363,400	368,500
Employment	308,800	320,300	338,200	341,600	344,700
Unemployment	38,400	29,100	18,500	21,700	23,800
Unemployment Rate	11.1%	8.3%	5.2%	6.0%	6.5%
Wage and Salary Employment: [2]					
Agriculture	14,600	14,200	13,800	14,500	14,300
Mining and Logging	100	100	0	0	0
Construction	13,000	13,900	14,900	14,000	14,700
Manufacturing	20,100	21,300	23,000	23,500	23,500
Wholesale Trade	10,600	10,800	11,600	12,300	12,400
Retail Trade	24,600	26,200	27,000	27,100	27,000
Transportation, Warehousing and Utilities	38,800	43,000	48,100	47,300	47,600
Information	1,200	1,200	1,200	1,100	1,000
Financial Activities	7,800	8,000	8,200	7,900	7,700
Professional and Business Services	21,300	22,500	24,100	23,100	22,900
Educational and Health Services	37,300	38,000	39,700	42,000	44,800
Leisure and Hospitality	18,500	21,300	24,300	24,500	24,400
Other Services	6,800	7,300	7,900	8,100	8,200
Federal Government	3,300	3,100	3,100	3,000	3,000
State Government	6,800	6,000	5,500	5,100	4,800
Local Government	33,000	32,900	34,000	35,100	37,000
Total All Industries [3]	257,700	269,800	286,200	288,500	293,000

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(3) Totals may not add due to rounding.
Source: State of California Employment Development Department.

Effective Buying Income

"Effective Buying Income" is defined as personal income less personal tax and nontax payments, a number often referred to as "disposable" or "after-tax" income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as "disposable personal income."

The following table summarizes the total effective buying income for the City, the County, the State and the United States for the period 2021 through 2025.

CITY OF STOCKTON, SAN JOAQUIN COUNTY AND THE STATE OF CALIFORNIA
Effective Buying Income
2021 through 2025

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2021	City of Stockton	$6,408,269	$49,625
	San Joaquin County	18,493,713	59,914
	California	1,290,894,604	67,956
	United States	9,809,944,764	56,790
2022	City of Stockton	$7,510,371	$58,964
	San Joaquin County	21,672,926	68,971
	California	1,452,426,153	77,058
	United States	11,208,582,541	64,448
2023	City of Stockton	$7,468,379	$58,873
	San Joaquin County	22,168,255	68,912
	California	1,461,799,662	77,175
	United States	11,454,846,397	65,326
2024	City of Stockton	$8,181,528	$66,096
	San Joaquin County	24,445,200	76,847
	California	1,510,708,521	80,973
	United States	11,987,185,826	67,876
2025	City of Stockton	$8,154,791	$67,157
	San Joaquin County	24,833,658	77,622
	California	1,557,429,767	82,725
	United States	12,525,577,707	69,687

Source: *Claritas, LLC.*

Commercial Activity

A summary of historic taxable sales within the City and the County during the past five years in which data is available is shown in the following tables.

The total taxable sales during calendar year 2024 in the City were reported to be $6,580,933,988, a 0.11% increase over the total taxable sales of $6,573,432,228 reported during calendar year 2023.

CITY OF STOCKTON
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2020	4,797	$3,498,450	7,411	$4,729,022
2021	4,729	4,580,588	7,347	6,212,657
2022	4,812	4,610,164	7,443	6,724,541
2023	4,629	4,519,486	7,122	6,573,432
2024	4,668	4,588,871	7,229	6,580,934

Source: State of California, Board of Equalization.

The total taxable sales during calendar year 2024 in the County were reported to be $24,617,239,009, a 4.72% increase over the total taxable sales of $23,507,448,561 reported during calendar year 2023.

SAN JOAQUIN COUNTY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2020	11,188	$10,122,979	18,358	$15,609,880
2021	10,642	15,153,915	17,665	22,306,576
2022	10,884	15,342,203	18,100	23,625,470
2023	10,632	15,584,742	17,666	23,507,449
2024	10,831	16,832,374	18,099	24,617,239

Source: State of California, Board of Equalization.

Transportation

The City. The City is located on Interstate 5, the West Coast's major route from Canada to Mexico. The City's Crosstown Freeway connects Interstate 5 with State Route 99, the State's other principal north-south freeway. Other freeway connections provide convenient access to the San Francisco Bay area and Reno. Thirty-five major transcontinental truck lines and nearly 200 contract carriers serve the City. The City is also served by Greyhound and the San Joaquin Regional Transit District.

The Port of Stockton, the largest inland deep water seaport in the State, is served by numerous international shipping companies through the Stockton Channel to the San Francisco Bay. The modem port facility handles dry and liquid bulk commodities and general cargo.

The Stockton Metropolitan Airport serves the San Joaquin Valley with passenger and air freight facilities, including regularly scheduled commercial passenger service.

Railroad service is provided to the City by Burlington Northern, Santa Fe and the Union Pacific railroads. Daily passenger service by Amtrak is available to San Francisco, Los Angeles, and Sacramento.

The County. Major highways in the County include: Interstate 5, Interstate 205, Interstate 580, State Route 99, State Route 4 (Crosstown Freeway/California Delta Highway) and State Route 120. The San Joaquin Regional Transit District provides bus service within the City of Stockton in addition to routes throughout the County and commuter routes to Livermore, Pleasanton, Sacramento and Santa Clara County. Greyhound and Amtrak also provide service. The Stockton Metropolitan Airport serves the San Joaquin Valley with passenger and air freight facilities.

Education

Within the City, there are 4 colleges, Delta College, California State University Stanislaus extension (public), University of the Pacific, and Humphrey's College with a total of approximately 13,250 students. There are 6 high schools, 7 middle schools and 35 elementary schools (17 private).

APPENDIX E

FORM OF OPINION OF BOND COUNSEL

[Closing Date]

City Council
City of Stockton
425 N El Dorado Street
Stockton, California 95202

OPINION: $_____ Improvement Area 4 of the City of Stockton
Community Facilities District No. 2018-2 (Westlake Villages II)
Special Tax Bonds Series 2025

Members of the City Council:

We have acted as bond counsel to the City of Stockton (the "City") in connection with the issuance by the City of its $_____ Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds Series 2025 (the "Bonds"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, constituting Section 53311, et seq. of the California Government Code (the "Act") and a Fiscal Agent Agreement dated as of October 1, 2025 (the "Fiscal Agent Agreement") by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent. We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the City contained in the Fiscal Agent Agreement, and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The City is duly created and validly existing as a public body, corporate and politic, with the power to adopt the resolution authorizing the issuance of the Bonds (the "Resolution"), enter into the Fiscal Agent Agreement, and perform the agreements on its part contained therein, and issue the Bonds.

2. The Bonds have been duly authorized, executed and delivered by the City and are valid and binding limited obligations of the City, payable solely from the sources provided therefor in the Fiscal Agent Agreement.

3. The Fiscal Agent Agreement has been duly entered into by the City and constitutes a valid and binding obligation of the City enforceable upon the City.

4. Pursuant to the Act, the Fiscal Agent Agreement creates a valid lien on the funds pledged by the Fiscal Agent Agreement.

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in the preceding sentence is subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986 that must be satisfied subsequent to the issuance of the Bonds in order that such interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The City has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on the Bonds.

6. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

Interest on the Bonds may be subject to the corporate alternative minimum tax. We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Indenture may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to the exercise of judicial discretion in accordance with principles of equity or otherwise in appropriate cases.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Moreover, our opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or any court; rather, our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations, opinions, and covenants referenced above.

Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

APPENDIX F

FORM OF CONTINUING DISCLOSURE UNDERTAKINGS

CONTINUING DISCLOSURE CERTIFICATE
(City)

$_____
IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

This CONTINUING DISCLOSURE CERTIFICATE (this "Disclosure Certificate"), dated as of October 1, 2025 is executed and delivered by the CITY OF STOCKTON (the "City"), in connection with the execution and delivery of its Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds Series 2025 (the "Bonds"). The Bonds are being executed and delivered pursuant to a Fiscal Agent Agreement, dated as of October 1, 2025 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent").

The City covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

Section 2. Definitions. In addition to the definitions set forth above and in the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Dissemination Agent" means, initially, Willdan Financial Services, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation in accordance with Section 8 of this Disclosure Certificate.

"District" means the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II).

"Improvement Area 4" means Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II).

"Listed Events" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for

purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"Official Statement" means the final official statement executed by the City in connection with the issuance of the Bonds.

"Participating Underwriter" means Oppenheimer & Co. Inc., as the original underwriter of the Bonds.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

"Special Taxes" means the special taxes levied on taxable property within Improvement Area 4 that are pledged to repayment of the Bonds.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than March 31 following the end of the City's Fiscal Year (presently June 30), commencing with the report for the 2024-25 Fiscal Year due March 31, 2026, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided, that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event. The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City shall provide (or cause the Dissemination Agent to provide) to the MSRB in a timely manner, in an electronic format as prescribed by the MSRB, a notice to such effect.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine prior to each Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) The City's audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) For the report due no later than March 31, 2026 and each Annual Report due thereafter, the following additional information:

(i) A maturity schedule for the outstanding Bonds, and a listing of Bonds, if any, redeemed prior to maturity during the prior Fiscal Year.

(ii) Balance in the Reserve Fund (and any accounts therein), and statement of the Reserve Requirement for the Bonds. Statement of projected reserve fund draw, if any.

(iii) Balance in other funds and accounts held by the City or Fiscal Agent related to the Bonds.

(iv) A table indicating the levy of Special Taxes, amount collected, delinquent amount and percent of Special Tax levy delinquent for the most recent Fiscal Year.

(v) The aggregate assessed value of the properties in Improvement Area 4 for the most recent Fiscal Year.

(vi) Identification of each delinquent property owner in Improvement Area 4 representing more than 5% of the levy of Special Taxes in Improvement Area 4, and the value-to-lien ratios of the corresponding property, together with the following information respecting each such parcel:

(A) the amount delinquent (exclusive of late charges and monthly penalties for reinstatement) and the assessed value of such parcel;

(B) the date of the first delinquency;

(C) the status of any foreclosure action by the City;

(D) in the event a foreclosure complaint has been filed respecting such delinquent parcel and such complaint has not yet been dismissed, the date on which the complaint was filed in the California Superior Court; and

(E) in the event a foreclosure sale has occurred respecting such delinquent parcel, a summary of the results of such foreclosure sale.

(c) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities,

which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Listed Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

(1) Principal and interest payment delinquencies.
(2) Non-payment related defaults, if material.
(3) Unscheduled draws on debt service reserves reflecting financial difficulties.
(4) Unscheduled draws on credit enhancements reflecting financial difficulties.
(5) Substitution of credit or liquidity providers, or their failure to perform.
(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
(7) Modifications to rights of security holders, if material.
(8) Bond calls, if material, and tender offers.
(9) Defeasances.
(10) Release, substitution, or sale of property securing repayment of the securities, if material.
(11) Rating changes.

(12) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person.
(13) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
(14) Appointment of a successor or additional fiscal agent or the change of name of the fiscal agent, if material.
(15) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material (for the definition of financial obligation, see clause (e)).
(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties (for the definition of financial obligation, see clause (e)).

(b) Whenever the City obtains knowledge of the occurrence of a Listed Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such

occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event.

(c) The City acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14) and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the City obtains knowledge of the occurrence of any of these Listed Events, the City will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the City will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

(e) For purposes of Section 5(a)(15) and (16), "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB pursuant to this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted; and

(b) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Fiscal Agent Agreement for amendments to the Fiscal Agent Agreement with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first Annual Report filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to this Disclosure Certificate modifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Listed Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Fiscal Agent Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save harmless the Dissemination Agent, its officers, directors, employees and agents (each, an "Indemnified Party"), against any loss, expense and liability which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the reasonable costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding losses, liabilities, costs and expenses due to an Indemnified Party's negligence, willful misconduct or failure to perform its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder, and shall not be deemed to be acting in any fiduciary capacity for the City, the holders and beneficial owners from time to time of the Bonds or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all reasonable and documented expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Notices. Any notice or communications required to be given to the Dissemination Agent, the City or the Participating Underwriter may be given as follows:

To the Dissemination Agent:	Willdan Financial Services 27368 Via Industria, Suite 200 Temecula, California 92590
To the City:	City of Stockton 425 N. El Dorado Street Stockton, California 95202 Attn: Chief Financial Officer
To the Participating Underwriter:	Oppenheimer & Co. Inc. 135 Main Street, Suite 1700 San Francisco, California 94105 Attn: Municipal Capital Markets Group Email: Rick.Brandis@opco.com

Any person may, by written notice to the other persons listed above, designate a different address to which subsequent notices or communications should be sent.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Disclosure Certificate as of the date first above written.

CITY OF STOCKTON, for and on behalf of Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II)

By: _____
Authorized Officer

Accepted by Dissemination Agent:

WILLDAN FINANCIAL SERVICES,
as Dissemination Agent

By: _____
Name: _____
Title: _____

FORM OF CONTINUING DISCLOSURE CERTIFICATE
(Lennar Homes)

$_____
IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

THIS CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") dated as of October 1, 2025, is executed by Lennar Homes of California, LLC (the "Developer") in connection with the execution and delivery by the City of Stockton (the "City") of its City of Stockton Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) Special Tax Bonds Series 2025 (the "Bonds"). The Bonds are being executed and delivered pursuant to a Fiscal Agent Agreement, dated as of October 1, 2025 (the "Fiscal Agent Agreement"), by and between the City and U.S. Bank Trust Company, National Association, as fiscal agent (the "Fiscal Agent").

The Developer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Developer for the benefit of the holders and beneficial owners of the Bonds.

Section 2. Definitions. In addition to the definitions set forth above and in the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Affiliate" means any person presently directly (or indirectly through one or more intermediaries) under managerial control of the Developer, and about whom information could be material to potential investors in their investment decision regarding the Bonds (including without limitation information relevant to the proposed development of the Property or to the Developer's ability to pay the Special Taxes levied on the Property prior to delinquency).

"Assumption Agreement" means an undertaking of a Major Owner, or an Affiliate thereof, for the benefit of the holders and beneficial owners of the Bonds containing terms substantially similar to this Disclosure Certificate (as modified for such Major Owner's development and financing plans with respect to Improvement Area 4), whereby such Major Owner or Affiliate agrees to provide periodic reports and notices of significant events, setting forth the information described in sections 4 and 5 hereof, respectively, with respect to the portion of the property in Improvement Area 4 owned by such Major Owner and its Affiliates and, at the option of the Developer or such Major Owner, agrees to indemnify the Dissemination Agent (if any) pursuant to a provision substantially in the form of Section 11 hereof.

"Dissemination Agent" means the Developer, or any successor Dissemination Agent designated in writing by the Developer, and which has filed with the Developer and the City a written acceptance of such designation, and which is experienced in providing dissemination agent services such as those required under this Disclosure Certificate.

"District" means the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II).

"Improvement Area 4" means Improvement Area 4 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II).

"Listed Events" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"Major Owner" means, as of any date of determination, a Person that, together with the Person's Affiliates, owns [___] or more residential lots (or property intended to be subdivided into [___] or more residential lots) in Improvement Area 4 on an aggregate basis.

"MSRB" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information.

"Official Statement" means the final official statement executed by the City in connection with the issuance of the Bonds.

"Participating Underwriter" means Oppenheimer & Co. Inc., the original Underwriter of the Bonds.

"Periodic Report" means any Periodic Report provided by the Developer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Person" means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof.

"Property" means (i) the property owned by the Developer or an Affiliate in Improvement Area 4 as of the date of determination, and (ii) the property in Improvement Area 4 that the Developer or an Affiliate sold to a Major Owner who has not assumed the undertakings of this Disclosure Certificate under Section 6(b) that is owned by such Major Owner as of the date of determination.

"Report Date" means March 31 and September 30 of each fiscal year.

"Special Taxes" means the special taxes levied on taxable property within Improvement Area 4 that are pledged to repayment of the Bonds.

Section 3. Provision of Periodic Reports.

(a) So long as the Developer's obligations under this Disclosure Certificate have not been terminated pursuant to Section 6 herein, the Developer shall, or, upon written direction of the Developer the Dissemination Agent shall, not later than each Report Date, commencing March 31, 2026, file or cause to be filed with the MSRB, in an electronic format as prescribed by the MSRB, a Periodic Report which is consistent with the requirements of Section 4 of this Disclosure Certificate, with a copy to the Participating Underwriter and the City. Not later than 15 calendar days prior to the Report Date, the Developer shall provide the Periodic Report to the Dissemination Agent (if different from the Developer). The Developer shall provide a written certification with (or included as a part of) each Periodic Report furnished to the Dissemination

Agent (if different from the Developer), the Participating Underwriter and the City to the effect that such Periodic Report constitutes the Periodic Report required to be furnished by it under this Disclosure Certificate. The Dissemination Agent, the Participating Underwriter and the City may conclusively rely upon such certification of the Developer and shall have no duty or obligation to review the Periodic Report. The Periodic Report may be submitted as a single document or as separate documents comprising a package, and may incorporate by reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the Dissemination Agent does not receive a Periodic Report by 15 calendar days prior to the Report Date, the Dissemination Agent shall send a reminder notice to the Developer that the Periodic Report has not been provided as required under Section 3(a) above. The reminder notice shall instruct the Developer to determine whether its obligations under this Disclosure Certificate have terminated (pursuant to Section 6 below) and, if so, to provide the Dissemination Agent with a notice of such termination in the same manner as for a Listed Event (pursuant to Section 5 below). If the Developer does not provide, or cause the Dissemination Agent to provide, a Periodic Report to the MSRB by the Report Date as required in subsection (a) above, the Dissemination Agent shall send a notice in a timely manner to the MSRB to such effect, with a copy to the City and the Participating Underwriter.

