

# Risk Assessment

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Tuesday, April 12, 2016 8:13 AM

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Tuesday, December 25, 2018 12:58 AM

# Guatemala

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Thursday, August 13, 2015 6:08 PM

## Guatemala

Friday, June 20, 2014

10:34 AM

ICMA City links

July/August trip to Guatelama X 3 days

November 8-10 Guatemala trip to Stockton X 1 week

Later trip back to Guatemala

Approximately 14 months left in the program

MOU with City + ceremony

Should include someone from pd on 1st trip

Ideally if one speaks spanish

2nd trip could be different people

# PACT

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Thursday, March 13, 2014 2:59 PM

Ernest Williams - Evangelist Church of God and Christ  
Roslyn Burris - Second Chance ministries  
Arreana Hernandez - Diocese of Stockton  
Curtis Smith - Destiny Christian Center

(PACT and Lifelines to Healing)

PACT - Interfaith - through PICO (people improving communities through organizing)

Zero tolerance policies in schools

Night walks in Bianchi and south Stockton area since 2012 (organized 2011)

April 26 confrence at United Methodist 10a-2p to explain the other forms of Lifelines to Healing - more than just night walks

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Thursday, August 13, 2015 6:01 PM

# Library options

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Thursday, April 30, 2015 10:08 AM

1. Reopen branch by returning to previous financial practices of making perpetual financial commitments that are unsupported by reasonably expected revenues.
2. Reopen branch without exceeding financial limitations by reprioritizing items like police, etc.
3. Allow proponents additional time to evaluate what have been described as revenue neutral options.

If a site is to be reopened, determine site selection criteria

# Marina

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Tuesday, March 25, 2014 6:38 PM

## MARINA

Vernita Loveridge; Westrec VP  
Florida, AZ, Georgia, Chicago,  
largest Marina management company in the company

gangway security (\$144 per gate)  
biggest cost - security (\$95k/yr)

Lewis Park - carve out from PW/rec for drystack

forklift deposit? \$50k but forklift won't go through door of building

(Wiggins boat lifts)

## BEDI Grant

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Tuesday, March 25, 2014 6:07 PM

BEDI grant

feds agreed to accept as allowable expenditures

Tom Angelo - SF office says item has been approved and funding source has been identified. Deputy Director now has - waiting for approval to use new funding source

# Berberian Motors

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Friday, August 29, 2014 1:20 PM

## Berberian Sales Tax Deal

- Relocating from their current location to Trinity Drive
- New location will have separate dealerships for Volvo and Mercedes with one additional dealership under discussion
- Lathrop has actively recruited them to relocate
- Asked for assistance
- Offer:
  - 50/50 split of net new revenue
  - 10 years (asked for a longer period to meet the cap)
  - \$1.5 Million cap (closer to \$2.5 in previous discussions)
  - Baseline of \$217,000
    - 10 year average plus 10%
    - In 12/13=\$145k, 11/12=\$156k
    - Have not been at \$217k since 06/07
    - High of \$279 in 05/06
  - Fee Reduction Program (Will extend on same night)
  - Measure W and A are not included
- Benefits:
  - Keeps the revenue and jobs here
  - Major capital investment
  - Potential of a new high end dealership
- Deal I would do with any new car dealer who is expanding
- Same form as our Sales Tax incentive Program

# Central Parking District

Tuesday, March 25, 2014 6:04 PM

## Central Parking District

### Advisory Board

\$1.4 m annual special tax

Parking fees/meter receipts \$2.5 m annually

debt service (SEB + 3 garages) paid from this fund

\$800k fund balance

? Can fund balance be spent?

only CFD is restricted

currently paying 85% SEB debt service

initiative - on ballot (Article 13C)

Air Quality AB1600 loan \$1+approx \$400k interest to parking for Coy

Risk Fund \$530k to parking district 2007 for Coy

# Digital Billboards

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Tuesday, March 25, 2014 6:07 PM

## DIGITAL BILLBOARDS

1 pager

only 1 proposal received

Section 2 DC p2

p3 Sec 4 (audit only 5 years)

audit costs if we win

buyout payments p3 #5(what if year 1 or 2? What is significance of 20 years?)

right of assignment (no city approval?)

responsiveness

term sheet

fact find first

rationale for rejecting

council study session 1.31.13?rejected bids

attempted 1:1 negotiations with sole bidder-no tangible results

unexpected call from CBS requesting mtg to discuss their interest

tentative unrelated CBS eminent domain settlement agreement prohibits digital signs

Will reassign task

Janice Miller to lead

# Housing Programs

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Tuesday, March 25, 2014 6:05 PM

HOME Funds

HOME

2 years to obligate; 4 years to expend

# Hunter Street Garage

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Tuesday, March 25, 2014 6:07 PM

## HUNTER ST. GARAGE

county owns/central parking district manages

revenue producing (\$90k revenue minus \$50k expenses)

contract with county expires 8.31.13

seeking to renegotiate special event option in exchange for 20% of parking fee revenue (Bob Hope)

# Monterey Parking District

Saturday, March 29, 2014 6:00 PM

operated as enterprise fund - self funded  
on-street meters 1) defined parking deficit 2) revenue  
downtown specific plan  
garages 40% occupancy  
on-street 50-80% peak occupancy  
run by city parking division  
community development and public works combined - Plans & Public Works

Wayne Dalton - runs it and sits on national parking garage association

Donald Shoup author of the high cost of free parking; teaches at UCLA  
ideal is 80% occupancy

# MSR

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Wednesday, August 27, 2014 8:57 AM

1. Council RFP
2. Sole Source
3. Bifurcation of duties (Management Partners, etc.)

# Muli-Family Housing Projects

Tuesday, March 25, 2014 6:08 PM

## MULTI-FAMILY PROJECTS

Casa de Esperanza 70 unit Visionary on Mariposa rd  
started construction early March

Visionary rehab small apartment on Sutter st.; have done asbestos removal; prepping hard construction soon

Dignities Alcove (Christopher Bennet); \$350k CDBG; docs to cm for signature today; preconstruction mtg w/ subs 3.12; on 3rd GC; current GC didn't show for mtg

Community Housing Concepts (Denver) \$225k HOME to rehab apartment complex in SW Pacific/Ben Holt; purchase with tax exempt bonds (TEFRA hearing) (EDD OK to assume staff work on future TEFRA) HOME loan would be secured 1.5 ratio; not for acquisition-no fed timeline

Inglwood Gardens (TEFRA) asked for \$181k rehab Pacific/Ben Holt

# 1:1

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Monday, February 17, 2014 8:52 PM

DISCUSS

G

## PROJECTS

- Miner Ave Streetscape
- ULI
- mayor ED project
- Surplus property sale notification
- Hotel RFI
- Boathouse concept
- Strategic Plan
- DDR
- Parking
- Car Max
- Council parking meter passes?

# Parking Meters

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Tuesday, March 25, 2014 6:39 PM

## Parking Meter Options

Andy Belknap; Lynn Danzker; Gordon MacKay; Wendy Saunders; LaVerna Blanko; Erin Mettler

move enforcement from pd CSO's to either new class or contracting out  
Inglewood was in process of contracting out - union issues

smart meters - \$7500 each; would need 300; \$2.4M

enforcement ramp up

smart meters

? should operations move to PW? (meters...lots...garages)

# Price

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Tuesday, March 25, 2014 6:41 PM

## PRICE

9/3/13 9am

Winslow-release if they don't receive certain subsidies

Vintage-release with approval of city and agency (prepay doesn't trigger) 3 units

How many plaintiffs are left?

relocation to comparable units affordable X 42 months

replacement units to restore to market

Marquis/Wysteria/Vintage Place/Gleason Park need amendments?