(c) The Dissemination Agent shall: (i) determine prior to each Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of continuing disclosure reports; and (ii) to the extent the Periodic Report has been furnished to it, file the Periodic Report with the MSRB and file a report with the Developer (if the Dissemination Agent is other than the Developer), the City and the Participating Underwriter certifying that the Periodic Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to and filed with the MSRB.

Section 4. Content of Periodic Reports. The Developer's Periodic Report shall contain or incorporate by reference the information set forth in Exhibit A relating to the Developer, any or all of which may be included by specific reference to other documents, including official statements of debt issues of the Developer or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The Developer shall clearly identify each such other document so included by reference.

In addition to any of the information expressly required to be provided in Exhibit A, the Developer's Periodic Report shall include such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Section 5. Reporting of Significant Events.

(a) So long as the Developer's obligations under this Disclosure Certificate have not been terminated pursuant to Section 6 herein, the Developer shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to itself or the Property, if material:

(i) bankruptcy or insolvency proceedings commenced by or against the Developer and, if known, any bankruptcy or insolvency proceedings commenced by or against any Affiliate of the Developer that is reasonably likely to have a significant impact

on the Developer's ability to pay Special Taxes for which it is responsible prior to delinquency or to sell or develop the Property;

(ii) failure of the Developer to pay any taxes, special taxes (including the Special Taxes) or assessments due with respect to the Property on or prior to the delinquency date, to the extent such failure is not promptly cured by the Developer upon discovery thereof;

(iii) filing of a lawsuit of which the Developer is aware against the Developer or an Affiliate seeking damages, which is reasonably likely to have a significant impact on the Developer's ability to pay Special Taxes for which it is responsible prior to delinquency or to sell or develop the Property;

(iv) material damage to or destruction of any of the improvements on the Property; and

(v) any payment default or other material default by the Developer that continues to exist beyond any applicable notice and cure periods on any loan with respect to the construction of improvements on the Property.

(b) Whenever the Developer obtains knowledge of the occurrence of a Listed Event, the Developer shall as soon as possible determine if such event would be material under applicable Federal securities law.

(c) If the Developer determines that knowledge of the occurrence of a Listed Event would be material under applicable Federal securities law, the Developer shall, or shall cause the Dissemination Agent to, promptly file a notice of such occurrence with the MSRB, with a copy to the City and the Participating Underwriter.

Section 6. Duration of Reporting Obligation.

(a) All the Developer's obligations hereunder shall commence on the date hereof and terminate (except as provided in Section 11) on the earliest to occur of the following:

(i) upon the legal defeasance, prior redemption or payment in full of all the Bonds, or

(ii) at such time as the Property is no longer owned by a Major Owner; or

(iii) the date on which all of the Special Taxes attributable to the Property are paid in full.

The Developer shall give notice of the termination of its obligations under this Disclosure Certificate in the same manner as for a Listed Event under Section 5.

(b) If a portion of the Property is conveyed to a Person that, upon such conveyance, will be a Major Owner, the obligations of the Developer hereunder with respect to the Property conveyed to such Major Owner may be assumed by such Major Owner, and if so assumed the Developer's obligations hereunder with respect to such portion of the Property conveyed will be terminated. In order to effect such an assumption, such Major Owner shall enter into an Assumption Agreement in form and substance equivalent to this Disclosure Certificate or as

otherwise satisfactory to the City and the Participating Underwriter. However, a Major Owner shall not be required to enter into an Assumption Agreement if such Major Owner is already a party to a continuing disclosure certificate in form and substance similar to this Disclosure Certificate with respect to the Bonds, and under which the property conveyed to such Major Owner will become subject to future Periodic Reports. If not so assumed, the Developer shall use commercially reasonable efforts to obtain report the information, as applicable to the transferee, required herein so long as the transferee is a Major Owner.

Section 7. Dissemination Agent. The Developer may, from time to time, appoint or engage a Dissemination Agent to assist the Developer in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the Developer. The Dissemination Agent may resign by providing 30 days' written notice to the City, the Developer and the Participating Underwriter.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Developer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied (provided, however, that the Dissemination Agent shall not be obligated under any such amendment that modifies or increases its duties or obligations hereunder without its written consent thereto):

(a) if the amendment or waiver relates to the provisions of sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, or change in law; and

(b) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Fiscal Agent Agreement, with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Developer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Periodic Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Developer chooses to include any information in any Periodic Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Developer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Periodic Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Developer to comply with any provision of this Disclosure Certificate, the Fiscal Agent shall (upon written direction and only to the extent indemnified to its satisfaction from any liability, cost or expense, including fees and expenses of its attorneys), and the Participating Underwriter and any holder or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Developer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Fiscal Agent Agreement, and the sole and exclusive remedy under this Disclosure Certificate in the event of any failure of the Developer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Developer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents (each, an "Indemnified Party"), harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the reasonable costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding loss, liabilities, costs and expenses due to an Indemnified Party's negligence or willful misconduct or failure to perform its duties hereunder. The Dissemination Agent shall be paid compensation for its services provided hereunder in accordance with its schedule of fees as amended from time to time, which schedule, as amended, shall be reasonably acceptable, and all reasonable expenses, reasonable legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Developer, the Fiscal Agent, the Bond owners, or any other party. The obligations of the Developer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds, but shall be assumed by a Major Owner from and after the date of such assumption when property is sold to a Major Owner and such Major Owner enters into an assumption agreement.

Section 12. Notices. Any notice or communications to be among any of the parties to this Disclosure Certificate may be given by regular, overnight, or electronic mail as follows:

To the Developer _____
_____
_____
Attn: _____
Email: _____

With a copy to: _____
_____
_____
Attn: _____
Email: _____

To the City: City of Stockton
425 N. El Dorado Street
Stockton, California 95202
Attn: Chief Financial Officer
Email: _____

To the Participating Underwriter: Oppenheimer & Co. Inc.
135 Main Street, Suite 1700
San Francisco, California 94105
Attn: Municipal Capital Markets Group
Email: Rick.Brandis@opco.com

Any person may, by written notice to the other persons listed above, designate a different address to which subsequent notices or communications should be sent.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Developer (its successors and assigns), the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. All obligations of the Developer hereunder shall be assumed by any legal successor to the obligations of the Developer as a result of a sale, merger, consolidation or other reorganization.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, the Developer has executed this Disclosure Certificate as of the date first above written.

DEVELOPER:

LENNAR HOMES OF CALIFORNIA, LLC

By: _____
Name:
Title:

EXHIBIT A

PERIODIC REPORT

(MARCH 31, ____ / SEPTEMBER 30, ____)

$_____
IMPROVEMENT AREA 4 OF THE CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2018-2
(WESTLAKE VILLAGES II)
SPECIAL TAX BONDS, SERIES 2025

This Periodic Report is hereby submitted under Section 4 of the Continuing Disclosure Certificate (the "Disclosure Certificate") dated October 1, 2025, executed by the undersigned (the "Developer") in connection with the issuance of the above-captioned bonds by the City of Stockton (the "City") with respect to its Improvement Area 4 ("Improvement Area 4") of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "District").

Capitalized terms used in this Periodic Report but not otherwise defined have the meanings given to them in the Disclosure Certificate.

I. Property Ownership and Development

The information in this section is provided as of _____ (this date must be not more than 30 days before the date of this Periodic Report).

A. Property currently owned by the Developer in Improvement Area 4 (the "**Property**"):

Development name(s): _____

Number of lots: _____

B. Updated information regarding land development and home construction activities with respect to the Property described in the Official Statement for the Bonds under the caption "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4—Lennar Homes" or the Periodic Report last filed in accordance with the Disclosure Certificate:

_____

_____

C. Status of building permits and any material changes to the description of land use or development entitlements for the Property described in the Official Statement for the Bonds under the caption "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4—Lennar Homes" or the Periodic Report last filed in accordance with the Disclosure Certificate:

_____

D. Status of any land purchase contracts (other than sales to homeowners) with regard to the Property.

E. Number of Homes in Improvement Area 4 sold and closed to homeowners by the Developer to date: _____

Number of Homes in Improvement Area 4 under contract for sale as of _____, 20__: _____

II. Legal and Financial Status of Developer

Unless such information has previously been included or incorporated by reference in a Periodic Report, describe any change in the legal structure of the Developer or the financial condition and financing plan of the Developer that would materially and adversely interfere with its ability to complete its development plan described in the Official Statement.

III. Change in Development or Financing Plans

Unless such information has previously been included or incorporated by reference in a Periodic Report, describe any development plans or financing plans relating to the Property *that are materially different from* the proposed development and financing plan described in the Official Statement.

IV. Official Statement Updates

Unless such information has previously been included or incorporated by reference in a Periodic Report, describe any other significant changes in the information relating to the Developer or the Property contained in the Official Statement under the heading "OWNERSHIP AND DEVELOPMENT OF PROPERTY WITHIN IMPROVEMENT AREA 4—Lennar Homes" that would materially and adversely interfere with the Developer's ability to develop and sell the Property as described in the Official Statement.

V. Other Material Information

In addition to any of the information expressly required above, provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

_____

_____

Certification

The undersigned Developer hereby certifies that this Periodic Report constitutes the Periodic Report required to be furnished by the Developer under the Disclosure Certificate.

ANY STATEMENTS REGARDING THE DEVELOPER, THE DEVELOPMENT OF THE PROPERTY, THE DEVELOPER'S FINANCING PLAN OR FINANCIAL CONDITION, OR THE BONDS, OTHER THAN STATEMENTS MADE BY THE DEVELOPER IN AN OFFICIAL RELEASE, OR FILED WITH THE MUNICIPAL SECURITIES RULEMAKING BOARD, ARE NOT AUTHORIZED BY THE DEVELOPER. THE DEVELOPER IS NOT RESPONSIBLE FOR THE ACCURACY, COMPLETENESS OR FAIRNESS OF ANY SUCH UNAUTHORIZED STATEMENTS.

THE DEVELOPER HAS NO OBLIGATION TO UPDATE THIS PERIODIC REPORT OTHER THAN AS EXPRESSLY PROVIDED IN THE DISCLOSURE CERTIFICATE.

Dated:_____

DEVELOPER: _____

By: _____
_____
_____

APPENDIX G

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds (herein, the "Securities") to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Securities and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the issuer of the Securities (the "Issuer") nor the trustee, fiscal agent or paying agent appointed with respect to the Securities (the "Agent") takes any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Securities, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Securities, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Securities, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC") will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned

subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as

possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

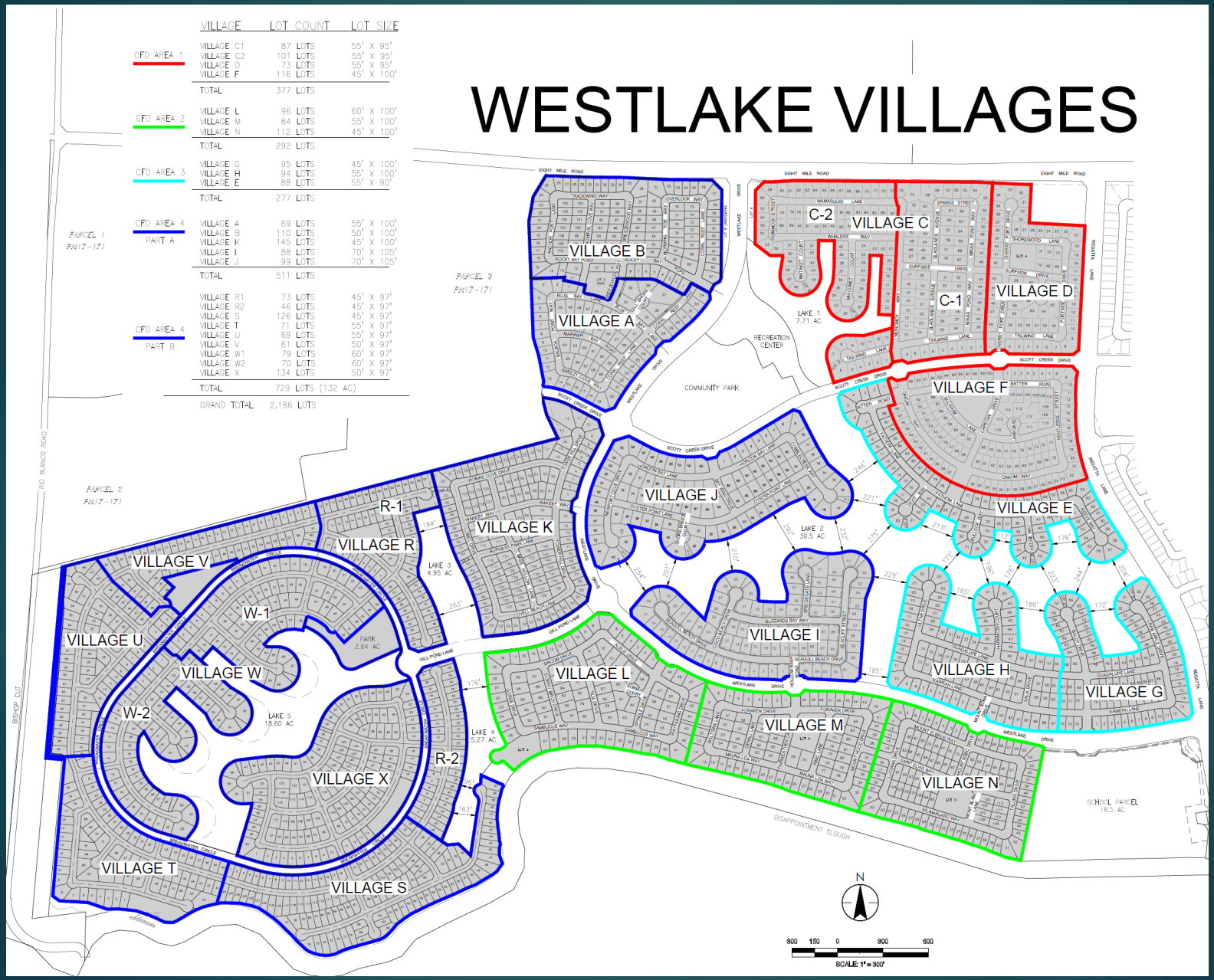
Improvement Area 4
City of Stockton
Community Facilities District No. 2018-2
(Westlake Villages II)
Special Tax Bonds Series 2025

August 12, 2025
Agenda Item 16.1

History of the District

- **District Formation:** June 2018
- **Location:** North Stockton, South of Eight Mile Road and West of Highway 5
- **Original Size: 580 Gross Acres**
  - Split off from CFD 2006-2 in 2018
  - Original formation included Improvement Area 1
    - Amended in February 2020 to split off a portion of Improvement Area 1 into Improvement Area 2
    - Amended in December 2021 to split off a portion of Improvement Area 2 into Improvement Area 3 and Improvement Area 4
  - CFD 2018-2 planned for 2,186 residential units - 1,240 units in Improvement Area 4 (Part A: 511 Units – Lennar owned, 378 permits, 140 built and sold, Part B: 729 units – Spanos owned, currently undeveloped)
- **Special Taxes (Improvement Area 4):**
  - Single-family residential with FY 2025-26 Facilities tax rates ranging from $2,762 (<1,800 SF) to $3,822 (>3,000 SF) annually
  - 2% escalation of facilities tax
  - City can recover administrative costs as part of the special taxes
  - A services tax is also paid each year by the property owners
- **Term of the Improvement Area 4 Facilities Tax:** Fiscal year 2071/72
- **Bonds:** Bonds approved up to $90.0 million for Improvement Area 4

CFD 2018-2 Boundary Map



IA4, Special Tax Bonds, Series 2025

- Maximum amount of bonds authorized $90.0 million
- Series 2025: Not-To-Exceed Issue Size: $30.0 million
- Series 2025 Expected Issue Size: $26.285 million
- Portion of Interest 3/1/25 and 9/1/25 paid by capitalized interest
- Debt service increases at 2.00% annually to September 1, 2055
- 1.10 times debt service coverage each year
- Estimated fixed costs of issuance of $325,000 plus underwriter's compensation of $249,708 for "all-in" cost of $574,708
- Issuance planned as non-rated Public Offering

Proposed Timeline

DATE(S)	ITEM
August 12	City Council Consideration
Week of September 8	Print and Post Preliminary Official Statement
Tuesday, September 16 Wednesday, September 17	Pre-Pricing and Pricing
Wednesday, October 1	Closing and Transfer of Funds

Financial Summary

- There is no impact on the City's General Fund or any other unrestricted fund as a result of taking the recommended action.

Documents for Consideration

- **Fiscal Agent Agreement:** This agreement governs the terms and conditions of the bonds and the role and responsibilities of the Fiscal Agent. It also includes the covenants of the City concerning the levy of the special tax, foreclosure of delinquent parcels and related matters.
- **Preliminary Official Statement (Including Continuing Disclosure Certificate):** This is the offering document provided to investors that provides all material information related to the proposed bonds and Improvement Area 4 of the District. This document includes a Continuing Disclosure Certificate, which is the document detailing what ongoing information will be provided to investors.
- **Bond Purchase Agreement:** This document details the agreement related to the terms of the negotiated sale of the bonds to the underwriter and the conditions for closing the bond issue.

Staff Recommendation

Adopt Resolution authorizing the issuance of special tax bonds for and on behalf of Improvement Area 4 of the Community Facilities District No. 2018-2 (Westlake Villages II), approving and directing the execution of a fiscal agent agreement, approving the form of Preliminary Official Statement, approving sale of such bonds, and approving other related documents and actions.