4/19/13, 9:57 AM

mediation with Judge Liz Paris

1) counting; 'willing to give up double counting

2) communication to eligible parties

3) right of 1st refusal; how do they get off the list?

4) deadline/process for shortfall (1 year?)

Hotel Stockton website change

monitoring/enforcement requirement

money judgement \$995 v. 1.1 interpretation and future handling

plaintiff desire to keep both city and agency on hook

fees and costs

### A. regulatory agreement changes

Winslow Village - no convert to higher than 30% units

Marquee Place - amend to require 2 units

- amend to show 7

Vintage Plaza - specify 3 30% units; no RDA

Gleason Park apts

### B. monitoring and enforcement

plaintiffs expect city to be first line; rent schedule; want to monitor compliance; reg changes to make 30% enforceable by 3rd part beneficiaries

(right by law under RDA law)

plaintiffs want city to actively enforce high rent levels; dbl ck existing

annual local rent levels provided to owners

CITY WILL PRODUCE AB 987-TYPE REPORT chart to show levels

JL requested proposed marketing plan language

### C. right of 1st refusal

list serve

displaces list-city retains right but not obligation to remove

plaintiffs want to change existing regulatory agreements to require

CITY AGREES TO REQUEST (NOT FORCE) LANGUAGE CHANGE

seeking input into city's list (cover letter to notify eligible)

city proposed end of 2023 to fulfill items

plaintiff-proposed funding sources: NSP 1, NSP 3, HOME, CDBG

plaintiffs want relocation \$1.05 mil paid separate from ROPS; use federal funds for annual grant to non-profit to target extremely low income residents (1st/last/security deposit/credit check fee)

1) PLAINTIFFS WILL SEND REGULATORY LANGUAGE RECOMMENDATION, 2) 1ST RIGHT OF REFUSAL 3) LIST OF AGENCIES

5.20.13

PLAINTIFFS TO PROVIDE LANGUAGE FOR COMMUNICATION TO LANDLORDS

6.20.13

CITY WILL PROVIDE TEMPLATE FOR ZETTIE MILLER/BRADFORD  
(after receiving language from plaintiff)

WILL DO FINAL COUNT TO DETERMINE SHORTAGE BY 7.1.14

JL TO DRAFT TERM SHEET BEGINNING THIS WEEKEND

PARTIES WILL TAKE RELIEF FROM AUTOMATIC STAY OFF CALENDAR WITHOUT PREJUDICE AFTER TERM SHEET SIGNED

PLAINTIFFS WANT SUCCESSOR AGENCY TO BE PART OF AGREEMENT; DISRERARD

acquired downtown SRO's; relocated tenants; needed to produce replacement housing; torn 1 down; long history of code violations

1. relocation assistance; \$1.455 million set aside (RDA)[spent \$460,652; balance \$944k]; we hired firm to find and relocate them; settlement agreement says relocation was to end Jan 2011; remaining money was to go to pool to create affordable housing

?Do we still have the money??

2. replacement housing; needed 340 replacement units (agreement required new but PRICE allowed rehab-in writing)

155 Hotel Stockton

remaining 185 units 100-30% of area median income; 85 at 60% of area median income

DOUBLE COUNTING

Recital C or D references RDA replacement or production requirement

We don't have current

AFFORDABILITY

rent calculations: based on global 35% AMI v individual income; in personal income increases after rental (our regulatory agreements say don't kick them out)

RIGHT OF FIRST REFUSAL

impractical to locate; required waiting list but impractical with vacancies

REGULATORY AGREEMENT

ours didn't require 30% AMI units but their tax credit applications did; we revised (but didn't sign) and sent to PRICE in 2011 - no response

unenforceable provisions of the contract - severability clause?

Gleason Park Apts relocation plan didn't include 1st right of refusal

A. impractical provisions make agreement voidable???

B.

# Project Wildhorse

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Saturday, March 29, 2014 5:53 PM

600-1M distribution  
store distribution center  
e-commerce  
Cushman and Wakefield  
NorCal logistics site/Manteca/Tracy  
site consultants here next week  
different from Jones Lang LaSalle 1M  
160 jobs

# RPTTF

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Tuesday, March 25, 2014 6:09 PM

## RPTTF

significant shortfall compared to projections

waiting for breakdown from county to determine default impacts

KD involved

benefit of B&M (\$208k) + reserves \$200+

went from short \$877k to now \$1.1 M

less shortfall than expected from Assessor numbers

adds a default in south stockton

(West End-Arenna, South and North (SNI), 03 COPS - housing)

based on April 1 estimate

notify county by May 1

receive money June 1

default payment due Sept 1

# Tax Incentive Program

Thursday, May 1, 2014 10:04 AM

2 requests: e-commerce; oil

Since January (AB562) these types of deals require public approval

Diesel - more flexible; e-commerce has out of state pro representing them - less flexibility

Focus is cash rather than jobs or capital

E-commerce guys currently sending to the pool rather than specific location - we would divert

Use to fund development fee reductions or downtown

Fund permit reductions for existing

Could we negotiate fuel at discounted rate with oil group?

# True Up Payment

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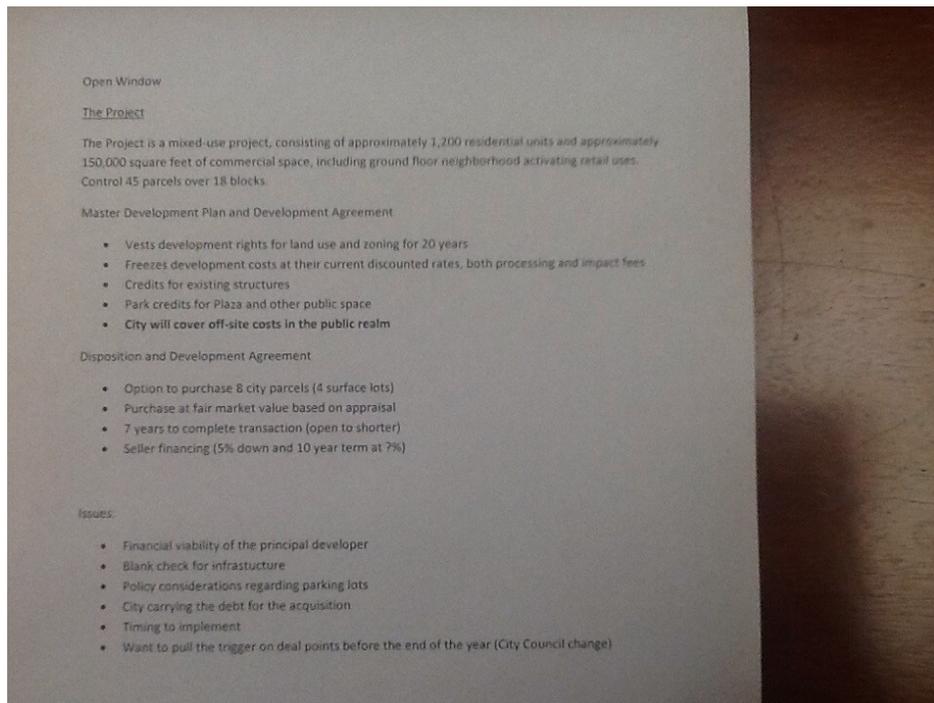
Wednesday, August 27, 2014 8:33 AM

Received last TI payment right before disolution  
Subtract what was actually needed was (ROPS)  
Bad ROPS info led to smaller number of requests  
DOF analyst said can't over ask or ask for money for future debt service  
\$2.4 million  
Out of cycle - spend then replenish  
\$700k left over  
Working Capital conversion  
\$4m midtown (Wilson Way, Magnolia District, University Park; \$2m low mod  
Currently servicing full debt