Questions ?

File #: 25-0775, **Version:** 1

APPROVE TWO RESOLUTIONS RELATED TO PROPOSED FORMATION OF COMMUNITY FACILITIES DISTRICT NO. 2025-1 (CANNERY PARK EAST):

RECOMMENDATION

It is recommended that the City Council approve the following resolutions:

1. A Resolution of Intention to form a Community Facilities District ("CFD") to levy a special tax in such district to finance the acquisition and construction of certain public facilities in and for such district; and

2. A Resolution of Intention to incur bonded indebtedness to finance the acquisition and construction of certain public facilities in and for proposed Community Facilities District No. 2025-1 (Cannery Park East) (the "District").

The resolutions authorize the City Manager to take appropriate and necessary actions to carry out the purpose and intent of the motion.

Summary

The City was approached by the landowner Jen California 31, LLC who acquired a portion of the property from Arnaiz Homes within the existing boundary of CFD 2019-1 (Cannery Park II). The current special taxes within CFD 2019-1 are fixed at an annual amount of $1,600 per year and are collected for the repayment of bonds already issued for that CFD. This new overlapping CFD will provide additional funding necessary to complete improvements related to the District. CFD bonds will be issued to provide the primary funding for the authorized facilities and fees. The District comprises 311 single-family residential units.

The resolutions necessary to begin the process of forming the CFD are attached to this staff report. The resolutions have been approved as to form by the City Attorney.

DISCUSSION

Background

The Mello-Roos Community Facilities Act of 1982, as amended (Government Code Sections 53311 et seq.), was enacted by the California Legislature to provide an alternate method of financing certain essential public capital facilities and services, especially in the developing areas of the State of California. Once duly established by a city, county, or other local agency, a CFD is a legally formed governmental entity with defined boundaries, with the governing board or legislative body of the local agency acting on its behalf. Subject to approval by a two-thirds vote of qualified electors within the

boundaries in compliance with the provisions of the Act, a legislative body of a local agency may issue bonds for a CFD to finance public facilities and may levy and collect a special tax within a CFD to repay such indebtedness, in addition to levying and collecting a component of the tax to pay for public services.

Present Situation

The initial boundary of the District will include just the portion of property originally acquired by Jen California 31, LLC (the "Developer"). The portion acquired is already in CFD No. 2019-1 (Cannery Park II). The special taxes payable by the property owners will be in addition to the already fixed $1,600 per year of facilities special tax and the services special tax already collected from within CFD No. 2019-1. The District will consist of 311 single-family residential homes. The Developer sold 64 lots to Richmond American on October 25, 2024, and sold 267 lots to Century Communities on May 19, 2025. If formed, the District will help fund the acquisition of authorized facilities and the payment of fees.

Steps in Initiating the Formation of a Community Facilities District

The formation of a CFD is subjected to a formal public process beginning with the adoption of several Resolutions by the City Council that establish the parameters of the CFD.

The first resolution before the City Council for consideration is the Resolution of Intention (the "ROI") to Form a CFD and Levy a Special Tax within the territory of the proposed District. The resolution includes:

- The Rate and Method of Apportionment (the "RMA") defines the maximum amount of special taxes applied to each parcel of land within the boundaries of the District and the escalation factor to be applied to each year.

- A list of the types of public facilities and fees proposed to be funded by special taxes.

- Reference to a boundary map showing the territory that is proposed to be included in the District, including the boundary subject to the special tax levy.

In addition to the items mentioned above, adoption of the ROI sets the date, time and place for a public hearing on the establishment of the District and future issuance of bonds. At the hearing, testimony concerning the District, and the furnishing of the types of public facilities and fees will be heard. Protests by landowners or registered voters residing within the District boundaries and persons owning real property within the CFD will be considered. The date of the public hearing for the proposed District is September 23, 2025, at 5:30 p.m. in the Council Chambers.

The second resolution before the City Council for consideration is the Resolution of Intention to Incur Bonded Indebtedness. The resolution sets forth an intention to set the maximum proposed amount of bonded indebtedness for the District. The District may issue one or more series of bonds totaling no more than $15.0 million to fund facilities and fees within the District. Actual approval of each series of bonds will require future Council consideration and action.

These resolutions are simply an expression of intent, the Council is not bound to form the CFD, which will be decided on September 23rd.

Rate and Method of Apportionment of the Special Tax

Parcels within the proposed District will pay a maximum annual special tax based on the RMA, commonly referred to as the Special Tax Formula. The annual costs will include:

- Administrative Expenses
- Debt Service (i.e., principal and interest on bonds)
- Replenishment of the reserve fund (when necessary)
- An amount equal to estimated special tax delinquencies

The annual costs funded by the levy of the special tax will be determined by subtracting other available revenues, such as reimbursement payments, fees, funds available from prepaid special taxes, interest earnings on the bond reserve fund, or receipts of delinquent special taxes from previous fiscal years, from the annual costs. The City will then apply the Special Tax Formula to determine the special tax levy for each parcel.

In addition, all parcels within CFD 2019-1 (Cannery Park II), including the District, already pay a services tax that will continue to be collected on the parcels.

FINANCIAL SUMMARY

There is no financial impact to the City for the formation of the proposed CFD. The Developer provided funding for the legal and administrative costs, including internal staff time, for the formation of the proposed CFD. When the City issues bonds, the City will receive an administrative fee based on a sliding scale and the size of the issuance:

- Three-quarters of one percent (.75%) up to the first $5 million of the par amount of the bond issue;
- One-half of one percent (.50%) of the par amount of the bond issue over $5 million up to $10 million;
- One-quarter of one percent (.25%) of the par amount of the bond issue over $10 million.

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION OF INTENTION TO FORM A COMMUNITY FACILITIES DISTRICT AND TO LEVY A SPECIAL TAX THEREIN TO FINANCE THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES IN AND FOR SUCH DISTRICT

Under the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at section 53311, of the California Government Code (the "Act"), this City Council (the "Council") of the City of Stockton (the "City") is authorized to establish a community facilities district and to act as the legislative body for such community facilities district; and

The Council, having received indications of interest on behalf of the owners of the areas of land proposed to be included in a proposed community facilities district, desires to proceed with the establishment of a community facilities district in order to finance costs of public facilities necessary or incidental to new development in the City; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. It is proposed to establish a community facilities district within the City of Stockton under the terms of the Act to finance costs of public facilities necessary or incidental to new development in the City.

2. The name proposed for the community facilities district is "City of Stockton Community Facilities District No. 2025-1 (Cannery Park East)" (the "CFD").

3. The proposed boundaries of the CFD are shown on the Map of Proposed Boundaries of Community Facilities District No. 2025-1 (Cannery Park East), City of Stockton, County of San Joaquin, State of California, on file with the City Clerk, which the Council hereby approves as the map describing the extent of the territory included in the proposed CFD. The Council finds that the map is in the form and contains the matters prescribed by section 3110 of the California Streets and Highways Code. The Council hereby adopts such map as the Map of Proposed Boundaries of the CFD and directs the City Clerk to certify the adoption of this resolution on the face of the map, and to file a copy of the map in the office of the City Clerk in accordance with section 3111 of the California Streets and Highways Code and within 15 days of the date of adoption of this resolution but in no event later than 15 days prior to the public hearing provided for herein, transmit the map to the County Recorder for recording in the Book of Maps of Assessment and Community Facilities Districts in the office of the County Recorder of the County of San Joaquin.

4. Except to the extent that funds are otherwise available to the CFD to pay for the Facilities (as defined below), and/or the principal and interest as it becomes due on bonds issued by the City for the CFD to construct and/or acquire the Facilities, a special tax (the "Special Tax") sufficient to pay the costs thereof, secured by recordation of a continuing lien against all non-exempt real property in the CFD, will be levied annually within the CFD, and collected in the same manner as ordinary *ad valorem* property taxes, or in such other manner as the Council or its designee shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the Special Taxes among the parcels of real property within the CFD, in sufficient detail to allow each landowner within the CFD to estimate the maximum amount such owner will have to pay and the length of time such amount may be levied, are described in the Rate and Method of Apportionment attached hereto as Exhibit 1 hereto and hereby incorporated herein (the "Rate and Method"), provided that under no circumstances will the Special Tax levied in any fiscal year against any parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the district by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults.

The Council hereby finds that the provisions of sections 53313.6, 53313.7, and 53313.9 of the Act (relating to adjustments to *ad valorem* property taxes and schools financed by a community facilities district) are inapplicable to the proposed CFD.

5. The type of public facilities proposed to be financed by the CFD and pursuant to the Act shall consist of those items listed as Facilities (the "Facilities") on Exhibit 2 hereto and hereby incorporated herein. The Council hereby finds and determines that the public interest will not be served by allowing the property owners in the CFD to enter into a contract in accordance with section 53329.5(a) of the Act. Notwithstanding the foregoing, the Council, on behalf of the CFD, may enter into one or more contracts directly with any of the property owners with respect to the construction and/or acquisition of any portion of the Facilities.

The Council hereby determines that the Facilities are necessary to meet increased demands placed upon local agencies as the result of development occurring within the CFD. The financing of the costs of Facilities may include, without limitation, the payment of principal of and interest on bonds together with all direct, indirect periodic, and/or other related costs (including, without limitation, costs of administering the CFD, levying the Special Tax and administering the bonds, and establishing and replenishing reserve funds).

6. Except as may otherwise be provided by law or by the Rate and Method, all lands owned by any public entity, including the United States, the State of California and the City, or any departments or political subdivisions thereof, shall be omitted from the levy of the Special Taxes. In the event that a portion of the property within the CFD shall become for any reason exempt, wholly or in part, from the levy of the Special Tax, the Council will, on behalf of the CFD, increase the levy to the extent necessary upon

the remaining property within the CFD which is not exempt in order to yield the required debt service payments and other annual expenses of the CFD, if any, subject to the provisions of the Rate and Method. It is anticipated that the Special Taxes will be billed as a separate line item on the regular property tax bill. However, the Council reserves the right, under section 53340 of the Act, to utilize any method of collecting the Special Taxes which it shall, from time to time, determine to be in the best interests of the City, including, but not limited to, direct billing by the City to the property owners and supplemental billing.

7. The levy of the Special Taxes shall be subject to the approval of the qualified electors within the CFD at a special election. The proposed voting procedure shall be by mailed or hand-delivered ballot among the landowners in the CFD, with each owner having one vote for each acre or portion of an acre such owner owns in the CFD. The Council hereby determines that the Facilities are necessary to meet increased demands placed upon local agencies as the result of development occurring within the CFD.

8. It is the intention of the Council, acting as the legislative body for the CFD, to cause bonds of the City to be issued for the CFD pursuant to the Act to finance in whole or in part the construction and/or acquisition of the Facilities. The bonds issued in these proceedings shall be callable in accordance with the provisions of the Act, and shall be issued in such series and bear interest payable semi-annually or in such other manner as the Council shall determine, at a rate not to exceed the maximum rate of interest as may be authorized by applicable law at the time of sale of such bonds, shall mature not to exceed 40 years from the date of the issuance thereof and shall be as more specifically set forth in any resolution authorizing the issuance of such bonds.

9. The City Debt & Treasury Manager, as the officer having charge and control of the Facilities in and for the CFD, or the designee of such official, is hereby directed to cause and direct a study of said proposed CFD and the Facilities, and to cause to be prepared for filing at the public hearing the report required by section 53321.5 of the Act (the “CFD Report”) presenting at least the following:

(a) A brief description of the Facilities by type which will be required to adequately meet the needs of the CFD.

(b) An estimate of the fair and reasonable cost of the Facilities, including the cost of acquisition of lands, rights-of-way and easements, any physical facilities required in conjunction therewith and incidental expenses in connection therewith, including the costs of the proposed bond financing and all other related costs as provided in section 53345.3 of the Act.

The CFD Report shall be made a part of the record of the public hearing specified below.

10. The Council hereby sets Tuesday, September 23, 2025, at 5:30 p.m., at the City of Stockton City Council Chambers located at 425 N. El Dorado Street, Stockton, California 95202, as the time and place when and where the Council, as legislative body for the CFD, will conduct a public hearing on the establishment of the CFD, and consider and finally determine whether the public interest, convenience and necessity require the formation of the CFD and the levy of the Special Taxes within the CFD. At the hearing, testimony concerning the CFD, the extent of the CFD or the furnishing of the particular types of public facilities will be heard and protests will be considered from registered voters residing within the CFD and persons owning real property within the CFD. Written protests by the owners of a majority of the land which would be subject to special taxation within the CFD will require the suspension of proceedings for at least one year. Written protests must be filed with the City Clerk at or before the time fixed for the hearing. If such protests are directed only against certain elements of the proposed improvements or proposed special tax, and if such protests constitute a majority protest, only those elements shall be deleted from the proceedings.

11. The City Clerk is hereby directed to cause notice of the public hearing, attached hereto as Exhibit 3, to be given by one-time publication in a newspaper of general circulation in the area of the CFD. The publication shall be completed at least 7 days before the date of the public hearing referenced above. The notice shall be substantially in the form specified in section 53322 of the Act and attached hereto, with the form summarizing the provisions hereof hereby specifically approved.

12. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED August 12, 2025 .

_____
CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

_____
KATHERINE ROLAND, City Clerk
of the City of Stockton

Rate and Method of Apportionment of Special Tax

City of Stockton
Community Facilities District No. 2025-1
(Cannery Park East)

A Special Tax shall be levied on all Taxable Property within the boundaries of Community Facilities District No. 2025-1 (Cannery Park East) of the City of Stockton ("CFD No. 2025-1") and collected each Fiscal Year commencing in Fiscal Year 2026-27, in an amount determined by the CFD Administrator through the application of the procedures described below. All the real property within CFD No. 2025-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

1. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map. An Acre means 43,560 square feet of land.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the following actual or reasonably estimated costs related to the administration of CFD No. 2025-1 including, but not limited to: the costs of preparing and computing the Special Tax (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2025-1, or any designee thereof complying with arbitrage rebate requirements, including without limitation rebate liability costs and periodic rebate calculations; the costs to the City, CFD No. 2025-1, or any designee thereof complying with disclosure or reporting requirements of the City or CFD No. 2025-1, associated with applicable federal and State laws; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD No. 2025-1, or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third-party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2025-1 for any other administrative purposes of CFD No. 2025-1, including attorney's fees and other costs related to commencing and pursuing any foreclosure of delinquent Special Taxes.

"Approved Property" means all Assessor's Parcels of Taxable Property: (i) that are included in a Final Map that was recorded prior to the January 1st preceding the Fiscal Year in which the Special Tax is being levied, and (ii) that have not been issued a Building Permit on or prior to the May 1st preceding the Fiscal Year in which the Special Tax is being levied.

"Assessor" means the Assessor of the County of San Joaquin.

"Assessor's Parcel" means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the Assessor designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means the number assigned to an Assessor's Parcel by the County for purposes of identification.

"Assigned Special Tax" means the Special Tax of that name described in Section 3.A below.

"Backup Special Tax" means the Special Tax of that name described in Section 3.B below.

"Bonds" means any bonds or other Debt of CFD No. 2025-1, whether in one or more series, secured by the levy of Special Taxes.

"Building Permit" means a building permit for construction of a Residential Unit within CFD No. 2025-1, issued by the City.

"Building Square Footage" means all of the square footage of usable area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, or similar area. The determination of Building Square Footage shall be made by reference to the Building Permit(s) issued for such Assessor's Parcel and/or by reference to appropriate records kept by the City.

"Calendar Year" means the period commencing January 1 of any year and ending the following December 31.

"CFD Administrator" means an authorized representative of the City, or designee thereof, responsible for determining the Special Tax Requirement, for preparing the Special Tax roll and/or calculating the Backup Special Tax.

"CFD No. 2025-1" means the City of Stockton Community Facilities District No. 2025-1 (Cannery Park East) established by the City Council under the Act.

"City" means the City of Stockton, California.

"City Council" means the City Council of the City, acting for the CFD under the Act.

"County" means the County of San Joaquin, California.

"Debt" means any binding obligation to pay or repay a sum of money, including obligations in the form of bonds, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts.

"Debt Service" means for each Fiscal Year, the total amount of principal and interest payable on any Outstanding Bonds during the Calendar Year commencing on January 1 of such Fiscal Year.

"Developed Property" means for each Fiscal Year, all Taxable Property, exclusive of Provisional Property, for which a Building Permit was issued prior to May 1 of the previous Fiscal Year. An Assessor's Parcel classified as Developed Property but for which the Building Permit that caused such Assessor's Parcel to be classified as Developed Property has been cancelled and/or voided prior to the Fiscal Year for which Special Taxes are being levied shall be reclassified as Undeveloped Property, provided that the levy of the Special Tax after such reclassification shall not be less than 1.1 times the annual Debt Service less Administrative Expenses on all Outstanding Bonds. If Bonds have not been issued, an Assessor's Parcel classified as Developed Property for which such a Building Permit has been cancelled and/or voided shall be reclassified as Undeveloped Property.

"Exempt Property" means for each Fiscal Year, all Assessor's Parcels designated as being exempt from Special Taxes pursuant to Section 8 below.

"Final Map" means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 4285 that creates individual lots for which Building Permits may be issued without further subdivision.

"Fiscal Year" means the period starting on July 1 and ending the following June 30.

"Indenture" means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Land Use Class" means any of the classes listed in Table 1 under Section 3 below.

"Lot" means a parcel created by a Final Map on which a Residential Unit can be constructed.

"Maximum Special Tax" means for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Sections 3.C and 3.D below, which may be levied in a given Fiscal Year on such Assessor's Parcel of Taxable Property.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for the purpose of constructing one or more non-residential units or facilities.