# Zack Court

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Friday, August 29, 2014 1:44 PM



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Tuesday, December 25, 2018 12:59 AM

# 2015 Labor updates

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Thursday, April 23, 2015 10:03 AM

# ATS

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Monday, February 24, 2014 9:39 PM

10050

27380

k8

# CONFIDENTIAL Initial Findings and Assessments

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Monday, February 17, 2014 8:52 PM

excellent interviews - honest, cooperative, deep, personal  
mayor guarded around discussion about his loyal followers  
open about his past, childhood, etc.  
needs to understand there are win-win strategies (not just win-lose)  
seeks additional power  
tactics turn off colleagues and prevents the results  
---best not to confront the behavior  
can gain more by giving up a little  
sees mayor position as CEO  
sees process as beauracatic  
sensed 100% optimism that public behavior can be improved

Stress level too high for everyone - can't function well at this level of conflict

cautious about confronting negative behaviors (particularly in public)  
lower/slower pace for mayor

individual coaching sessions  
team building sessions as a group to look at styles, 1:1 coaching sessions  
styles analysis, conflict resolution, listening, interpersonal relationships

Council Support Program

# Gloria Ortega

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Tuesday, March 25, 2014 6:14 PM

## 5.15.13

Housing and community development background

Neighborworks America (Michigan, Ohio, Tennessee, etc.)

launched Bay Area regional housing finance agency tied to bond issuance

Oakland, Vacaville, Hayward

real estate background

downtown business retail attraction loan program (RDA)

local familiarity

vague responses; lack of depth

high level outlook is custom-oriented

# Labor-Management Coalition

Tuesday, March 25, 2014 6:23 PM

during AB 506 coalition of unions wanted to identify own health insurance option to save money vs current plan

Oct 12 original deadline; most recent extension August 1st. City agreed along with delayed implementation.

required retirees ability to be on plan; indemnify city; city retain right to refuse to agree to proposal based on costs, etc.;

Seagal (benefits consultant) devoted considerable resources

Coalition now refuses to indemnify city.

OE3 blue collar workers already on non city sponsored plan - news to coalition

Propose direction from council to reject proposal

3 groups currently have option of joining OE3 plan (60 employees?)

OE3 doesn't want to let other unions into their plan

1. timeline
2. indemnify
3. take retirees
4. plan benefits are lower; costs are higher
5. plan estimates are faulty (didn't consider OE3)
6. loss of management control
7. coalition doesn't appear on same page since they didn't know 1/3 OE3 different

# Risk

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Tuesday, January 5, 2016 11:01 AM

Workers comp

# Password Reset

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Tuesday, December 25, 2018 12:59 AM

<https://pwdreset.stocktonca.gov/showLogin.cc>

# May 23, 2017 special meeting

Tuesday, May 23, 2017 3:55 PM

APL

Evening hours

County share

Cost of shelter

Lost and found pets 209 \$5 spay and neuter (\$4 direct + \$1 admin)

Untapped local resources

Want City to pay for services instead of non-profits paying

Status of animal bill of rights=pending funding

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Tuesday, December 25, 2018 1:01 AM

# Academic Partners

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Thursday, August 13, 2015 6:03 PM

# AG project

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Thursday, August 13, 2015 6:02 PM

# BofW

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Thursday, August 13, 2015 6:03 PM

# Listening Tour

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Thursday, August 13, 2015 6:02 PM

## Situation

National dialogue raised awareness and anger for longstanding issues

## Process

Large group

Living rooms

## Outcomes

### What we're doing

Initiative, training, body cams,

### Going forward

Continue high levels of training and engagement

A deeper look: thoughts from the city manager

A matter of importance

A matter of perspective

Personally I can relate. Have experienced racism from law enforcement but have also experienced racism from general public at similar rate. I understand that in certain circles I'll always be held to a higher standard and that my 3 year old son will still experience racial bias. I'm comforted that he will experience less than I have in the same way that I experience less because of those who came before me.

Black lives matter. Is because perspective makes one wonder if other people need a reminder.

The timing

Reds Fox, civil rights era, obviously before. Not new

What's new is proof of specific outrageous acts.

We do know any incident is unacceptable. We don't know if legitimate incidents are in the rise or just the proof that goes with them.

The solution

Acknowledge that wrong is wrong.

Acknowledge that those who have done nothing wrong have a valuable perspective about being stereotyped. I can acknowledge that some people who look like me have done some bad things. Same for cops. But neither of us wants or deserves to be judged on the basis on what someone else did.

Saying all black people...is just like saying all cops...

Accepting disparity is disrespectful to those who struggled to give equal opportunity to all. But expecting an instant solution to an issue whose roots run generations deep isn't realistic either. Rather than treat the symptom we should focus on the root cause.

Options

Disadvantaged kids don't have same options. Yes, there is usually a path to success but that path is much narrower than for others. Critics complain that they should just make better choices but, if their positive options are limited, and they're held to the same forgiving standard of the haves, success can be elusive.

Creating opportunities for minorities who still have an obligation to make good choices, is the rising tide that lifts all ships and decreases the number of times that police and young men of color are even in confrontational positions.

Once the situation is here the officer and suspect both have far fewer options. The odds of a happy outcome decline by this stage. Rewind the clock, though, and there were many more options for both sides. Wrong is wrong but the majority of contacts are good.

I'm accountable for spd. 1000 calls per day. Indicates Issue isn't wide spread but even one incident would be intolerable. That's the culture shared by leadership to the officers. I would come down hard on egregious actions because they are wrong. At the same time j would defend those same officers with the same vigor if they. Are right.

White man planned parenthood alive 'same police' kill black

Treating symptoms

Pyramid of options means at crisis point is when options are fewest. Early non-crisis moments have greatest options.

Not realistic to expect anyone to make best choice every time. Providing more options decreases chance of making bad decision.

Privileged kids have more options. That's the difference. Path to prosperity is much wider for some. So it's true there is an option to get there for unlucky ones but they shouldn't be held to higher standard

A matter of importance

A matter of perspective

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# National Initiative Contacts

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Wednesday, April 22, 2015 9:11 AM

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Phil Goth (colleague with policing equity)  
David Kennedy  
Amy Crawford (?)

# National Initiative meeting

Wednesday, April 22, 2015 9:07 AM

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Kickoff mtg

Interest from 100 cities - came down to 6

Urban Institute

Center for Policing Equity (UCLA)

The Justice Collaboratory (Yale Law)

John Jay College

Initiated by OJP

3 pillars: racial reconciliation, implicit bias, procedural justice/police legitimacy

# Professional Standards

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Thursday, August 13, 2015 6:01 PM

# Traffic stop data

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Thursday, August 13, 2015 6:00 PM

# UCR stats

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Thursday, August 13, 2015 6:00 PM



UCR.2015-  
Jul\_1

# DWSP credit rating agency presentations

Monday, February 17, 2014 8:53 PM

FITCH

Kurt - slide 5, 38

p.14 "managed by cc" - - - managed by cm, policy direction from cc"

1485 'take' right

BBB+ vs BB+ because of variable rate debt in Stockton v. Detroit  
view of positive potential for Detroit  
good that we have 1.5 yr history

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S&P

Paul Dyson - lead analyst  
Christopher Morgan  
'Misty' on phone

\*\*\*will only rate bond structure in place at time of rating; chicken and egg concept of when they rate  
and how we could sell with improved rate

They can only have one rating on an issuance at a time

possibly able to hold preliminary committee with indication of where credit might be headed but public  
rating prior to Oct 3rd conversion won't help

Might be other

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Michael Wertz - lead analyst  
Christian Ward  
Greg Lipitz (phone) lead analyst for City

## Q1 Q2 FY 16 update

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Wednesday, March 9, 2016 11:13 AM

Up \$10.3 million

Revenues \$2m (sales/bus license)

Prop tax neutral (slight decrease due to one-time county action)

PD \$6m under budget (\$4.6 gf; 1.6 measure a)

Still have \$300k PD air support

FD will (barely) meet 3% vacancy (800k); dispatch center spending delayed

PW on track to spend all money

EDD large balance because of economic incentive funds

OVP savings measure A - plans for spending; overspent on GF (BHS grant)

Program support - OK (even successor agency +125k and entertainment venues OK)

Admin - on track; auditor underspending because of reaching year 3 of 3

ASD \$700k under (vacancy)

HR - vacancies-prolonged deputy recruitment etc.