"Outstanding Bonds" means all Bonds, which are deemed to be outstanding under the Indenture.

"Prepayment Amount" means the amount required to prepay the Special Tax obligation in full for an Assessor's Parcel as described in Section 6.A below.

"Property Owner Association Property" means any Assessor's Parcel within the boundaries of CFD No. 2025-1 owned in fee by a property owner association, including any master or sub-association.

"Proportionately" or "Proportionate" means for Developed Property, that the ratio of the actual Special Tax levy to the applicable Assigned Special Tax or Backup Special Tax is equal for all Assessor's Parcels of Developed Property. For Undeveloped Property, "Proportionately" means that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre is equal for all Assessor's Parcels of Undeveloped Property. **"Proportionately"** may similarly be applied to other categories of Taxable Property as listed in Section 4 below.

"Provisional Property" means all Assessor's Parcels of Public Property, Property Owner Association Property or property that would otherwise be classified as Exempt Property pursuant to the provisions of Section 8, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage as set forth in Section 8.

"Public Property" means any property within the boundaries of CFD No. 2025-1, which is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, or any other public agency; provided however that any property owned by a public agency and leased to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

"Residential Property" means all Assessor's Parcels of Developed Property for which a Building Permit has been issued for the purpose of constructing one or more Residential Units.

"Residential Unit" means each separate residential dwelling unit that comprises an independent facility capable of conveyance or rental, separate from adjacent residential dwelling units.

"Special Tax" means the special tax levied within CFD No. 2025-1 pursuant to the Act and this Rate and Method of Apportionment of Special Tax.

"Special Tax Obligation" means the total obligation of an Assessor's Parcel of Taxable Property to pay the Special Tax for the remaining life of CFD No. 2025-1.

"Special Tax Requirement" means that amount required in any Fiscal Year to: (i) pay regularly scheduled Debt Service on all Outstanding Bonds; (ii) pay periodic costs on the Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on the Outstanding Bonds; (iii) pay Administrative Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) accumulate funds to pay directly for acquisition or construction of facilities provided that the inclusion of such amount does not cause an increase in the Special Tax to be levied on Undeveloped Property; and (vi) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less (vii) a credit for funds available to reduce the Special Tax levy, as determined by the CFD Administrator pursuant to the Indenture.

"State" means the State of California.

"Taxable Property" means all the Assessor's Parcels within the boundaries of CFD No. 2025-1, which are not exempt from the levy of the Special Tax pursuant to law or Section 8 below.

"Tax Zone 1" means the area within CFD No. 2025-1 depicted as such in Exhibit A hereto.

"Tax Zone 2" means the area within CFD No. 2025-1 depicted as such in Exhibit A hereto.

"Trustee" means the trustee or fiscal agent under the Indenture.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Provisional Property.

2. LAND USE CLASSIFICATION

Each Fiscal Year, beginning with Fiscal Year 2026-27, each Assessor's Parcel within CFD No. 2025-1 shall be classified as Taxable Property or Exempt Property. In addition, all Taxable Property shall further be classified as Developed Property, Approved Property, Undeveloped Property or Provisional Property and shall be subject to the levy of a Special Tax in accordance with this Rate and Method of Apportionment of Special Tax determined pursuant to Sections 3 and 4 below. Furthermore, each Assessor's Parcel of Developed Property shall be classified according to its applicable Land Use Class based on its Land Use Type and Building Square Footage.

3. SPECIAL TAX RATES

A. Assigned Special Tax for Developed Property

The Assigned Special Tax applicable to an Assessor's Parcel classified as Developed Property for Fiscal Year 2026-27 shall be determined pursuant to Table 1 below.

Fiscal Year 2026-27 Assigned Special Tax Rates
For Developed Property Within Zone 1

Land Use Class	Land Use Type	Square Footage Category	FY 2026-27 Assigned Special Tax per Residential Unit
1	Residential Unit	≤ 2,000 sq. ft.	$647
2	Residential Unit	2,001 – 2,250 sq. ft.	$867
3	Residential Unit	2,251 – 2,500 sq. ft.	$1,028
4	Residential Unit	2,501 – 2,750 sq. ft.	$1,190
5	Residential Unit	> 2,750 sq. ft.	$1,286

Assigned Special Tax Rates
For Developed Property Within Zone 2

Land Use Class	Land Use Type	Square Footage Category	FY 2026-27 Assigned Special Tax per Residential Unit
1	Residential Unit	≤ 1,800 sq. ft.	$922
2	Residential Unit	1,801 – 2,000 sq. ft.	$1,108
3	Residential Unit	2,001 – 2,200 sq. ft.	$1,245
4	Residential Unit	2,201 – 2,400 sq. ft.	$1,371
5	Residential Unit	2,401 – 2,600 sq. ft.	$1,497
6	Residential Unit	2,601 – 2,800 sq. ft.	$1,623
7	Residential Unit	2,801 – 3,000 sq. ft.	$1,768
8	Residential Unit	3,001 – 3,200 sq. ft.	$2,025
9	Residential Unit	3,201 – 3,400 sq. ft.	$2,283
10	Residential Unit	> 3,400 sq. ft.	$2,386

Each July 1, commencing July 1, 2027, the Assigned Special Tax rates shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

B. Backup Special Tax for Developed Property

The Backup Special Tax rates for Developed Property commencing with Fiscal Year 2026-27 shall be $6,724 per Acre for Tax Zone 1 and $9,460 per Acre for Tax Zone 2.

Each July 1, commencing July 1, 2027, the Backup Special Tax rates shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

C. Maximum Special Tax for Developed Property

The Maximum Special Tax for Developed Property shall be the greater of the Assigned Special Tax for Developed Property and the Backup Special Tax for Developed Property.

D. Maximum Special Tax for Approved Property, Undeveloped Property and Provisional Property

The Maximum Special Tax rates for Approved Property, Undeveloped Property and Provisional Property commencing with Fiscal Year 2026-27 shall be $6,724 per Acre for Tax Zone 1 and $9,460 per Acre for Tax Zone 2.

Each July 1, commencing July 1, 2027, the Maximum Special Tax rates for Approved Property, Undeveloped Property and Provisional Property shall be increased by two percent (2%) of the amount in effect the prior Fiscal Year.

4. METHOD OF APPORTIONMENT

For each Fiscal Year, commencing Fiscal Year 2026-27, the CFD Administrator shall levy the Special Tax on all Taxable Property in accordance with the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property up to 100% of the applicable Assigned Special Tax to satisfy the Special Tax Requirement;

Step 2: If additional monies are needed to satisfy the Special Tax Requirement after Step 1 has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Approved Property;

Step 3: If additional monies are needed to satisfy the Special Tax Requirement after Steps 1 and 2 have been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Step 4: If additional monies are needed to satisfy the Special Tax Requirement after Steps 1 through 3 have been completed, then the Special Tax amount determined in Step 1 shall be increased Proportionately on each Assessor's Parcel of Developed Property up to 100% of the Maximum Special Tax for Developed Property; and

Step 5: If additional monies are needed to satisfy the Special Tax Requirement after Steps 1 through 4 have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Property up to 100% of the Maximum Special Tax for Provisional Property.

Notwithstanding the above, under no circumstances will the Special Tax levied in any Fiscal Year against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of a delinquency or default in the payment of the Special Tax applicable to any other Assessor's Parcel within CFD No. 2025-1 by more than ten percent (10%) above what would have been levied in the absence of such delinquencies or defaults.

5. COLLECTION OF SPECIAL TAXES

Collection of the Special Tax shall be made by the County in the same manner as ordinary ad valorem property taxes are collected and the Special Tax shall be subject to the same penalties and the same lien priority in the case of delinquency as ad valorem taxes; provided, however, that the City Council may provide for (i) other means of collecting the Special Tax, including direct billings thereof to the property owners, and (ii) judicial foreclosure of delinquent Special Taxes.

6. PREPAYMENT OF SPECIAL TAX OBLIGATION

A. Prepayment in Full

Property owners may prepay and permanently satisfy the Special Tax Obligation by a cash settlement with the City as permitted under Government Code Section 53344. The following definitions apply to this Section 6:

"CFD Public Facilities Costs" means $6,600,000 or such lower number as (i) shall be determined by the CFD Administrator as sufficient to acquire or construct the facilities to be financed under the Act and financing program for CFD No. 2025-1, or (ii) shall be determined by the City Council concurrently with a covenant that it will not issue any more Bonds (except refunding bonds).

"Construction Fund" means the fund (regardless of its name) established pursuant to the Indenture to hold funds, which are currently available for expenditure to acquire or construct the facilities or pay fees authorized to be funded by CFD No. 2025-1.

"Future Facilities Costs" means the CFD Public Facilities Costs minus (i) costs previously paid from the Construction Fund to acquire or construct the facilities, (ii) monies currently on deposit in the Construction Fund, and (iii) monies of CFD No. 2025-1 currently on deposit in an escrow or other designated fund that are expected to be available to finance CFD Public Facilities Costs.

"Outstanding Bonds" means all Previously Issued Bonds, which remain outstanding as of the first interest and/or principal payment date following the current Fiscal Year excluding Bonds to be redeemed at a later date with proceeds of prior Special Tax prepayments.

"Previously Issued Bonds" means all Bonds that have been issued prior to the date of prepayment.

The Special Tax Obligation applicable to an Assessor's Parcel of Developed Property, or Undeveloped Property for which a Building Permit has been issued may be prepaid and the obligation to pay the Special Tax for such Assessor's Parcel permanently satisfied as described herein, provided that a prepayment may be made with respect to a particular Assessor's Parcel only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel eligible to prepay the Special Tax Obligation shall provide the CFD Administrator with written notice of intent to prepay, and designate or identify the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the Prepayment Amount for such Assessor's Parcel within thirty (30) days of the request, and may charge a reasonable fee for providing this service. Prepayment must be made at least 60 days prior to any redemption date for the CFD No. 2025-1 Bonds to be redeemed with the proceeds of such prepaid Special Taxes, unless a shorter period is acceptable to the Trustee and the City.

The Prepayment Amount (defined below) shall be calculated for each applicable Assessor's Parcel or group of Assessor's Parcels as summarized below (capitalized terms as defined below):

Bond Redemption Amount
plus Redemption Premium
plus Future Facilities Prepayment Amount
plus Defeasance Amount
plus Prepayment Administrative Fees
less Reserve Fund Credit
less Capitalized Interest Credit
equals Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount (defined in Step 14 below) shall be calculated as follows:

Step No.:

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.

2. For Assessor's Parcels of Developed Property, determine the Maximum Special Tax. For Assessor's Parcels of Undeveloped Property for which a Building Permit has been issued, compute the Maximum Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the Building Permit which has already been issued for that Assessor's Parcel.

3. Divide the Maximum Special Tax computed pursuant to paragraph 2 by the total expected Maximum Special Tax revenue for CFD No. 2025-1 assuming all Building Permits have been issued (build-out) within CFD No. 2025-1, excluding any Assessor's Parcels for which the Special Tax Obligation has been previously prepaid.

4. Multiply the quotient computed pursuant to paragraph 3 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid for all applicable parcels and round that amount up to the nearest $5,000 increment (the **"Bond Redemption Amount"**).

5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (expressed as a percentage), if any, on the Outstanding Bonds to be redeemed at the first available call date (the **"Redemption Premium"**).

6. Compute the Future Facilities Costs.

7. Multiply the quotient computed pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the **"Future Facilities Prepayment Amount"**).

8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the expected redemption date for the Outstanding Bonds which, depending on the Indenture, may be as early as the next interest payment date.

9. Calculate the administrative fees and expenses of CFD No. 2025-1, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No. 2025-1, and the costs of recording any notices to evidence the prepayment and the redemption (the **"Prepayment Administrative Fees"**).

10. Compute the amount the CFD Administrator reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Prepayment Amount and the Prepayment Administrative Fees from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.

11. Subtract the amount computed in paragraph 9 from the amount computed in paragraph 8 (the **"Defeasance Amount"**).

12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment calculation date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the **"Reserve Fund Credit"**). No Reserve Fund Credit shall be granted if, after the Prepayment Amount is calculated, reserve funds are below 100% of the reserve requirement.

13. If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to paragraph 3 by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the **"Capitalized Interest Credit"**).

14. The amount to prepay the Special Tax Obligation is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 7, 9, and 11, less the amounts computed pursuant to paragraphs 12 and 13 (the **"Prepayment Amount"**).

15. From the Prepayment Amount, the sum of the amounts computed pursuant to paragraphs 4, 5, and 11, less the amounts computed pursuant to paragraphs 12 and 13 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make Debt Service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Construction Fund. The amount computed pursuant to paragraph 9 shall be retained by CFD No. 2025-1.

The Prepayment Amount may be sufficient to redeem an amount other than a $5,000 increment of CFD No. 2025-1 Bonds. In such cases, the increment above $5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to redeem CFD No. 2025-1 Bonds to be used with the next prepayment of CFD No. 2025-1 Bonds.

The CFD Administrator will confirm that all previously levied Special Taxes have been paid in full. With respect to any Assessor's Parcel for which the Special Tax Obligation is prepaid in full, once the CFD Administrator has confirmed that all previously levied Special Taxes have been paid, the City Council shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of the Special Tax and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of the owner of such Assessor's Parcel to pay the Special Tax shall cease.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the aggregate amount of Maximum Special Taxes less Administrative Expenses that may be levied on Taxable Property, respectively, after the proposed prepayment is at least 1.1 times the Debt Service on all Outstanding Bonds in each Fiscal Year.

B. Partial Prepayment

The Special Tax on an Assessor's Parcel of Developed Property or Undeveloped Property for which a building permit has been issued may be partially prepaid. The amount of the prepayment shall be calculated as in Section 6.A.; except that a partial prepayment shall be calculated according to the following formula:

$$PP = (P_E - A) \times F + A$$

These terms have the following meaning:

PP = the partial prepayment
P_E = the Prepayment Amount calculated according to Section 6.A
F = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax Obligation
A = the Prepayment Administrative Fees from Section 6.A

The owner of any Assessor's Parcel who desires such partial prepayment shall notify the CFD Administrator of (i) such owner's intent to partially prepay the Special Tax Obligation, (ii) the percentage by which the Special Tax Obligation shall be prepaid, and (iii) the company or agency that will be acting as the escrow agent, if any. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax Obligation for an Assessor's Parcel within sixty (60) days of the request and may charge a reasonable fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section 6.A., and (ii) indicate in the records of CFD No. 2025-1 that there has been a partial prepayment of the Special Tax Obligation and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the aggregate amount of Maximum Special Taxes less Administrative Expenses that may be levied on Taxable Property, respectively, after the proposed partial prepayment is at least 1.1 times the Debt Service on all Outstanding Bonds in each Fiscal Year.

7. TERM OF SPECIAL TAX

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement but not beyond Fiscal Year 2058-59, provided however that the Special Tax will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined that all required interest and principal payments on Bonds have been paid and all CFD Public Facilities Costs have been funded.

8. EXEMPTIONS

The CFD Administrator shall classify as Exempt Property (i) Assessor's Parcels of Public Property, (ii) Assessor's Parcels of Property Owner Association Property, or (iii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, and (v) Assessor's Parcels of Developed Property classified as Non-Residential Property as determined reasonably by the CFD Administrator, provided that no such classification would reduce the sum of all Taxable Property in CFD No. 2025-1 to less than 9.5 Acres for Tax Zone 1 and 44.7 Acres for Tax Zone 2. Exempt Property status will be assigned by the CFD Administrator in the chronological order in which property becomes eligible for classification as Exempt Property.

If the use of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in the first paragraph of Section 8 above that would make such Assessor's Parcel eligible to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property.

9. APPEALS

Any landowner who pays the Special Tax and claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than thirty-six (36) months after first having paid the first installment of the Special Tax that is disputed. If following such consultation, the CFD Administrator determines that an error has occurred, then the CFD Administrator shall take any of the following actions, in order of priority, in order to correct the error:

(i) Amend the Special Tax levy on the landowner's Assessor's Parcel(s) for the current Fiscal Year prior to the payment date,

(ii) Require the CFD to reimburse the landowner for the amount of the overpayment to the extent of available CFD funds, or

(iii) Grant a credit against, eliminate or reduce the future Special Taxes on the landowner's Assessor's Parcel(s) in the amount of the overpayment.