Labor litigation under x \$1,000,000

## Q4 FY 16 update

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Wednesday, November 2, 2016 9:10 AM

4.8, 21.8M up

3.4

Pd spent extra 1m by filling positions

Revenues up \$1.2M (3% more than budgeted)

Prop tax down \$700k (changes and audit findings from state and county - in lieu motor vehicle)--one time

UUT stable overall but lots of movement, new law as of January; prepaid wireless 3/4 of expected

Franchise fee (decline in waste hauler because of delinquencies)

Interest used to count as only spendable; shows \$2m non-real interest earnings, booking adjustment in value of investment

Code enforcement revenues higher based on billed

Almost \$7m more than budgeted; \$3+ more than Q3

Business license and TOT good economic indicators; favorable and strong

\$2.5 unspent expenditures (labor litigation, successor agency [high TI], grant match \$275, Fire under but only delayed capital project, contingency)

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Thursday, February 18, 2016 2:39 PM

# 3421

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Monday, February 17, 2014 8:52 PM

# Ag mitigation

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Saturday, March 1, 2014 9:57 AM

## AG MITIGATION

Spanos Grupe sued city 2007

Settlement 2010

1:1 land swap for converting ag to residential (in developable easement)

Before then More than 40 acres. (Smaller could fee out)

Now internal policy conflicts with settlement

Guidelines change to allow fee out

April 16 council

delay 'till May 21 (flexible)

# AG Settlement agreement

Monday, October 13, 2014 10:25 AM

## April 30, 2014

Wednesday, April 30, 2014

1:08 PM

Meeting requested by AG office

Ground rules - evidentiary exclusions

Amy Bricker - counsel for Sierra Club

Lisa - DAG (retiring in 2 months)

Scott - DAG (replacing Lisa)

Eric Parfrey-Common Ground

Dale Stocking - Sierra Club

Seeking info on GP amendments and timeline

June 10 scope for GP amendments to council

100k units; 26k approves; 23k pending

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Present June 10th (ish) to council - scope of new general plan. Will also get blessing to begin general plan amendment conversation with public hearings at Planning Commission. One of the hearings will be focused on GPAs - AG preference is that it be early).

# CAP

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Tuesday, March 25, 2014 6:39 PM

use 4,400 downtown units as ratio of the 2008 volume and apply that ratio to current projections for housing starts to get to greatly reduced number

p. 3-11

moratorium document: (concept paper)

7b/d

p. 3 sec 2

5.2 option 2 - public-private partnership

add more narrative to make it feel real - private development corporation that will have the following potential parties....

Cap and Trade model??

1 pager of settlement agreement requirements

does CAP make development in Stockton uncompetitive?

Plan (1 pager): ULI, \$100k seed money, etc.

verbally talk about metering

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p. 3-11

moratorium document: (concept paper)

7b/d

p. 3 sec 2

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verbally talk about metering

# Climate Action Plan

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Saturday, March 1, 2014 9:54 AM

## CAP

settlement terms predicated on excessive growth anticipated in 2035 GP  
required to present plan to council  
not required to approve  
risk of angering AG/Sierra Club  
impractical to build >4k downtown units  
plausible to make progress/show good faith  
linked to ULI  
opposing views: 1) ignore plan 2) moratorium on non-downtown building  
preparing CM issue update  
meet w/ cm 3.1.13  
committee applications received - unexpected  
drafting briefing to follow ULI memo

# Fee schedule

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Tuesday, September 2, 2014 1:33 PM

Reduced line items from 1,850 to 150

Planning side simplification from 4 down to 2

Hooking ourselves to industry standard

\*Building Valuation Data tables from International Code Conference

Regional overlay

Still waiting on consultant analysis of planning and engineering fees (small number; no big concern)

Residential encroachment permit fee reduction (possibly reduced to \$150)

12% Proposing permit/plan check reduction (\$400k)

50% special fee reduction (\$700k)

100% Miscellaneous Fee reduction (\$300k) [mapping, permit issuance, land update, microfilm imaging, permit tracking]

1. Industry standard indexed pricing
2. Simplification via reduction of fee line items
3. Reduce encroachment fee

Fee reductions and  
simplifications  
receivership

## Flood Mitigation 200 year issues

Tuesday, March 25, 2014 6:03 PM

2007 SB5 required flood protection plan; Central Valley cities must incorporate plan into GP by July 2014/15 (GP then zoning ordinances); subsequent legislation delayed by 1 year

restricts development unless able to mitigate 200 year plan

entire city is in major or moderate flood hazard zones

Urban Level of Protection applies to areas in 200 year flood plains with greater than 3 feet of flooding. Findings will be required for projects...; subject to findings unless exempt

Can also develop if area is not classified as urban or urbanizing

'urbanizing' = 10k people in 10 years

law allows adequate progress finding to continue moving toward (critical features under construction and budget to demonstrate progress and annual reporting to state)

Can incorporate this discussion in annual GP report to council

KSN representing Spanos RD's and wants City to provide financial assistance to a 200 year plan to protect their property and facilitate permitting once SB5 limitations kick in.

John Maguire county not ready for county-wide plan until process is further along

fund from 218? CFD? Impact Fee?

Per Jim Jottinini - Bishop Track (Spanos) didn't want DWR on their property to drill for levees for fear of finding something. Now will require \$1m investment?

pursuing infill exemption legislation (county)

county wants more homework before making investment

# General Plan

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Friday, August 15, 2014 10:54 AM

currently have 11 of 7 gp elements

Housing element due June 15

Flood Plain management element with enhanced standards to 200 year standard also June 2015

# ISO Downgrade

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Saturday, March 1, 2014 9:56 AM

## ISO DOWNGRADE

independent rater preliminary recommendation-full downgrade

city failed to perform required tasks

ramping up internally to plead with FEMA

potential increase from \$450 to \$4k+ annually

requested assistance from fed lobbyist

ratings every 3 years

currently 8, threatening 10

shoot 3 elevations; raw pad, foundations, framed product

can be done by architect, civil, surveyor

intervention with rater by Carl

Steve/Kurt to Oakland for FEMA intervention

# ISO Downgrade

---

Tuesday, March 25, 2014 6:02 PM

## ISO DOWNGRADE

independent rater preliminary recommendation-full downgrade

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Steve/Kurt to Oakland for FEMA intervention

# Overview

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Saturday, March 1, 2014 9:53 AM

CDD

9.19.12

needs to reorganize department management

Mark Martin-came from Sacramento (reengineered 1996)-frustrated

1) deputy director of business operations or 2)make him Asst CD director

HR committed to class and comp for this plus permit center coordinator 10/1

Debbie Shipp-HR working on these

Lynn Danzker (Mgt Partners-former CM); gathering sole source contract on organizational development by next week

Training Fridays-1st 2 informal (potluck)

Bear Creek East - wants pre-general plan designation, pre-zoning, and development agreement to vest development rights (30 yr statute limit)

Already have 28k approved unbuilt lots. 11k new requests

Applicant sought August PC hearing; Chase will review docs in next 2 weeks; evaluate; advise. Opposed to offering development agreement

General Plan adopted in 2010-should redo in 2014 for more logical growth pattern.