If following such consultation and action by the CFD Administrator the landowner believes such error still exists, such person may file a written notice of appeal with the City Council. Upon the

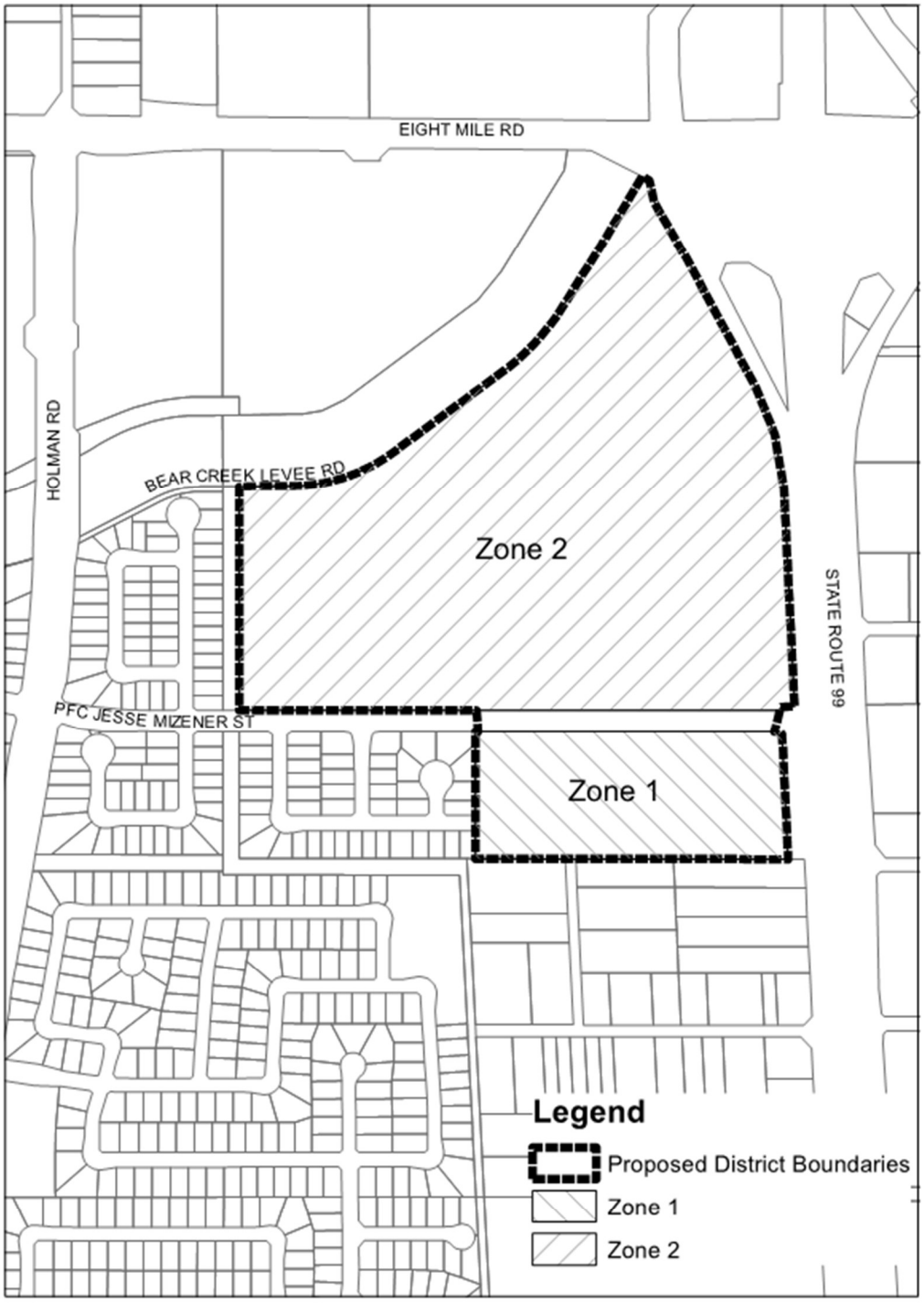
receipt of such notice, the City Council or designee may establish such procedures as deemed necessary to undertake the review of any such appeal. If the City Council or designee determines an error still exists, the CFD Administrator shall take any of the actions described as (i), (ii) and (iii) above, in order of priority, in order to correct the error.

The City Council or designee thereof shall interpret this Rate and Method of Apportionment of Special Tax for purposes of clarifying any ambiguities and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Council or designee shall be final and binding as to all persons.

EXHIBIT A

DESCRIPTION OF TAX ZONES

COMMUNITY FACILITIES DISTRICT NO. 2025-1
(CANNERY PARK EAST)



LIST OF AUTHORIZED FACILITIES

CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2025-1 (CANNERY PARK EAST)

The Mello-Roos Community Facilities Act of 1982 (the “Act”) authorizes the creation of a Community Facilities District to finance public facilities, within or of benefit to the land in the district. The facilities shown below are proposed to be financed by the City of Stockton Community Facilities District No. 2025-1 (Cannery Park East) (the “CFD”). The facilities shall be constructed, whether or not acquired in their completed states, pursuant to the plans and specifications approved by the City of Stockton (the "City") and the officials thereof, including the City Engineer.

FACILITIES

Authorized facilities for the CFD include these:

Roadway Improvements

Roadway improvements include improvements to roadways in the CFD and those off-site roadway improvements required to mitigate project-related impacts. Improvements may include site preparation and rough grading, sanitary sewer (i.e., sewer pipelines, manholes, laterals, cleanouts, and other necessary appurtenances in the public streets. Improvements also may include construction techniques used to extend the wastewater system underneath creeks or as an attachment to a bridge), domestic and non-potable water system(s) (i.e., water transmission pipelines, valves, fire hydrants, thrust blocks, and other necessary appurtenances. Improvements also may include construction techniques used to extend the wastewater system underneath creeks or as an attachment to a bridge), storm drain storm (i.e., drainage pipelines, reinforced concrete pipe, manholes, catch basins, drop inlets, and other necessary appurtenances), culverts, headwalls, bus turnouts, dry utilities (e.g., electrical, gas, telephone, cable, fiber optics), curbs, gutter, sidewalks, electroliers, conduit, transformers, wiring, paving, landscaping, irrigation, pavement marking and signage, monument wells, sound walls and barricades.

Traffic Signal Improvements

Traffic signal improvements include all necessary equipment, facilities, and appurtenances at required intersections in the CFD or at off-site locations to mitigate project-related impacts.

Bridge Improvements

Bridge improvements may include the bridge deck, abutments and piers, retaining walls, drainage facilities, dry utility conduits, lighting, bollards, fencing, erosion control, curbs, gutters, and sidewalk.

Bicycle Pathway/Public Access Way Improvements

Bicycle pathway/public access way improvements may include site preparation, grading, erosion control, silt fencing, paving or other surfacing, bollards, lighting, landscaping, irrigation, refuse containers, benches, and signage.

Relocating or Undergrounding Irrigation Canals and Facilities

Improvements associated with relocating or under grounding of irrigation canals and facilities may include excavation, grading, concrete lining of canals, erosion protection (e.g., rip rap), reinforced concrete pipe, manholes, access road, pedestrian trail, landscaping, land acquisition, and access road ways.

Non-Potable Water System Improvements

Improvements associated with a non-potable water system may include excavation, grading, fencing, motors and pumps, generator, electrical panel, controls, inlet pipes, discharge pipes, and access roadways.

Storm Water Basin and Pump Station Improvements

Storm water basin and pump station improvements may include excavation, grading, storm water quality design grasses, berms, rip rap, headwall structure, fencing, motors and pumps, generator, sump/wet well, electrical panel, controls, inlet pipes, discharge pipes, land acquisition, and access roadways.

Soundwall Improvements

Soundwall improvements may include concrete block, pillars, pilasters, rebar, footings, mortar, and concrete.

Railroad Underpass/Overpass Improvements

Improvements associated with railroad underpass/overpass may include demolition of existing facilities, utilities and infrastructure, excavation, bridges, abutments, piers, retaining walls, shoofly construction, track and signal relocation, relocation of utilities and infrastructure, roadway approaches and connections, land acquisition, and access roadways.

Incidental Expenses

The above-listed improvements include incidental expenses as authorized by the Act, including the cost of planning, obtaining permits, engineering and designing the improvements (including the cost of environmental evaluation thereof); the costs associated with creating the CFD, issuing bonds, and determining the amount of taxes and the collection of payment thereof; costs . otherwise incurred to carry out the authorized purpose of the CFD; and any other expenses incidental to constructing, completing, and inspecting the improvements.

OTHER

The CFD may also finance any of the following:

1. Bond related expenses, including underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, bond and disclosure counsel fees and expenses, bond remarketing costs, and all other incidental expenses.

2. Administrative fees of the City and the Bond trustee or fiscal agent related to the CFD and the Bonds.

3. Reimbursement of costs related to the formation of the CFD advanced by the City, the landowner(s) in the CFD, or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the City, the landowner(s) in the CFD any party related to any of the foregoing, for facilities, fees or other purposes or costs of the CFD.

4. All “costs” and “incidental expenses” related to the eligible facilities as those terms are defined in the Act.

FORM OF

NOTICE OF PUBLIC HEARING ON PROPOSED
COMMUNITY FACILITIES DISTRICT NO. 2025-1 (CANNERY PARK EAST)
CITY OF STOCKTON, SAN JOAQUIN COUNTY, CALIFORNIA

The City of Stockton is considering the formation of a community facilities district (the "CFD") under the authority of the Mello-Roos Community Facilities Act of 1982, as amended, to fund certain public facilities related to new development within the City of Stockton, and to incur bonded indebtedness of the CFD.

This Notice contains a brief summary of the proposal, but you are referred to the City Council's Resolution of Intention to Form a Community Facilities District and Levy a Special Tax Therein (No. ____ adopted _____, 2025) and its Resolution of Intention to Incur Bonded Indebtedness (No. ___ adopted _____, 2025) for details of the proposal.

The proposal is to subject the property within the CFD to a special tax which will be used to pay for facilities of benefit to land within the CFD, including paying principal and interest on bonds used to build facilities, and will expire, as to the facilities component when the bonds are retired and all eligible facilities are financed. The proceeds of the bonds will be used to pay for the facilities and other expenses set forth in the resolutions referred to in the preceding paragraph. A map showing the land proposed to be included in the CFD is on file with the City Clerk.

The proposal also includes authority to issue bonds for the CFD, to be repaid by the special tax, in amounts specified in the resolution. Neither the City of Stockton nor any person outside the CFD has any liability for the special tax or the bonds. The security for the bonds is limited to the property subject to the special tax within the CFD.

In order to confer the authority upon the City Council of the City of Stockton to levy the special tax and to issue the bonds, a public hearing must be held on the proposal, then the City Council will decide whether to form the CFD, and finally the qualified electors within the CFD must approve the proposal by a two-thirds vote. Where the CFD is uninhabited (as is the case here) the qualified electors are, pursuant to law, the owners of property within the CFD.

This is the notice of the public hearing. The public hearing will be held during the City Council meeting on Tuesday, September 23, 2025 at 5:30 p.m., in the Stockton City Hall Council Chambers located at 425 N. El Dorado Street, Stockton, California 95202.

At the hearing, the testimony of all interested persons or potential special taxpayers for or against the formation of the CFD, the authorization to levy the special tax, and the authorization to issue the bonds will be heard. If written protests against the proposed CFD are delivered to the City Clerk at or before the time set for the hearing by either registered voters residing within, or the owners of property within, the proposed CFD, they will be counted toward a possible majority protest. Such protests by a majority of the registered voters residing within CFD or by the owners of a majority of the land area within the CFD which is or will be subject to the special tax, if not withdrawn prior to the close of the hearing so as to reduce the value of the protests to less than a majority, will require the applicable proposed CFD to be eliminated from

immediate consideration, and prevent its being included in a subsequent proceedings for at least one year.

If the Council, after the public hearing, determines that a majority protest under Section 53324 of the California Government Code was not made at the hearing, the Council may conduct an election by mailed or hand-delivered ballot to levy a special tax.

Questions should be directed to the undersigned, telephone (209) 937-8459.

Dated: _____, 2025

/s/ Katherine Roland
City Clerk
City of Stockton

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION OF INTENTION TO INCUR BONDED INDEBTEDNESS TO FINANCE THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES IN AND FOR PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2025-1 (CANNERY PARK EAST)

The City Council (the "Council") of the City of Stockton (the "City") has this date adopted its "Resolution of Intention to Form a Community Facilities District and to Levy a Special Tax Therein to Finance the Construction and Acquisition of Certain Public Facilities in and for Such District" (the "Resolution of Intention"), stating its intention to form the City of Stockton Community Facilities District No. 2025-1 (Cannery Park East) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code (the "Act"), for the purpose of financing certain public improvements, as further provided in that Resolution of Intention; and

In order to finance the costs of the Facilities (defined below) it is necessary to incur bonded indebtedness on behalf of the CFD, in the amount not to exceed $15,000,000; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The Council declares and finds that in order to finance the acquisition and construction of public facilities (the "Facilities") described in the Council's Resolution of Intention, captioned "RESOLUTION OF INTENTION TO FORM A COMMUNITY FACILITIES DISTRICT AND TO LEVY A SPECIAL TAX THEREIN TO FINANCE THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES IN AND FOR SUCH DISTRICT" it is necessary to incur a bonded indebtedness.

2. The purpose for which the proposed bonded indebtedness is to be incurred is to provide the funds necessary to pay for the cost of said Facilities.

3. The maximum amount of the proposed bonded indebtedness for the CFD is $15,000,000 to be issued as bonds or notes in multiple series at such time as the Council deems appropriate. Bonds subject to this limit shall only include indebtedness evidenced by bonds or notes and shall not include bonds described in Section 53364.2(e) of the Act.

4. It is the intention of the Council that any such bonds issued shall be made callable in accordance with the terms of the Act and as more specifically to be set forth

in any resolution authorizing issuance of the bonds, and shall be issued in such series and bear interest payable semi-annually or in such other manner as the Council shall determine, at a rate not to exceed the maximum rate of interest as may be authorized by applicable law at the time of sale of such bonds, and shall mature not to exceed 40 years from the date of the issuance thereof.

5. In the event any series of bonds issued under the authorization is refunded to produce savings meeting the requirement of Section 53362.5 of the Act, all or a portion of the savings achieved through the issuance of refunding bonds may be used to finance Facilities insofar as the savings component provides capacity for bonded indebtedness in excess of that being refunded, and such additional bonded indebtedness attributable to the savings component shall not reduce and may exceed the amount of bonded indebtedness authorized herein.

6. The Council hereby sets Tuesday, September 23, 2025, at 5:30 p.m., at the City of Stockton City Council Chambers located at 425 N. El Dorado Street, Stockton, California 95202, as the time and place for a hearing by the Council on the proposed bond issue. At that time and place any persons interested, including any persons owning property in the CFD, will be heard.

7. The City Clerk is hereby directed to cause notice of said public hearing to be given by one-time publication in a newspaper of general circulation in the area of the CFD. The publication of said notice shall be completed at least 7 days before the date herein set for said public hearing. Such notice shall be substantially in the form specified in Section 53346 of the Act, with the form summarizing the provisions hereof hereby specifically approved.

8. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED August 12, 2025.

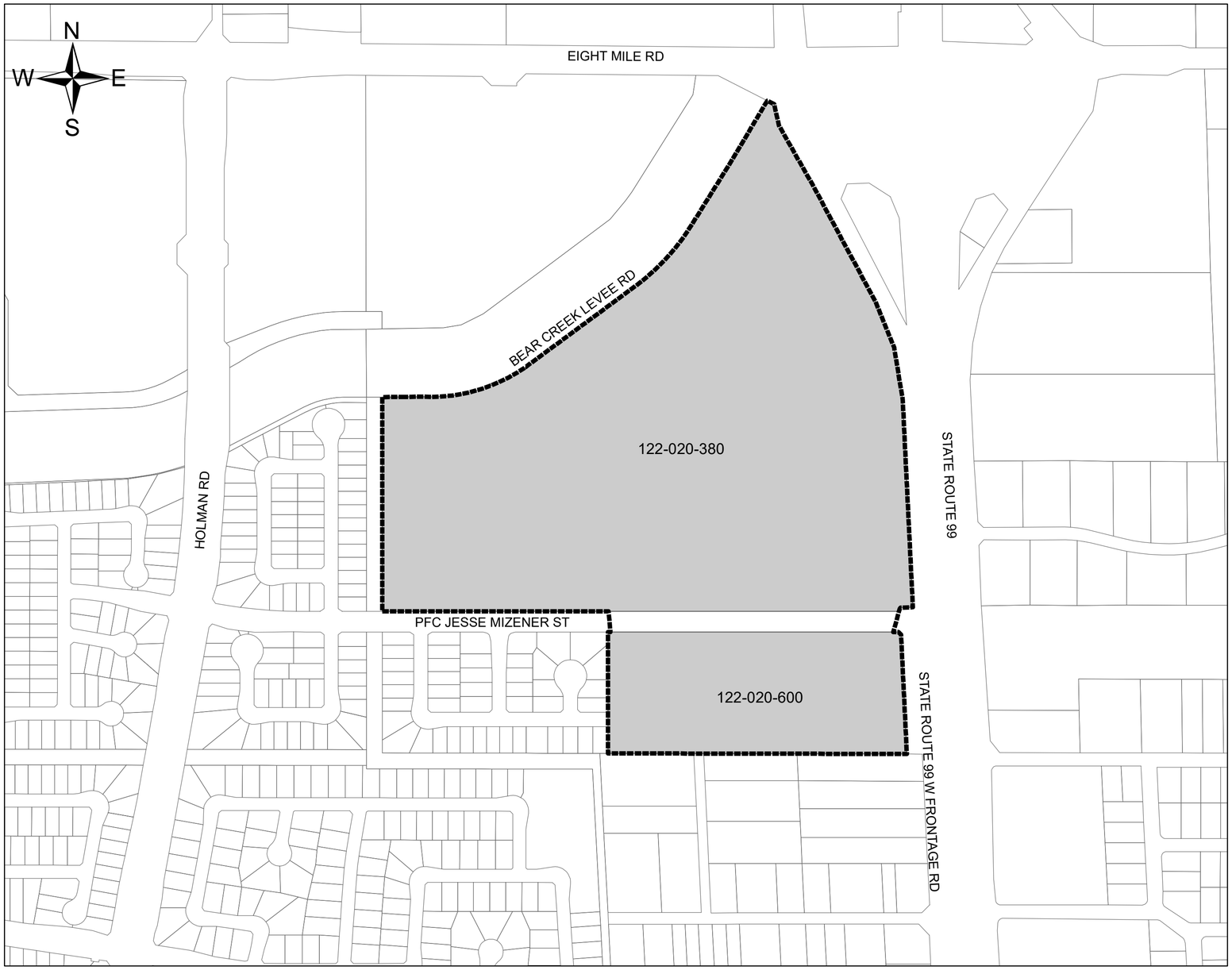
CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2025-1 (CANNERY PARK EAST)

CITY OF STOCKTON
COUNTY OF SAN JOAQUIN
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK THIS _____ DAY OF _____, 2025.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2025-1 (CANNERY PARK EAST), CITY OF STOCKTON, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON AT A REGULAR MEETING THEREOF, HELD ON THE _____, DAY OF _____, 2025, BY ITS RESOLUTION NO. _____.