Recycling Center item-link to panhandlers; dumpster diving.

Sacramento recently changed ordinance; Council receiving complaints

require use permit (zoning, etc.) to operate; minimal development controls

haulers losing money 1)strict use permit? 2) revocation options? 3) public notification?

Chase out X 1 week October 22nd (missing council mtg 23rd-no items)

# SB5

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Tuesday, March 25, 2014 6:01 PM

## SB5 (2007)

July 2013 State DWR/FEMA will produce new 200 year flood plain maps  
initiate state mandate that we amend GP within 2 years- new dev policies/restrictions for new structures  
entire downtown/southside will be affected (plus Sanctuary up North - Grupe)  
consequence of noncompliance is local liability for floods (instead of state)

# Tidewater Crossing

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Saturday, March 1, 2014 9:55 AM

## TIDEWATER CROSSING

south end annexation tentatively approved several years ago included no detachment

LAFCO director pushed board for decision to terminate options to rectify

SC requested LAFCO delay decision

LAFCO agreed 12.14.12

window now open to negotiate with SFD, Arnaz, 3 rural fire districts

storm water

no rate increase since 1995

\$5mil budget

\$7-10 mil projects

Arnaz wants GP amendment - can reopen DA to include agreement

Legislative (vs quasi judicial action) which means city retains discretion

LAFCO intends to take up item at May 2013 meeting

can lose item and restart after new agreement

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Tuesday, March 25, 2014 6:02 PM

# Ammonia exceedance

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Saturday, March 1, 2014 10:04 AM

CA CONSERVATION CORPS

near prison hospital

outside city limits

will serve letter 11.14.02 (Morris Allen)

checking with legal on obligation to honor

no response to date from legal

legal says we have options

recommend allowing connection

# CA Conservation Core

---

Saturday, March 1, 2014 10:02 AM

## CA CONSERVATION CORPS

near prison hospital

outside city limits

will serve letter 11.14.02 (Morris Allen)

checking with legal on obligation to honor

no response to date from legal

legal says we have options

recommend allowing connection

# Chloramine Convesion

Saturday, March 1, 2014 10:01 AM

## CHLORAMINE CONVERSION DWSP

DWSP chorine to chloramine conversion  
 eliminates TTHM issue from that source  
 EIR in process  
 Council consideration April  
 \$7.5 million project  
 March 19 council date  
 pending cm approval

### Read:

- 1 pagers
- Brokovitch
- Web search
- Previous cc agendas
- Flint
- Sacramento
- 

### Gather

- Dates reports memos of cc action and signature and budget
- Who got insert and when
- Complete project timeline to date
- Cost alternatives
- 

### Too cheap to remove dirt

Source of water  
 Regulatory requirements  
 Source of funding  
 Frugal following bk. Not pge deep pockets

### Why do it

Regulatory  
 Alternatives  
 Why north stockton  
 Cost (downtown?) vs ratepayers

### Timing

Public notifications  
 Cc votes

### Who else does it

In county  
 In state

### Flint

Who notified?  
 Not trying to hide

### Carcinogen

Tthm  
 Ammonia etc.  
 Other required treatment methods

Baseline is chlorine disinfection at plant and throughout system in north and south Stockton (even since City has been treating water)

EPA ruling on disinfection byproducts - when chlorine mixes with small amounts of organic matter it causes trihalomethane which is regulated at parts per billion level

One option is chloramine (chlorine plus a molecule of ammonia) - been going on for years and years;

Transition from free chlorine to chloramine disinfection was always contemplated with DWSP because Delta water has more organic material

Pump 12 miles to plant' start with ozonation, clarification and settling, ultra filtration membranes which take quality level well below state mandates

Also get water from Stockton East which is chlorinated - less sophisticated' settling processes' lower quality water into our system but it does meet regulations (also more expensive)

Allow us to inject ammonia into Stockton East system separately into 48" line from SE

Also coming from several well locations

On path to move ahead - warned everyone a couple of years ago but delayed because of drought

Can't easily blend free chlorine water with chloramine water

Last summer supplied DWS water to south stockton

TTHM overages x 2 in last 3 years; most recent North West dead end pipe; longer residency time

Longer residency times with chloramine not an issue

Alternative is Granular Activated Carbon (post-filtration) to remove organic matter; very effective; issue is money

\$16.2 m cap (6% interest @ 30 years = \$1,162,023/yr + \$4.24m per year//combined \$5,406,855 annually

Common for Everyone or nearly everyone who treats Delta water uses Chloramines

Hired CDM 2007-09 Phase I design; began plant in 2009-12 and was always Chloramine at Plant

April 16, 2013 Council meeting approved adding to outlying (non-plant locations)

Happened last week Jan 13

August 2013 public notice

Citizen complaints in September 13 about chloramine - rash, taste, odor

Current water includes

Chlorine, ozonation, trace elements of Rx drugs, caffeine,

Arsenic, chromium, perchlorate, radioactive materials, lead

Unlike Flint - no secret; we told you...repeatedly

Didn't add corrosion inhibited

Ammonia has been used for 100 years nationwide - Trenton NJ since 1908

1 in 5 Americans drink chloraminated water every day

Why disinfect - to avoid Cholera, typhoid, etc that decimated populations worldwide

## Council Comments

Tuesday, April 7, 2015 6:11 PM

6.9.15

Michael Eggner-council uninformed/fund parade/threats to council

Henry Torres-polite request for action

James Clark - claims Mel wants to give them a better contract/'city has surplus/MUD budget in good shape/buying land behind plant'/claims Mel told them to update their resumes and that he keeps his up to date/asked who's decision it is (council or dept head; switched to claim its cm)

5.15.15

Paul Bonnel

Deborah Wygant/Kathy Kinoli-Frederick Douglas foundation and essay contest

Romero Reyes-Flamingo Club

-James Clark - MUD x 8 years; Grand Jury report; MUD vacancies x 27? + \$1m overtime + DWSP temporary closure; 'can't even get a COLA here'; 133 people; net loss contract considering medical; not part of the general fund; 'we have our own money'; want a fair contract; 'already taken 18-24% cuts'

-Quincy Barber (?); never gone backwards before; 'we're in the negative already so anything you give us isn't really a raise'; 2 employees who lost a house; wants council to step out of the shadows and assign somebody or do it 'yourself'

-Chris Masoni; 'put a face on (the issue)'; insurance cost results in making less than 2 years ago when he began

-Jason Freeman (no show)

-Chris Devore 4 years collections system operator; gonna keep hearing evrything you're already hearing; loss of experienced employees; 'insurance is a horrible joke' (Fugazi??)