_____
CITY CLERK
CITY OF STOCKTON

FILED THIS _____ DAY OF _____, 2025, AT THE HOUR OF _____ O'CLOCK ___.M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE(S) _____, AND AS DOCUMENT NO. _____ IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA.

STEVE J. BESTOLARIDES, ASSESSOR-COUNTY CLERK-RECORDER

_____
BY DEPUTY
COUNTY RECORDER
COUNTY OF SAN JOAQUIN
STATE OF CALIFORNIA

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS MAP SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE COUNTY OF SAN JOAQUIN ASSESSOR MAPS.

Legend

- Proposed District Boundaries
- District Parcels

WILLDAN Financial Services
27368 VIA INDUSTRIA, SUITE #200
TEMECULA, CA 92590
(951) 587-3500

City of Stockton
CFD No. 2025-1
(Cannery Park East)

Resolution of Intention Meeting
August 12, 2025
Agenda Item 16.2

Background

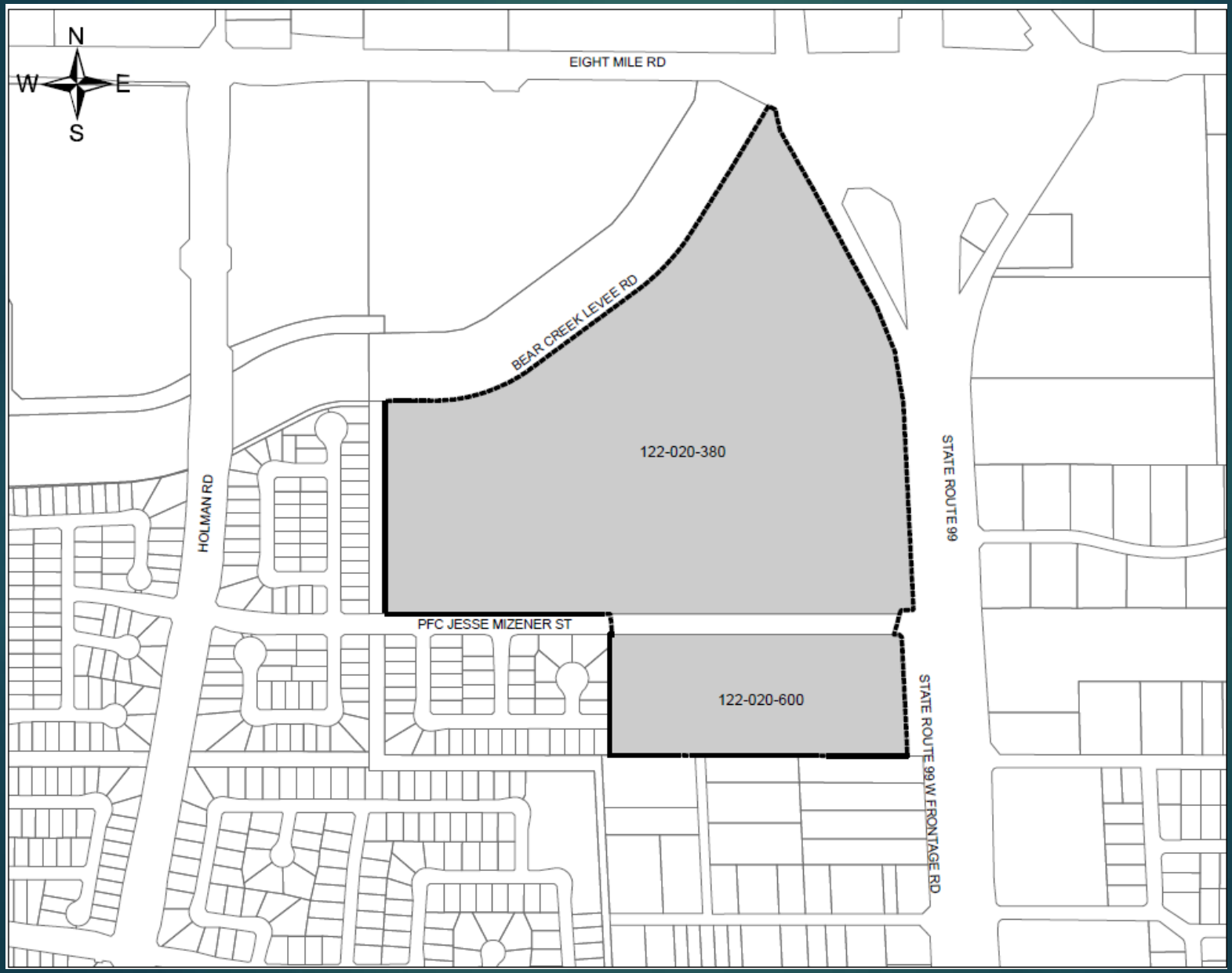
CFD No. 2019-1 (Cannery Park II) formed in May 2019

- Fixed annual special tax of $1,600 per year on single-family residential
  - City can recover administrative costs as part of the special taxes
  - A services tax is also paid each year by the property owners
- Total bonded indebtedness of $15 million
- Issued two series of bonds in 2022 ($9.915 million) and 2024 (1.525 million)

The Proposed Project

- The initial boundary of the District will include just the portion of property originally acquired by Jen California 31, LLC (the "Developer").
- The portion acquired is already in CFD No. 2019-1 (Cannery Park II). The special taxes payable by the property owners will be in addition to the fixed $1,600 per year of facilities special tax and the services special tax already collected from within CFD No. 2019-1.
- The District will consist of 311 single-family residential units
  - The Developer sold 64 lots to Richmond American on October 25, 2024
  - The Developer sold 267 lots to Century Communities on May 19, 2025. If formed, the District will help fund the acquisition of authorized facilities and the payment of fees.
  - FY 2026-27 Facilities tax rates ranging from $922 (<1,800 SF) to $2,386 (>3,400 SF) annually
  - 2% escalation of facilities tax
  - Total tax rate of 1.80% consistent with other CFDs in the region

Proposed Boundary



Financial Summary

There is no financial impact to the City for the formation of the proposed District

- The cost to form the District is estimated at $39,500 and includes the fees and expenses of the Special Tax Consultant (Willdan Financial Services), Bond Counsel (Jones Hall) and the City's Municipal Advisor (Del Rio Advisors, LLC). The Developer has deposited with the City an amount to cover these estimated costs of formation.
- Ultimately, when bonds are issued, the City will receive an administrative fee based on a sliding scale of the issuance size. The City's Administration Fee is a component of the cost of issuance and is paid from bond proceeds.

If the District is approved and when one or more series of bonds are issued, they will not be a debt of the City and will only be paid through the special taxes levied in the District

Items for Consideration

The first resolution before the City Council for consideration is the **Resolution of Intention (the "ROI") to Form a CFD and Levy a Special Tax** within the territory of the proposed District. The resolution includes:

- **The Rate and Method of Apportionment (the "RMA")** defines the maximum amount of special taxes applied to each parcel of land within the boundaries of the District and the escalation factor to be applied to each year
- **List of Facilities and Fees** proposed to be funded by special taxes
- **Boundary Map** showing the territory that is proposed to be included in the District, including the boundary subject to the special tax levy

In addition to the items mentioned above, adoption of the ROI sets the date, time and place for a public hearing on the establishment of the District and future issuance of bonds. The date of the public hearing for the proposed District is September 23, 2025, at 5:30 p.m. in the Council Chambers.

Items for Consideration (continued)

The second resolution before the City Council for consideration is the **Resolution of Intention to Incur Bonded Indebtedness**

- The resolution sets forth an intention to set the maximum proposed amount of bonded indebtedness for the District. The District may issue one or more series of bonds totaling no more than $15.0 million to fund facilities and fees within the District
- Actual approval of each series of bonds will require future Council consideration and action

These resolutions are simply an expression of intent, the Council is not bound to form the CFD, which will be decided on September 23rd.

Questions ?

File #: 25-0865, **Version:** 1

ADOPT A RESOLUTION FOR THE FORMATION AND FUNDING OF POLICE SUBSTATIONS IN WESTON RANCH AND SIERRA VISTA

RECOMMENDATION

It is recommended that the City Council adopt a resolution to:

1. Direct staff to implement police substation projects for Weston Ranch and Sierra Vista as reflected in Exhibit 1, attached hereto and incorporated by reference.

2. Appropriate $281,738 from the Teen Impact Center Rehabilitation, Project No. CR22001, to the Weston Ranch Police Substation Project, for one-time setup costs.

3. Appropriate $168,338 from the Teen Impact Center Rehabilitation, Project No. CR22001, to the Sierra Vista Police Substation Project, for one-time setup costs.

4. Appropriate $122,592 from the Teen Impact Center Rehabilitation Project No. CR22001, to the Weston Ranch Police Substation Project for FY2025/26 operating costs.

5. Appropriate $30,000 from the Teen Impact Center Rehabilitation Project No. CR22001, to the Sierra Vista Police Substation Project for FY2025/26 operating costs.

6. Authorize staff to enter into a lease agreement, in an amount not to exceed $39,000 annually, for the formation of the Weston Ranch Police Substation.

7. Authorize staff to enter into a $0 cost lease agreement with Housing Authority of the County of San Joaquin for the formation of the Sierra Vista Police Substation.

8. Authorize staff to accept a $300,000 contribution from the Housing Authority of the County of San Joaquin to establish the Sierra Vista Police Substation.

It is also recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of this Resolution. The City Manager is further directed to report back to the City Council regarding any final action taken consistent with this delegation of authority.

Summary

On June 24, 2025, the City Council provided staff with direction to identify possible funding sources and potential locations to establish Police Substations in Weston Ranch and Sierra Vista.

Staff have identified two locations:

> **Weston Ranch-** with Council approval staff will execute an annual lease agreement, with a not to exceed amount of $39,000, within the Weston Ranch shopping center to establish a police substation.
>
> **Sierra Vista-** with Council approval staff will execute an annual lease agreement, with a not to exceed amount of $0, with the Housing Authority of the County of San Joaquin (HACSJ) to establish a police substation.

Staff recommends utilizing unspent discretionary funding from the Fiscal Year 2021/22 Teen Impact Center Rehabilitation Project No. CR22001, for one-time funding and Fiscal Year (FY) 2025/26 operating costs to establish both substations.

Establishing police substations in South Stockton seeks to improve the relationship between the community and law enforcement, boost the effectiveness of policing in these underserved areas, and ultimately increase public safety.

The proposed substations will act as satellite offices focused on community policing and will be staffed by police department personnel. By maintaining a steady presence in the neighborhoods, these substations aim to build local partnerships, increase visibility, and foster trust within the community, thereby enhancing public reassurance through sustained officer visibility.

DISCUSSION

Background

In 2006, the Stockton Police Department opened a substation in Weston Ranch as part of an initiative to strengthen law enforcement presence and promote community-oriented policing. This substation was strategically situated within the Weston Ranch Center, where it was staffed by a Community Service Officer during regular business hours.

The primary goals of the substation were to enhance community visibility of law enforcement and to provide residents with easier access to police resources. Despite these objectives and various outreach efforts, the community's utilization of the substation remained low.

In 2008, in response to the financial crisis, the City undertook a thorough review of the substation's usage and ultimately decided to close the storefront.

In February 2025, Vice Mayor Lee formally proposed the establishment of two staffed police substations in South Stockton, with a requirement that they be located in the Sierra Vista and Weston Ranch communities.

If approved, the Stockton Police Department plans to set up a storefront substation in the Food for Less strip mall, which serves as a hub for local shoppers and community members. Additionally, an office space will be created in collaboration with the Housing Authority of San Joaquin (HACSJ) at Sierra Vista, providing a second location within a familiar and trusted community setting. This initiative aims to enhance police services and give residents convenient access to assistance.

Present Situation

The goal is to operationalize both community-centered locations within 90 days of executing lease agreements. Officers will be assigned to fixed posts, supported by professional staff and trained volunteers as needed, fostering a stronger sense of safety and trust within the community. Both substations will provide walk-in services during regular business hours, including help with minor crime reports, citation signoffs, crime prevention materials, and outreach for neighborhood and business watch programs.

The development of the Weston Ranch Substation will include several key upgrades, such as interior retrofitting to create functional and secure layouts, along with the procurement and installation of essential furnishings. Additionally, security alarm systems will be implemented to safeguard both personnel and assets.

The Sierra Vista Substation will have minor layout adjustments, but these will be less extensive than those planned for the Weston Ranch site. To improve community awareness of the facilities, branding will be used to match department standards.

To ensure a safe and welcoming environment for staff and visitors, regular cleaning services will be offered. Additionally, three designated parking spaces will be established at each location to improve accessibility and support operational readiness.

FINANCIAL SUMMARY

With the appropriation of funds and the acceptance of $300,000 from HACSJ, sufficient funding will be available to establish a police substation in Weston Ranch and Sierra Vista. Ongoing operational funding will need to be accounted for through the annual budgeting process.

The total estimated costs, including one-time and FY 25-26 operating costs, are as follows:

- Weston Ranch Fiscal Impact:
    - Hard cost - $404,330
    - Personnel cost - $676,239
    - Total cost - $1,080,569

- Sierra Vista projected cost:
    - Hard cost - $198,338
    - Personnel cost - $580,092
    - HACSJ contribution - ($300,000)
    - Total cost - $478,430

Resolution No.

STOCKTON CITY COUNCIL

ADOPT A RESOLUTION FOR THE FORMATION AND FUNDING OF POLICE SUBSTATIONS IN WESTON RANCH AND SIERRA VISTA

The City Council has recognized a need for the Stockton Police Department to establish a greater community presence in Weston Ranch and Sierra Vista; and

On January 21, 2025, Stockton Police Department presented an informational item on police substations and on March 18, 2025, City Council held discussions regarding police substations in which staff was directed to recommend options for implementing police substations in Weston Ranch and Sierra Vista; and

On June 24, 2025, the City Council provided staff with direction to identify possible funding sources and potential locations to establish Police Substations in Weston Ranch and Sierra Vista; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. Direct staff to implement police substation projects for Weston Ranch and Sierra Vista as reflected in Exhibit 1, attached hereto and incorporated by reference.

2. Appropriate $281,738 from the Teen Impact Center Rehabilitation, Project No. CR22001, to the Weston Ranch Police Substation Project, for one-time setup costs.

3. Appropriate $168,338 from the Teen Impact Center Rehabilitation, Project No. CR22001, to the Sierra Vista Police Substation Project, for one-time setup costs.

4. Appropriate $122,592 from the Teen Impact Center Rehabilitation Project No. CR22001, to the Weston Ranch Police Substation Project for FY2025/26 operating costs.

5. Appropriate $30,000 from the Teen Impact Center Rehabilitation Project No. CR22001, to the Sierra Vista Police Substation Project for FY2025/26 operating costs.

6. Authorize staff to enter into a lease agreement, in an amount not to exceed $39,000 annually, for the formation of the Weston Ranch Police Substation.

7. Authorize staff to enter into a $0 cost lease agreement with Housing Authority of the County of San Joaquin for the formation of the Sierra Vista Police Substation.

8. Authorize staff to accept a $300k contribution from the Housing Authority of the County of San Joaquin to establish the Sierra Vista Police Substation.

The City Manager is authorized to take such other actions as necessary and appropriate to carry out the purpose and intent of this Resolution. The City Manager is further directed to report back to the City Council regarding any final action taken consistent with this delegation authority.

PASSED, APPROVED, and ADOPTED August 12, 2025.