-Steve Elms 20 years Collections >100 pump stations (70+ storm, 30+ wastewater); H2S pipe erosion; fair contract; loss of trust based on previous leadership 'only took 80% of COLAs with balance going to benefits; City admitted it didn't use that money for what it was intended'; no pay raise since 2002; want to get the trust back with the City (Wright)

-Darlene Wilkerson Plant Ops supervisor 4 years (Tubbs) vacant position; morale; trust; 'want my guys to feel appreciated; we want a contract'

-NormTassen(?) 6 years electrical technician II; losing 38 years of experience at end of month (30+38); 500 applicants in past and now 9; (Zapien); GJ quote on succession planning

-Mike Deanda DWSP Plant mechanic 13 years (Silva); GJ quotes 'intimating a lack of trust'; heat issue complaint; disciplined; not allowed to see investigation; tried to talk to management about safety issues ; filtered before reaching HR; no raise x 8 years; major cuts;'asked negotiating committee to rollover last year; they refused'; fighting everyday with morale; respect and trust

-Henry Torres 1985 PW since 1990; had one of, if not the best, compensation packages in the state when he started; now the worst; gas tax fund rather than GF; had 13 employees, now 2

-Michael Eggner business rep (partner Darren Seymore); disconnect between policy makers; negotiations have gotten nasty; 'we want to educate you'; GJ report 'should not be surprises because we've told management'; 'GJ directed cm to...; no impact on GF'; spoke of 2% raise; safety shoe money; going into factfinding/mediation; been going on more than a year; 'disconnect between us and what you're being told by your team'

4.7.15

James Sanders

James Clark

Norm Cassem

Toby Beech

Erik Parsons-times are different; times are better; we have a healthy budget for us

Blue shirt lady with son

Tom Zenudo, 23 years - 'only' helped bond rating

Rudy Quinones

Henry Torres

Laurence Celistine

Mike Deanda-wants dialogue with negotiators and management

Chrish Devore

Mike Eggener

# Creative Research Management

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Saturday, March 1, 2014 10:00 AM

Creative Research management

unpaid sewer bills \$100k (monthly bill \$2,500 per month)

last payment July 2012

will initiate lien process

will evaluate process that allowed large accumulation

Mel to assign staff to work with Utility Billing to determine process for liens and notification of MUD for

payment arrangements with property owners

will revoke permit

will review lien options

# Delta Plan

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Saturday, March 1, 2014 10:07 AM

Delta Plan Presentation - Council Oct 30

Goal is for council to understand basics of issue and appreciate the gravity of what's at stake for city...set stage for future closed session to identify policy/legal direction.

Bay Delta Conservation plan - social tunnel

Delta Stewardship council

covered actions

wastewater/stormwater - new regulatory requirements?  
Delta water rights tied to discharge-if you put in you can take out  
Planning - limits to development (cripple West side of city)

Groupe/Spanos

invest \$3-400k initial CEQA litigation  
long-term

Flow proceedings - set amount of water from tributaries to create biological balance for fish

the dirtier the Delta water before us, the cleaner our discharge has to be

1. Identify and communicate our interests (levees/rights/development)
2. Demonstrate impacts to our interests
3. How are we different?

flow analysis impacts tributaries

Should coalition or county be permitted to speak?

Goal is to have draft to Bob on 12th

## TUBBS BRIEFING

Delta Issues briefing w/ Tubbs

Most CA water up north  
population down south  
Urban uses 10% of water  
Ag is biggest user  
415 mile state water project - annual pumping cost \$500 million  
Delta is catch basin for rivers  
now proposing 2 37-foot tunnels (Governor supportive - his dad build state water project)  
Bakersfield and south san joaquin valley politically powerful  
If you take water from Delta: salt water intrusion; adverse environmental affects; 750k acres of agriculture - local economic engine \$2B  
we have huge stake but limited political power in this fight  
BDCP - group of SoCal water interests who take water from Delta - trying to develop conservation plan.  
When they pump water they take (and kill) fish. They need permit for that.  
Will take years to resolve  
BDCP plan due out this year (originally scheduled for Spring 2013). City is very interested.

Existing water rights law protects 'area of origin' to protect NorCal - gives us preferential rights; social has no 'right'. Dates back before CA statehood.

Delta used to be a big swamp; huge wetlands

Then farmers drained swamps and built levees for farming (built by hand by Chinese laborers). Land below made of old plant material. Oxidizes as exposed to elements so the islands disintegrate and levees now protect low islands

Will come back to you in future to discuss political and legal strategy as we build the foundation for ultimate fight.

Recommended reviewing video from last council briefing; recommend watching 'restore the Delta' DVD; offered to provide additional info

Explained current effort to move water is to water ag on contaminated land to grow subsidized cotton.

Weston Ranch protected by RD17-protects also Lathrop, hospital, etc.

76 pump stations throughout city

asked about recent flooding affecting Congressman McNearney's house; unfamiliar; explained 1955 major flood event with National Guard rescues for south stockton

Explained vulnerability of Waste Water Treatment Plant to flooding; mound on Channel St west of 5 was reengineering effort to protect city; alignment of I-5 on wrong side of slough

Rather than Global Warming, concern is El Niño

role of SJAFCA

explained storm water capital deficits; filed 218 hearing

explained pending ISO issue will return in coming months

requested to reach out Chase for census tract demographic income data

line flush

ISO

RD

Land Use

# Destruction of Wells

Saturday, March 1, 2014 10:04 AM

## DESTRUCTION OF WELLS

south side of city; county owned; city operated and maintained for last 20 years

no longer useful; time to destroy; approx \$100k

city and county each want other to pay for destruction

property owner sent letter (Buz Oates mgmt services) wants to remove tank tied to well; likely to restart

issue stalled since 2009

MUD will check state law to determine responsibility

# FOG

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Saturday, March 1, 2014 10:05 AM

## STORMWATER RATE

underfunded cap needs

previous 218 hearing unsuccessful

reground and redouble efforts when timing is appropriate

SJAFCA (smith canal gate closure) and RD 1604 (Wisconsin pump station) planning their own 218 hearings

storm water

no rate increase since 1995

\$5mil budget

\$7-10 mil projects

League of women voters requests update on program (March 21)

## GJ

---

Thursday, April 30, 2015 9:22 AM

P1

Out of sight, out of mind

May be out of public's sight but has never been out of City Hall's mind  
CIEMP, cameras, Preston Pipeline settlement

Bankruptcy

Has not negatively impacted MUD more than other departments

Staff turnover

Has not undermined insitutional knowledge more than other departments

Ground settling at IPS

H2s buildup untreated >2 years; RD404 collapse; safety of workers

'this is not to suggest that there are good, dedicated, and knowledgeable people at MUD

Agree

Bk intensified staff turnover

Disagree - implementation of personnel practices caused most senior turnover

Pay and benefits resulted in low morale

Not most critical factor - same as rest of organization

--recommendations are not based on law but instead attempt to serve as surrogate management

MUD director report annually to cc about settling

Not a legal interpretation but a management one provided by someone with limited understanding of the issue - why that particular person? To what end? Assumes it hasn't been done...assumes it is unanticipated

MUD director report plans for sulfide

Already been done - again not legal.

CM salary survey

Raise rates or layoff police officers to fund?

--report refers to 15 years of history for MUD. Bk may have been filed in 2012 but was in the making for many years prior because of free flowing financial practices. For settling, the report ignores that this was an anticipated thing which is anticipated to slow on its own and while it references the settlement agreement it assumes that council agreed to settle an item for which it had not been briefed. It further assumes a management role of dictating what should be said to whom, how often, and how soon. The report also recommends expediting the pipe acidity issues remedy that is already in place. This, along with the recommendation to both hire additional staff and pay them more would all go a long way toward major improvements at the plant. They would also cost a lot of money. As the report mentions, this is an enterprise funded operation which means the amount of money available for expenditure is dependend on the amount of revenues produced. Stormwater is woefully underfunded as it is, to the extent that cap maintenance continues to suffer. Voters rejected an increase that would address this issue. Wastewater has a large fund balance but is in the process of CIEMP which, along with modernization efficiencies, will result in a more safe workplace for City workers. That process is very expensive and will require borrowing to go along with that. Couple that with the new regulatory requirements being forced on us by the state and you have the makings of a very expensive set of improvements. The current rate structure anticipates all except the anticipated new state requirements but does not include anything else. The A- credit rating is a major increase from the past and is the result of the the type of strong planning that has already happened and reflects the confidence of Wall Street that appropriate long-term measures like safety, operability, and cap improvements are addressed. The water revenues are tied to water usage which has decreased around 25% because of efficiencies and drought-related cutbacks. This places that fund in a negative trending position that also can't bear brunt of another major rate increase. Each of the GJ recommendations can be solved with cash but I can't recommend a 30% rate increase to support it. In the absence of that, we will continue our current course.-DWSP is drought insurance Code 1458--report acknowledges OMI 'run to fail' strategy but promotes 'manage to fail'  
--metal theft at pump stations  
--DWSP is largest public works project in city's history and speaks to the long-range planning of city in areas related to water

Finding 1

Bathroom unusable

CMMS didn't track expenditures (what CMMS for 2012-14?)