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton

WESTON RANCH		SIERRA VISTA	
Ongoing Cost		Ongoing Cost	
Item	Fiscal Impact	Item	Fiscal Impact
Lease (Annual)	$39,000		
PERSONNEL COSTS			
Officers (2)	$556,236	Officers (2)	$556,236
CSO (1)	$120,003	Police Aide (1)	$23,856
Total Personnel Cost:	**$676,239**		**$580,092**
VEHICLE COSTS			
Police Vehicle ISF	$25,000	Police Vehicle ISF	$25,000
CSO Vehicle ISF	$12,000		
Total Vehicle Cost:	**$37,000**		**$25,000**
ANNUAL OPERATING COSTS			
Phone Line	$600		
Alarm Costs	$1,560		
Office Supplies	$6,000		
Cleaning	$6,000		
Utilities	$12,000		
Operating Cost:	**$102,160**	**Operating Cost:**	**$25,000**
Contingency (20%)	**$20,432**	**Contingency (20%)**	**$5,000**
Total Operating Cost:	**$122,592**	**Total Operating Cost:**	**$30,000**
Total Personnel Cost:	**$676,239**	**Total Personnel Cost:**	**$580,092**
Total Cost:	**$798,831**	**Total Cost**	**$610,092**

One Time Costs		One Time Costs	
Item	Fiscal Impact	Item	Fiscal Impact
Building Retrofit	$25,000		
Police Vehicle	$108,000	Police Vehicle	$108,000
Police Vehicle MDC	$3,500		
Police Vehicle Affixed Radio	$7,500		
CSO Vehicle	$32,000		
Monitors (6)	$1,796	Monitors (6)	$1,796
MDCs (3)	$10,500	MDCs (2)	$7,000
Docking Stations (3)	$986	Docking Stations (3)	$986
Portable Radios (3)	$22,500	Portable Radios (3)	$22,500
Furniture	$22,500		
Alarm Install	$500		
One Time Cost:	**$234,782**	**One Time Cost:**	**$140,282**
Contingency (20%)	**$46,956**	**Contingency (20%)**	**$28,056**
Total One Time Cost:	**$281,738**	**Total One Time Cost:**	**$168,338**
Total Cost to Implement w Personnel:	**$1,080,569**	**Total Cost to Implement w Personnel:**	**$778,430**

South Stockton Substations

City Council Meeting

August 12, 2025

Agenda Item 16.3

EMPOWERING COMMUNITY

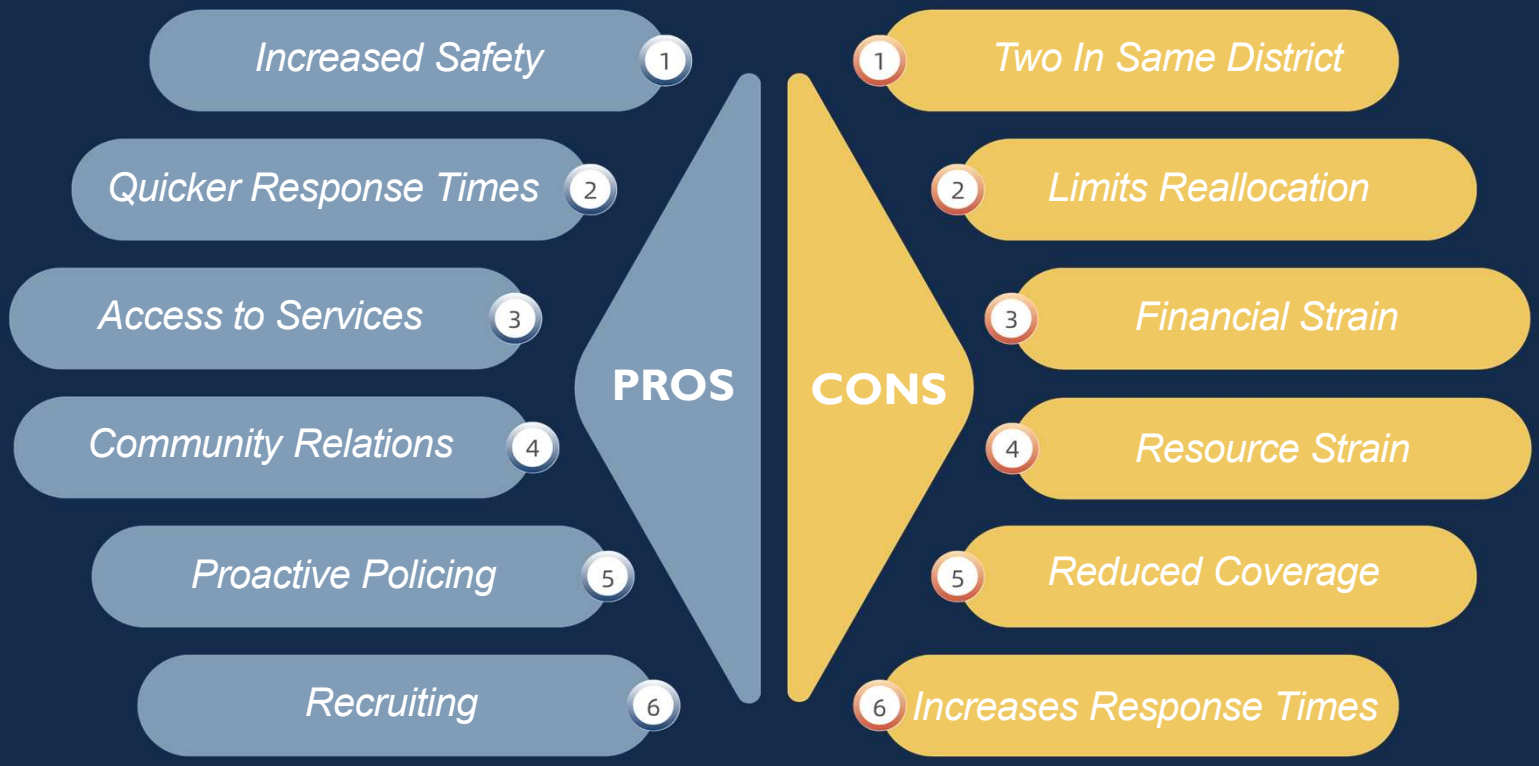
SUBSTATIONS

SIERRA VISTA

WESTON RANCH

COMMUNITY PERSPECTIVES

Operational Expansion



CURRENT STAFFING LEVELS

CURRENT STAFFING

SWORN OFFICER: 370

COMMUNITY SERVICE OFFICER: 18

POLICE AIDE II: 8

AUTHORIZED STAFFING

SWORN OFFICER:
425

COMMUNITY SERVICE OFFICER:
25

POLICE AIDE II:
13

BACKGROUNDS

SWORN OFFICER:
76

COMMUNITY SERVICE OFFICER:
7

POLICE AIDE II:
3

STAFFING MODEL

WESTON RANCH

(2) POLICE OFFICERS – Strategic Operations

(1) COMMUNITY SERVICE OFFICER – Strategic Operations

SIERRA VISTA

(2) POLICE OFFICERS – Strategic Operations

(1) POLICE AIDE II

FISCAL IMPACT: *SIERRA VISTA*

Item	One-Time Funding	Ongoing Funding
Police Vehicle	$ 108,000	
Police Vehicle ISF		$ 25,000
Monitors (6)	$ 1,796	
MDCs (2)	$ 7,000	
Docking Stations (3)	$ 986	
3 Portable Radios (3)	$ 22,500	

Item	Ongoing Funding
Officers (2)	$ 556,236 *
Police Aide (1)	$ 23,856

*Reallocation Cost

One-time Total: $140,282
One-time Contingency (20%): $28,056
Ongoing Annual Total: $605,092
Ongoing Annual Contingency (20%): $5,000

Combined: $778,430

*One time funding from HACSJ : $300,000

FISCAL IMPACT: *WESTON RANCH*

Item	One-Time Funding	Ongoing Funding
Lease (Annual)		$ 39,000
Police Vehicle	$ 108,000	
Police Vehicle ISF		$ 25,000
CSO Vehicle	$ 32,000	
Police Vehicle MDC	$ 3,500	
Police Vehicle Affixed Radio	$ 7,500	
CSO Vehicle ISF		$ 12,000
Monitors (6)	$ 1,796	
MDCs (3)	$ 10,500	
Docking Stations (3)	$ 986	
Office Supplies		$ 6,000
Furniture	$ 22,500	
Portable Radios (3)	$ 22,500	
Phone Line		$ 600
Utilities		$ 12,000
Alarm Install	$ 500	
Alarm Annual Fee		$ 1,560
Cleaning Service		$ 6,000
Interior Retrofit (Walls, Elec.)	$ 25,000	

Item	Ongoing Funding
Officers (2)	$ 556,236
CSO (1)	$ 120,003

One-time Total: $234,782
One-Time Contingency (20%): $46,956
Ongoing Annual Total: $778,399
Ongoing Contingency (20%): $20,432

Combined:
$1,080,569

NEXT STEPS

Mayor and Council to adopt a resolution for the formation and funding of Police Substations in Weston Ranch and Sierra Vista.

STOCKTON POLICE DEPARTMENT
POLICE OFFICER
STOCKTON
POLICE
1850
CALIFORNIA

Questions?

File #: 25-0905, **Version:** 1

COUNCIL COMMITTEE/BOARD AND COMMISSION MINUTES

RECOMMENDATION

Information item only. No action required.

MINUTES
CIVIL SERVICE/EQUAL EMPLOYMENT COMMISSION CONCURRENT MEETING OF MAY 15, 2025

425 N. El Dorado St. Stockton, CA

1. CLOSED SESSION CALL TO ORDER/ROLL CALL - 3:00 PM

Roll Call
Present:
Dwight Williams
Michele Sherman
Michele Kimbrough
Nancy Muniz
Absent:
Raymond Zulueta Jr..

Note Commissioner Zulueta arrived at 3:03 PM

2. PUBLIC COMMENT (Comments will be limited to the Closed Session items listed below).

None

3. ANNOUNCEMENT OF CLOSED SESSION

3.1 25-0404 ANIMAL SERVICES OFFICER (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-05-15-0301 certifying the results of the open/promotional examination for Animal Services Officer (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Animal Services Officer

Approved Resolution 2025-05-15-0301

3.2 25-0566 COLLECTION SYSTEMS OPERATOR (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-05-15-0302 certifying the results of the open/promotional examination for Collection Systems Operator (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Collection Systems Operator.pdf

Approved Resolution 2025-05-15-0302

3.3 25-0513 FIREFIGHTER ENGINEER (PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-05-15-0303 certifying the results of the promotional examination for Firefighter Engineer (Promotional).

Legislation Text

Proposed Resolution_Exam Results- Firefighter Engineer

Approved Resolution 2025-05-15-0303

3.4 25-0367 FIRE TELECOMMUNICATOR I (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-05-15-0304 certifying the results of the open/promotional examination for Fire Telecommunicator I (Open/Promotional).

Legislation Text

Proposed Resolution_Fire Telecommunicator I

Approved Resolution 2025-05-15-0304

3.5 25-0401 JANITOR (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-05-15-0305 certifying the results of the Open/Promotional examination for Janitor (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Janitor

Approved Resolution 2025-05-15-0305

3.6 25-0522 LIBRARY ASSISTANT I (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-05-15-0306 certifying the results of the open/promotional examination for Library Assistant I (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Library Assistant I

Approved Resolution 2025-05-15-0306

3.7 25-0524 LIBRARY ASSISTANT II (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-05-15-0307 certifying the results of the open/promotional examination for Library Assistant II (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Library Assistant II

Approved Resolution 2025-05-15-0307

3.8 25-0543 POLICE TELECOMMUNICATOR CALL TAKER (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-05-15-0308 certifying the results of the open/promotional examination for Police Telecommunicator Call Taker (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Police Telecommunicator Call Taker

Approved Resolution 2025-05-15-0308

3.9 25-0239 PROGRAM SPECIALIST - ADMINISTRATIVE AIDE II (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-05-15-0309 certifying the results of the open/promotional examination for Program Specialist - Administrative Aide II (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Program Specialist - Administrative Aide II

Approved Resolution 2025-05-15-0309

3.10 25-0525 REVENUE ASSISTANT I (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-05-15-0310 certifying the results of the open/promotional examination for Revenue Assistant I (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Revenue Assistant I

Approved Resolution 2025-05-15-0310

3.11 25-0496 SENIOR ELECTRICAL TECHNICIAN (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-05-15-0311 certifying the results of the open/promotional examination for Senior Electrical Technician (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Senior Electrical Technician.pdf

Approved Resolution 2025-05-15-0311

3.12 25-0520 SENIOR GEOGRAPHIC INFORMATION SYSTEMS ANALYST (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-05-15-0312 certifying the results of the open/promotional examination for Senior Geographic Information Systems Analyst (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Senior Geographic Information Systems Analyst (OpenPromotional)

Approved Resolution 2025-05-15-0312

3.13 25-0555 FIREFIGHTER TRAINEE EMT (OPEN/PROMOTIONAL) ELIGIBLE LISTS - REMOVAL OF NAME(S)

Motion 2025-05-15-0313 approving the removal of name(s) from the Firefighter Trainee EMT (Open/Promotional) eligible list.

Legislation Text

3.14 25-0556 FIREFIGHTER TRAINEE PARAMEDIC (OPEN/PROMOTIONAL) ELIGIBLE LISTS - REMOVAL OF NAME(S)

Motion 2025-05-15-0314 approving the removal of name(s) from the Firefighter Trainee Paramedic (Open/Promotional) eligible list.

Legislation Text

3.15 25-0491 POLICE OFFICER (OPEN/PROMOTIONAL) ELIGIBLE LISTS - REMOVAL OF NAME(S)

Motion 2025-05-15-0315 approving the removal of name(s) from the Police Officer (Open/Promotional) eligible lists.

Legislation Text

4. RECESS FROM CLOSED SESSION - 3:12 PM

5. REGULAR SESSION CALL TO ORDER/ROLL CALL - 3:13 PM

Roll Call
Present:
Dwight Williams
Raymond Zulueta Jr.
Michele Sherman
Michele Kimbrough
Nancy Muniz

6. PLEDGE TO THE FLAG

The Pledge of Allegiance was led by Commissioner Zulueta

7. REPORT OF ACTION TAKEN IN CLOSED SESSION

Legal Counsel Taryn Jones reported - the Commission has returned regarding action items 3.1 through and including 3.13. All commissioners were present with Commissioner Zulueta arriving at 3:03 PM. Reportable action is as follows: Regarding 3.1 through and including 3.12, by unanimous vote of commissioners present, commission adopted resolutions concerning the eligible lists certifications.

Regarding action items 3.13 and 3.15 by unanimous vote of the commissioners present approved removal of names from the eligible list.

8. CITIZENS COMMENTS/ANNOUNCEMENTS

None

9. ADOPTION OF CONSENT CALENDAR

9.1 25-0526 APPROVAL OF COMMISSION MINUTES

Legislation Text

Attachment A - 2025-04-17

Approve **Motion 2025-05-15-0901** approving the minutes from the Civil Service Commission meetings of April 17, 2025

Moved by: Nancy Muniz, seconded by Michele Kimbrough.

Vote: Motion carried 5-0

Yes: Dwight Williams, Raymond Zulueta Jr., Michele Sherman, Michele Kimbrough, and Nancy Muniz.

10. UNFINISHED BUSINESS

None

11. REQUEST FOR APPEALS/PUBLIC HEARINGS

None

12. APPEALS/PUBLIC HEARINGS

None

13. NEW BUSINESS

None

14. REPORTS/WRITTEN COMMUNICATIONS/ INFORMATIONAL ITEMS

14.1 25-0557 ANNUAL EQUAL EMPLOYMENT REPORT - HUMAN RESOURCES

Informational only. No action taken.

Legislation Text

Attachment A - 2025 Human Resources EEO Report.pdf

14.2 25-0559 NOTIFICATION OF ACTION TAKEN BY THE DIRECTOR OF HUMAN RESOURCES TO AMEND THE CLASSIFICATION SPECIFICATION FOR EXECUTIVE ASSISTANT (CONFIDENTIAL)/EXECUTIVE ASSISTANT (LEGAL)

Informational only. No action taken.

Legislation Text

Attachment A - Class Spec - Redlines - Executive Assistant (Confidential), Executive Assistant (Legal)

Attachment B - Class Spec - Final - Executive Assistant (Confidential), Executive Assistant (Legal)

15. BOARD/COMMISSION COMMUNICATIONS OR COMMENTS

Commissioner Kimbrough - State of the City, Tuesday June 25, 2025 10:00 AM - 2:00 PM, Adventist Health Arena; May 17, 2025 balloons over bullets event

Commissioner Sherman - Stockton Police Department Community Academy

Vice Chair Muniz - 35th annual Family Recourse Center Children and Youth Day at Pixie Woods, Saturday May 17, 2025 10:00 AM - 3:00 PM

16. ADJOURNMENT - 3:22 PM

Allison Jamkebi

for KATHERINE ROLAND, CMC, CPMC
STOCKTON CITY CLERK

MINUTES
CIVIL SERVICE/EQUAL EMPLOYMENT COMMISSION CONCURRENT MEETING OF JUNE 19, 2025

425 N. El Dorado St. Stockton, CA

1. CLOSED SESSION CALL TO ORDER/ROLL CALL - 3:00 PM

Roll Call
Present:
Dwight Williams
Raymond Zulueta Jr.
Michele Sherman
Absent:
Nancy Muniz, and Michelle Kimbrough.

Note: Vice Chair Muniz and Commissioner Kimbrough absences were excused

2. PUBLIC COMMENT (Comments will be limited to the Closed Session items listed below).

None

3. ANNOUNCEMENT OF CLOSED SESSION - 3:01 PM

3.1 25-0641 DEPARTMENT FINANCE OFFICER (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-06-19-0301 certifying the results of the open/promotional examination for Department Finance Officer (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Department Finance Officer

Approved Resolution 2025-06-19-0301

3.2 25-0624 FINANCE ASSISTANT II (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-06-19-0302 certifying the results of the open/promotional examination for Finance Assistant II (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Finance Assistant II.pdf

Approved Resolution 2025-06-19-0302

3.3 25-0615 FIRE BATTALION CHIEF (PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-06-19-0303 certifying the results of the promotional examination for Fire Battalion Chief (Promotional).

Legislation Text

Proposed Resolution_Exam Results_Fire Battalion Chief

Approved Resolution 2025-06-19-0303

3.4 25-0580 MECHANIC II (LIGHT) (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-06-19-0304 certifying the results of the open/promotional examination for Mechanic II (Light) (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Mechanic II (Light).pdf

Approved Resolution 2025-06-19-0304

3.5 25-0639 SENIOR RECREATION ASSISTANT (OPEN/PROMOTIONAL) ELIGIBLE LIST CERTIFICATION

Resolution 2025-06-19-0305 certifying the results of the open/promotional examination for Senior Recreation Assistant (Open/Promotional).

Legislation Text

Proposed Resolution - Exam Results - Senior Recreation Assistant

Approved Resolution 2025-06-19-0305

3.6 25-0637 FIREFIGHTER TRAINEE EMT (OPEN/PROMOTIONAL) ELIGIBLE LIST - REMOVAL OF NAME(S)

Motion 2025-06-19-0306 approving the removal of name(s) from the Firefighter Trainee EMT - 2025 (Open/Promotional) eligible list.