Only \$27k for joint alignment?

HDR settlement report April 30?

DWSP shut down for 4 months and depleted declining water supplies

We have rights to this water and would have used it more if no DWSP

# Overview

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Monday, February 2, 2015 8:35 AM

## SEWER

900 miles of pipe

83,000 connections

Upper lateral (responsibility of home owner)

Lower lateral and main (responsibility of city)

Consent decree - <5 SSO per 100 miles excluding lower laterals

DWSP 1485 permit

# Preston Pipelines

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Saturday, March 1, 2014 10:08 AM

4.7

1.2 extra work

1.3 delay

300k progress payments

1.7 retention

Notice of completion 6.26.13; 485k stop notices (125%)

claim in May; hired in June

result, we did delay them X 86 days

liquidated 124 days

38 x 5000 = 190k

?\$1.9 may not include retention

? why accelerated labor costs leading up to time we couldn't turn the pump on?

DWSP RD 2029 Alan Coon

Preston Pipe claim: delays; change site conditions; soft/hard costs

did the fix: realigned; support from the middle; Proco approved

existing claim from Preston

offline for Smelt now

ready for permanent fix

elevations

Luebberke will hire 3rd part engineer for elevations

REFRESH MEMO (circulate with Mel/John; present to Bob)

1. issue summary (Coon letter, media [PRA], players)
2. temp fix
3. perm fix
4. 3rd party engineer
5. Preston claim

1. misaligned pipe - issue, solution, status

2. liability for misaligned pipe

3. liquidated damage claim/counter claim

1. spool being installed this week

2. additional settlement from October to March negates need to identify potential installation issues

we relied on Kleinfelder - their estimate was wrong

will take survey info quarterly to identify settlement concerns

3rd party engineer still looking at claim - didn't look at settlement

why not pile supported vault box in design???

12 miles from IPS to DWSP

Mel to reread Kleinfelder report (likely full of disclaimers)

was it appropriate to rely on Kleinfelder report?

3. \$3 mil extra + \$1mil retention (stop order + counter claim of liquidated damages)

3rd party currently researching

dispute over sequencing/delay/etc.

was big delay at beginning of project - claim is ripple effect throughout project after notice to proceed

we didn't have right of way control when project started

change orders - disagreement over whether they should get more money for them (\$1.3M)

a) gave notice to proceed before we had right of way from RD2029 - had delay impacts? [MUD wanted to match up those end dates for the project]

b) liquidated damages penalty not issued for beginning of project

c) \$1.3 M change order

d) committed cost from delayed start (\$1.3)

e) \$400k stop notices

How do we pay for it?

Preston was awarded because they were local and low; not because of expertise in pumps (only pipes) -

that's why change order (\$1.3m out of \$20 mil project)

staff mitigated delay claim with direction about time line

retention is \$1m (balance is \$1.9)

comes from water fund-balance is currently \$48

filed for relief from automatic stay-should we fight it?

August 13th because motion for relief is - 20th

endangered species

memo-fund balance doesn't include retention; fix was cheap; repaid funds; fix is done

## RD 1608 spoils

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Saturday, March 1, 2014 10:06 AM

### RD 1608 spoils

request to deposit soils on old MUD site

last similar request drew \$100k revenue

tentatively able to deposit in GF

same soils already at site

spoils from widening project

waiting on RD to do environmental

MUD met with RD last week; requested early conditional lease; MUD preferred letter of intent - not

going to council with half proposal

permit process likely to take until 2014 (start) and 2018 (completion)

Legal will get prelim docs to them by April 1

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Saturday, March 26, 2016 3:09 PM

Rose Benitas

Surprised at the rates Cal Water already pay vs City of Stockton  
If you conserve your bill won't be as high

Next speaker - doesn't want to be charged for 1" since she has 3/4" meter; can pay bill but won't conserve anymore

Alice Gaiseman

Original thought was that I'll conserve more but now the surcharge will offset ??????CLARIFY  
As bonds are paid will debt service reduce? (No, level debt service through the retirement of the debt);  
if I have to pay the money for water I won't be out in town spending on businesses

#11

Tomorrow is Easter, God gives us water; no choice; obligated, consume it or die; some idiot in sacramento to decide we must conserve; why would city agree to maintain income level of 115% knowing it couldn't fund basic services; supposed to be acting in our best interest; 15% extra is like going to Countrywide; suggests taking money from tunnels; Prop 218 is a chicken way to say we have to talk behind closed doors; wants it on November ballot; been retired for 7 years with about 2% in raises; all costs are going up

Kathleen Capucen

Kurt, don't make it about purse strings or politics; we don't want rate increases or chloramine; rates are too high with SJ Capistrano - you can't find anything else to compare to?  
Payment for unfounded past payment liabilities for pensions not addressed in bankruptcy; I think there's alternative financing available

Rich (or Bruce) Womack

Wanted more open forum; thinking about upgrades in water system that should have been done years ago.  
People can't afford what you're asking for  
I finally got to hear from the city manager today and I can understand why you have problem

Zoyla Moreno

The voice of Weston ranch. I've been buying my own water for 14 years. Advises people not to take showers for a week. They increase us with Measure A and now chloramine issue and 46%. That's outrageous, shame, shame, shame, shame. Low income families can't afford it. Stop taking away our money.

Sonja Rudy

Letter in mail about notice then adding chemicals to my water then increasing our rates; adding insult to injury; confused if we have the right people at the table. I could understand if we were being provided with high quality water. You give us low quality water. Wants audit of management and financials; this was better than last one on chloramine

If electricity is a high cost (it's \$1m/year at DWSP) switch to solar to buy the electricity for half the price; you don't spend any money or take any risk and you could do it easy. Not pushing any one company

Been living here since 1998. Stockton always in the news and mostly bad. From North Carolina. Also a realtor. Wants to change mindset of negative opinions. Questioned math but received explanation. What other city has approved what we have proposed (answer Woodland, Pleasanton). How many have rejected? (None). Unclear why only North and South pay (answer: Cal Water)

Mike Carr

29 year resident. What happens at the end of the 5 years? Does it go back down? (Max doesn't automatically go down but rate can go down). Won't bonds be paid after 5 years (No, 20 years)

Nate

Victory Park; Cal Water customer and pays way higher rate.

Study of history but great societies collapse when infrastructure collapses; Flint MI happened when they tried to do it on the cheap. I've lived all over; Manteca and Stockton have the best water I've ever tasted.; not condoning raise but don't want to condone a declining infrastructure. Minnesota bridge collapse, Philly Amtrak; while rates are terribly unfair you must constantly maintain and repair infrastructure.