Legislation Text

3.7 25-0636 FIREFIGHTER TRAINEE PARAMEDIC (OPEN/PROMOTIONAL) ELIGIBLE LIST - REMOVAL OF NAME(S)

Motion 2025-06-19-0307 approving the removal of name(s) from the Firefighter Trainee Paramedic - 2025 (Open/Promotional) eligible list.

Legislation Text

3.8 25-0623 POLICE OFFICER (OPEN/PROMOTIONAL) ELIGIBLE LISTS - REMOVAL OF NAME(S)

Motion 2025-06-19-0308 approving the removal of name(s) from the Police Officer

(Open/Promotional) eligible lists.

Legislation Text

3.9 25-0671 POLICE TELECOMMUNICATOR I (OPEN/PROMOTIONAL) ELIGIBLE LIST - REMOVAL OF NAME(S)

Motion 2025-06-19-0309 approving the removal of name(s) from the Police Telecommunicator I (Open/Promotional) eligible list.

Legislation Text

4. RECESS FROM CLOSED SESSION - 3:01 PM

5. REGULAR SESSION CALL TO ORDER/ROLL CALL - 3:09 PM

Roll Call
Present:
Dwight Williams
Raymond Zulueta Jr.
Michele Sherman
Absent:
Nancy Muniz, and Michelle Kimbrough.

Note: Vice Chair Muniz and Commissioner Kimbrough absences were excused

6. PLEDGE TO THE FLAG

The Pledge of Allegiance was led by Commissioner Sherman

7. REPORT OF ACTION TAKEN IN CLOSED SESSION

Legal Counsel Taryn Jones reported - the Commission has returned regarding action items 3.1 through and including 3.9, All commissioners were present with Vice Chair Muniz and Commissioner Kimbrough absent. Reportable action is as follows: Regarding 3.1 through and including 3.5 by unanimous vote of commissioners present, commission adopted resolutions concerning the eligible lists certifications. Regarding action items 3.6 and 3.9 by unanimous vote of the commissioners present approved removal of names from the eligible list.

8. CITIZENS COMMENTS/ANNOUNCEMENTS

None

9. ADOPTION OF CONSENT CALENDAR

9.1 25-0640 REQUEST FOR REINSTATEMENT OF RON AQUINO TO THE POSITION OF SUPERVISING ACCOUNTANT, REGULAR STATUS

Legislation Text

Attachment A - Letter from Ron Aquino

Attachment B - Memo from R. Rivas, Deputy City Manager Requesting Reinstatement of Ron Aquino

Proposed Resolution - Reinstatement of Ron Aquino

Approved Resolution 2025-06-19-0901

Around The Bench Memo

Approve **Resolution 2025-06-19-0901** approving the reinstatement of Ron Aquino to the position of Supervising Accountant, regular status.

Moved by: Raymond Zulueta Jr., seconded by Michele Sherman.

Vote: Motion carried 3-0

Yes: Dwight Williams, Raymond Zulueta Jr., and Michele Sherman.
Absent: Nancy Muniz, and Michelle Kimbrough.

10. UNFINISHED BUSINESS

None

11. REQUEST FOR APPEALS/PUBLIC HEARINGS

None

12. APPEALS/PUBLIC HEARINGS

None

13. NEW BUSINESS

None

14. REPORTS/WRITTEN COMMUNICATIONS/ INFORMATIONAL ITEMS

14.1 25-0686 ANNUAL EQUAL EMPLOYMENT REPORT - COMMUNITY DEVELOPMENT DEPARTMENT

Informational item only. No action taken.

Legislation Text

Attachment A - EEC Report 2025

14.2 25-0628 NOTIFICATION OF ACTION TAKEN BY THE DIRECTOR OF HUMAN RESOURCES TO AMEND THE CLASSIFICATION SPECIFICATION FOR SUPERVISING ACCOUNTANT

Informational item only. No action taken.

Legislation Text

Attachment A - Class Spec - Redlines - Supervising Accountant

Attachment B - Class Spec - Final - Supervising Accountant

15. BOARD/COMMISSION COMMUNICATIONS OR COMMENTS

Commissioner Zulueta - Happy Juneteenth

Chair Williams - thanked City staff; shout out to Police Department

16. ADJOURNMENT - 3:28 PM

KATHERINE ROLAND, CMC, CPMC
STOCKTON CITY CLERK

MINUTES
PLANNING COMMISSION
MEETING OF MARCH 13, 2025

425 N. El Dorado St. Stockton, CA

1. CALL TO ORDER/ROLL CALL - 5:30 PM

Roll Call
Present:
Terry Hull
Derek Graves
William Muetzenberg
Yolanda Amen
Jeff Sanguinetti
Absent:
Gurneel Boparai.

Note: Commissioner Boparai's absence is excused

2. PLEDGE TO FLAG

The Pledge of Allegiance was led by Commissioner Amen

3. ADOPTION OF CONSENT CALENDAR

3.1 25-0274 APPROVAL OF PLANNING COMMISSION MINUTES

Legislation Text

Attachment A - 2025-01-23 PC Minutes

Attachment B - 2025-02-13 PC Minutes

Attachment C - 2025-02-27 PC Minutes

Approve **Motion 2025-03-13-0301- 01** approving the minutes of the January 23, 2025 Planning Commission meetings.

Moved by: Terry Hull, seconded by William Muetzenberg.

Vote: Motion carried 4-0

Yes: Terry Hull, William Muetzenberg, Yolanda Amen, and Jeff Sanguinetti.
Recuse:Derek Graves.
Absent: Gurneel Boparai.

Approve **Motion 2025-03-13-0301-02** approving the minutes of the February 13, 2025, and February 27, 2025 Planning Commission meetings.

Moved by: Terry Hull, seconded by William Muetzenberg.

Vote: Motion carried 5-0

Yes: Terry Hull, Derek Graves, William Muetzenberg, Yolanda Amen, and Jeff Sanguinetti.
Absent: Gurneel Boparai.

4. PUBLIC COMMENT

Dan Richardson - congratulated new Commissioners; new business projects

Jason Smith - introduced self to Commissioners

5. PUBLIC HEARINGS/ENVIRONMENTAL ASSESSMENTS

None

6. NEW BUSINESS

6.1 25-0307 ESTABLISHMENT OF A PLANNING COMMISSION AD HOC COMMITTEE FOR THE REVIEW OF THE PENDING DRAFT DEVELOPMENT CODE ORDINANCE

Legislation Text

Proposed Resolution - Establishing Ad Hoc Committee

Approved Resolution 2025-03-13-0601

Approve **Resolution 2025-03-13-0601** approving the establishment of a three-member ad hoc committee comprised of Chair Sanguinetti, Vice Chair Muetzenberg and Commissioner Hull, to review the pending draft Development Code Ordinance (Stockton Municipal Code Title 16) for the purpose of streamlining and facilitating future discussion before the full Commission.

Moved by: Terry Hull, seconded by William Muetzenberg.

Vote: Motion carried 5-0

Yes: Terry Hull, Derek Graves, William Muetzenberg, Yolanda Amen, and Jeff Sanguinetti.
Absent: Gurneel Boparai.

7. UNFINISHED BUSINESS

None

8. REPORTS/COMMUNICATIONS/INFORMATIONAL ITEMS

8.1 25-0309 2025 CITY OF STOCKTON PLANNING COMMISSION TRAINING PROGRAM PRESENTED BY ZOEY MERRILL, DEPUTY CITY ATTORNEY

Legislation Text

PowerPoint Presentation

Informational only. No action taken.

8.2 25-0306 2025 CITY OF STOCKTON PLANNING COMMISSION TRAINING PROGRAM PRESENTED BY THE STOCKTON COMMUNITY DEVELOPMENT DEPARTMENT

Legislation Text

PowerPoint Presentation

Informational only. No action taken.

9. COMMISSIONERS COMMENTS

Chair Sanguinetti - thanked staff

Commissioner Amen - thanked staff, looking forward to work with staff and Commissioners

Vice Chair Muetzenburg - thanked staff

10. ADJOURNMENT - 7:32 PM

Michael McDowell
Assistant Director, Community Development Department

MINUTES
PLANNING COMMISSION
MEETING OF MARCH 27, 2025

Council Chamber - City Hall 425 N El Dorado Street

1. CALL TO ORDER/ROLL CALL - 5:32 PM

Roll Call
Present:
Gurneel Boparai
Terry Hull
Derek Graves
William Muetzenberg
Yolanda Amen
Jeff Sanguinetti

2. PLEDGE TO FLAG

The Pledge of Allegiance was led by Commissioner Graves

3. ADOPTION OF CONSENT CALENDAR

None

4. PUBLIC COMMENT

Pandora Crowder - cannabis shops in South Stockton

5. PUBLIC HEARINGS/ENVIRONMENTAL ASSESSMENTS

5.1 25-0163 NEGATIVE DECLARATION AND PRECISE ROAD PLAN FOR THE MAIN STREET AND MARKET STREET COMPLETE STREETS PROJECT LOCATED BETWEEN CENTER STREET AND STATE HIGHWAY ROUTE 99 OVERPASS (P25-0033)

Legislation Text

Attachment A - Location Map and Arterial Photograph

Proposed Resolution

Exhibit 1 - Initial Study/Negative Declaration

Exhibit 2 - Main Street and Market Street Precise Road Plan

PowerPoint Presentation

Approved Resolution 2025-03-27-0501

The following person spoke to the following item: Patsy Meroz

Note: The meeting went into recess at 6:30 PM and reconvened at 6:33 PM

Approve **Resolution 2025-03-27-0501** forwarding a recommendation to the City Council to adopt an Initial Study/Proposed Negative Declaration and approve the Precise Road Plan for the Main Street and Market Street Complete Streets Project, in accordance with Findings for Decision detailed herein.

Moved by: Terry Hull, seconded by Derek Graves.

Vote: Motion carried 5-1

Yes: Terry Hull, Derek Graves, William Muetzenberg, Yolanda Amen, and Jeff Sanguinetti.
No: Gurneel Boparai.

5.2 25-0135 GENERAL PLAN AMENDMENT, ZONING MAP AMENDMENT, ADMINISTRATIVE USE PERMIT, AND DESIGN REVIEW TO ALLOW CONSTRUCTION OF A NEW AUTOMATED CAR WASH, LOCATED AT 200 NORTH WILSON WAY (APPLICATION NO. P24-0150)

Legislation Text

Attachment A - Location Map and & Aerial Photo

Attachment B - General Plan Land Use Map

Attachment C - Zoning Map

Attachment D - Project Plans

Attachment E - Historic Demolition Letter

Proposed Resolution - General Plan Amendment

Exhibit 1 - General Plan Amendment

Proposed Resolution - Rezone

Exhibit 1 - Zoning Map Amendment

Exhibit 1A - Ordinance - Rezone

Proposed Resolution - Use Permit and Design Review

Exhibit 1 - Project Plans

PowerPoint Presentation

Approved Resolution 2025-03-27-0502-01

Approved Resolution 2025-03-27-0502-02

Approved Resolution 2025-03-27-0502-03

Approve **Resolution 2025-03-27-0502-01** forwarding a recommendation to the City Council to approve a General Plan Land Use Map Amendment to change from Industrial to Commercial for nine (9) Assessor Parcel Numbers 153-030-23; -24; -25; -26; -27; -28 and 153-030-02; -03; and -04

Resolution 2025-03-27-0502-02 forwarding a recommendation to the City Council to approve a Zoning Map Amendment to change from Industrial, Limited (IL) to

Commercial, General (CG) for nine (9) Assessor Parcel Numbers 153-030-23; -24; -25; -26; -27; -28 and 153-030-02; -03; and -04

Resolution 2025-03-27-0502-03 approving an Administrative Use Permit and Design Review for the Car Wash, subject to conditions.

Moved by: Jeff Sanguinetti, seconded by Terry Hull.
Vote: Motion carried 6-0

Yes: Gurneel Boparai, Terry Hull, Derek Graves, William Muetzenberg, Yolanda Amen, and Jeff Sanguinetti.

5.3 MITIGATED NEGATIVE DECLARATION, PREZONING AND DESIGN REVIEW REQUEST FOR A PROPOSED INDUSTRIAL DEVELOPMENT AT 6505 SOUTH MCKINLEY AVENUE (APN 193-020-34) (APPLICATION NO. P23-0125)

Legislation Text

Attachment A - Location Map and Aerial Photo

Attachment B - Zoning Map

Attachment C - General Plan Land Use Map

Attachment D - Conceptual Project Plans

Attachment E - Prezoning Description

Proposed Resolution - Mitigated Negative Declaration

Exhibit 1 - Mitigated Negative Declaration

Proposed Resolution - Prezoning & Design Review

Exhibit 1 - Prezoning Exhibit

Exhibit 1a - Prezoning Ordinance

Exhibit 2 - Color Elevations

Around the Bench Memo - 2025-03-26

PowerPoint Presentation

Note: A memo dated March 25, 2025 from Stephanie Ocasio, Director of Community Development relating to Item 5.3 - the public notice has an erroneous publication date of February 33, 2025. The correct date is March 17, 2025 as well as in Exhibit 1 to the proposed Resolution for the Mitigated Negative Declaration is missing document page numbers, a copy with a link for the page numbers was distributed around the bench

The following person spoke the following item: Mitchell Vinciguerra; and Pandora Crowder

Approve **Motion 2025-03-27-0503** continuing this item to the April 10, 2025 Planning Commission meeting.

Moved by: Jeff Sanguinetti, seconded by Derek Graves.

Vote: Motion carried 6-0

Yes: Gurneel Boparai, Terry Hull, Derek Graves, William Muetzenberg, Yolanda Amen, and Jeff Sanguinetti.

5.4 25-0041 USE PERMIT TO ESTABLISH A CANNABIS RETAIL STOREFRONT AND A NON-STOREFONT RETAIL (DELIVERY ONLY) BUSINESS AT 4895 STATE ROUTE 99 FRONTAGE ROAD, SUITE C (APN 179-260-52) (APPLICATION NO. P24-0214)

Legislation Text

Attachment A - Cannabis Lottery Win Letter

Attachment B - Location Map

Attachment C - General Plan Land Use Map

Attachment D - Zoning Map

Attachment E - Project Plans

Attachment F - Approved Cannabis Locations

Proposed Resolution

Exhibit 1

PowerPoint Presentation

Document Filed - Commissioner Boparai

The following person spoke to the following item: Pandora Crowder

Note: The meeting went into recess at 7:57 PM and reconvened at 8:05 PM

Approve **Motion 2025-03-27-0504** directing staff to bring back a resolution denying the use permit to establish a cannabis retail storefront and a non-store front retail (delivery only) business at 4895 state route 99 frontage road, suite C based on commission discussion

Moved by: Derek Graves, seconded by Yolanda Amen.

Vote: Motion carried 5-1

Yes: Gurneel Boparai, Terry Hull, Derek Graves, Yolanda Amen, and Jeff Sanguinetti.
No: William Muetzenberg.

6. NEW BUSINESS

None

7. UNFINISHED BUSINESS

None

8. REPORTS/COMMUNICATIONS/INFORMATIONAL ITEMS

Michael McDowell, Assistant Director for Community Development Department - Ad-Hoc Committee group; Development Code Update

9. COMMISSIONERS COMMENTS

Chair Sanguinetti - request for city wide spreadsheet for top ten business calls for service, list based on categories (loitering, disturbances, robbery, etc.) from Police Department; future discussions with Police Department and Planning Commissioners

Commissioner Boparai - thanked Mayor Fugazi

10. ADJOURNMENT - 9:28 PM

Michael McDowell
Assistant Director, Community Development Department

MINUTES
WATER ADVISORY GROUP
MEETING OF APRIL 2, 2025

Council Chamber - City Hall, 425 N. El Dorado Street, Stockton, California

1. CALL TO ORDER/ROLL CALL - 3:54 PM

Roll Call
Present:
Jamie Guerrero
Jeff Sanguinetti
Satnam Singh
Pat Barrett
Absent:
Rick Justice, and Davis Harper.

Note: Vice Chair Harper and Member Justice's absences are excused.

2. PLEDGE TO THE FLAG

The Pledge of Allegiance was led by Member Sanguinetti

3. PUBLIC COMMENT

None

Committee Correspondence - Public Comments - Mary Elizabeth

4. ADOPTION OF CONSENT CALENDAR

4.1 25-0253 APPROVAL OF MINUTES

Legislation Text

Attachment A - 2025-02-05

Approve **Motion 2025-04-02-0401** approving the minutes from the Water Advisory Group meeting of February 5, 2025

Moved by: Jeff Sanguinetti, seconded by Satnam Singh.

Vote: Motion carried 4-0

Yes: Jamie Guerrero , Jeff Sanguinetti, Satnam Singh, and Pat Barrett.
Absent: Rick Justice, and Davis Harper.

5. UNFINISHED BUSINESS

None

6. NEW BUSINESS

None

7. REPORTS/WRITTEN COMMUNICATIONS/ INFORMATIONAL ITEMS

7.1 25-0412 PRESENTATION ON THE MUD STORMWATER MASTER PLAN

Informational only. No action taken.

Legislation Text

PowerPoint Presentation

7.2 25-0410 PRESENTATION ON THE CLASSROOM AQUARIUM EDUCATION PROGRAM

Informational only. No action taken.

Legislation Text

PowerPoint Presentation

7.3 25-0411 INTRODUCTION TO THE QUARTERLY OPERATIONS REPORT

Informational only. No action taken.

Legislation Text

PowerPoint Presentation

Document Filed - Municipal Utilities Department

8. BOARD/COMMISSION COMMUNICATIONS OR COMMENTS

Member Sanguinetti - thanked staff

Chair Barrett - grants; meeting time

9. ADJOURNMENT - 5:18 PM

for KATHERINE ROLAND, CMC, CPMC
STOCKTON CITY CLERK