\*\*\*\*\*Jane

1.5 year resident. Rates seemed so much lower than here. Asked why rates aren't going down with usage? Council wants to bring down costs; how can we take surplus and make it fit within confines; maybe give rebate to customers (1-time \$20,30,50 back). Surprised I have to go online and pay 50 cents to pay bill online; this might reduce costs.

Bill Loyko

Has been looked at study x 2 months and anguished over rate increases. CC can reduce rate with annual review. Not talking about 40% increase; only 26% this year 16-17. Council can go less next year. WAG has requested revenue projections prior to rates being set. Would be in worse shape if relied solely on ground water

Steven Bjorkas

Previous speaker took my speech. To voters; it's up to you; you can vote them out.

\*\*\*\*Don

Follow up on Loyko (slide 15) how much of purple is DWSP? (Approx 3/4). If you took out the purple the line would be at the right place. What about selling off excess capacity instead of relying on rate payers. Cal water more expensive because it's older.

CHLORAMINE

Steven Bjorkas - airstripping (answer: not applicable here - must be volatile type and go through reservoir)

Caution of who does studies; feels like a staged event because the questions are leading customers to accept chloramines; 2nd evaluators for lead and copper pipes (how do we trust that info) (answer: certified labs highly regulated); wants balanced experts from all sides

Concerned after listening to the media

TUESDAY MARCH 29

Public comment

# SRF tuxedo loan

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Saturday, March 1, 2014 10:01 AM

## SRF TUXEDO LOAN

approved for revolving fund loan

replace 36" aged redwood pipe

bk spooked state; they backed off

current tentative agreement to escrow funds/50% loan forgiveness

city team selecting escrow agent

# Stockton v. Central

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Saturday, March 1, 2014 10:13 AM

Stockton v. Central San Joaquin Water Conservation District

3/11/13, 4:09 PM

Stockton East/Central settlement not helpful

1. Do we go to trial April 2?
2. continue to negotiate?
3. no cash...water rights?

reallocation agreement...billing issue

owed \$5.3 mil if win on all claims; \$2m on strongest

closed session 30 min

overspending on legal compared to likely award

statute of limitations 4 years

equitable tolling argument-tolls statute of limitations when opposing parties are aligned in another issue

been shorted since 1993; can only recover X 4 years in statute

Why not cut bait?

- A. cut bait
- B. direct Central water to city/ wheeled by SE

we buy woodbridge for \$200/acre foot

# Stormwater

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Saturday, March 1, 2014 10:05 AM

## STORMWATER RATE

underfunded cap needs

previous 218 hearing unsuccessful

reground and redouble efforts when timing is appropriate

SJAFCA (smith canal gate closure) and RD 1604 (Wisconsin pump station) planning their own 218 hearings

storm water

no rate increase since 1995

\$5mil budget

\$7-10 mil projects

League of women voters requests update on program (March 21)

## LITIGATION

2009 Kern County Water and other south agencies sued several northern cities. Claim that our storm water has polluted water and killed fish (contributing to the toxicity of the delta) so they can't divert the water they want to.

Judge essentially threw that argument out but continuing to evaluate discharge issues. Settlement agreement being negotiated would have required certain reporting etc.

Joint permit with county (co-defendant). Issue related to Delta overall position.

Stayed because of Chapter 9.

Liquidated damages was never an issue. Fixes likely to be process rather than monetary.

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Saturday, March 1, 2014 10:10 AM

# VA facility

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Saturday, March 1, 2014 10:06 AM

## VA facility

60 acre site unincorporated near county hospital I-5/Frenchcamp  
construction by 2015?; working to get updated timeline from county  
Mel to talk to Gabe  
MUD needs lead time for easements/construction

# Variable Rate bond conversion

Saturday, March 1, 2014 9:59 AM

## UNION BANK LETTER OF CREDIT

alternative to costly letter of credit extension

low rate fixed refi

strong coverage ratios

strong market appetite

prepared new proforma

evaluating PFF reduction impact on proforma

tentatively to market late April

\$55m variable rate bonds backed by UB letter of credit

bk filing was event of default but not used at this point

current loc expires October 13

UB wants \$15m cash from MUD to decrease loc to \$40m

alternative is to buy down w/ unspent proceeds if approved

Instead, we will remarket to fixed rate on own; citi has strong interest because of high debt coverage ratio

avoids future risk of loc renewal (bonds run through 2040); avoids interest rate fluctuation risk of variables; eliminates current UB 'monitoring costs' (approx 10-15k/month)

current below investment grade rate 5% (historic lows); improved credit = 4.5%.

additionally buying down \$10m would leave payments at today's levels while solving risk issues

internal status meeting scheduled

can't go to market until audit is completed; can't go to rating agencies either

exploring option for separate water audit in order to get to market by July; cheap rates

delayed by audited financials; Vanessa to expedite

## MUD DWSP bond debt remarketing

3/12/13, 3:03 PM

Orrick

Wells

underwriter's council

city

citi

accounting

fixed rate conversion of 2010 variable rate issues

09-10 established rate stabilization fund \$7.5 m from operating case

12-13 pulled out for rate stabilization deposits

per Vanessa, won't have audited 10-11 numbers in time for offering (aiming for September)

covenant to produce audited financial statements in 270 days (March 31)

1.7% CPI rate inflator in 13-14

\$15 cash to renew Union bank letter of credit on vrbo's

Can't go to market without audit

may kill remarketing; force revisit Union Bank offer

NO AUDIT = NO MARKET ACCESS

requires water system audit earlier (\$35-45k??)

30 days out from ready to market; but requires approx 90 day process

to market in July?

letter of credit renewal deadline Oct 19, 2013  
going in OS

active proposal from another purchaser to take up to \$15m at 6%

can't get back in front of rating agencies to make a run at upgrade without audit

7 year call? default in indenture

2002 documents sold through CSEDA

f/u call 30 days out with same team

Union Bank

\$15 M to buy down-\$40M letter of credit

Betty McCourt review refunding of \$15M to preserve cash

fix rate refund all bonds because of low interest rates

3.85% today

1% rate on j

can do 5% fixed at below investment grade credit; 4.5 with upgrade

decrease future risk; liquidity; renewal risk

bonds to 2040

senior status/ high debt coverage ratio

# Water Debt Coverage Ratio adjustments

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Thursday, August 13, 2015 10:43 AM



MUD  
Proforma

**CITY OF STOCKTON WATER ENTERPRISE FUND**  
**Fiscal Year Ended June 30**

	<u>Unaudited</u> <u>2014/15</u>	<u>Budget</u> <u>2015/16</u>	<u>Budget</u> <u>2015/16</u>		
<b>Revenues:</b>					
Service Charges / User Fees	34,568,773	33,039,544	33,039,544		
Connection Fees	1,079,635	882,000	882,000		
Interest Earnings(1)	666,376	694,200	694,200		
Other Revenues	735,677	783,196	783,196		
Rate Stabilization deposit (if needed)	4,113,000	1,130,000	4,221,883		
				<u>RSF Balance</u>	<u>RSF Check</u>
				8,334,883.05	5,243,000.00
<b>Total Revenues</b>	<u><b>41,163,461</b></u>	<u><b>36,528,940</b></u>	<u><b>39,620,823</b></u>	<u>Series</u>	<u>Principal</u>
<b>O&amp;M Expenses (2)</b>	<u><b>(21,732,192)</b></u>	<u><b>(22,067,182)</b></u>	<u><b>(22,067,182)</b></u>	2002A	765,000.00
<b>Net System Revenues</b>	<u><b>19,431,269</b></u>	<u><b>14,461,758</b></u>	<u><b>17,553,641</b></u>	2005A	-
<b>Parity Obligation Debt Service</b>				2010	165,000.00
Federal Drought Relief Act Loan	95,342	95,342	95,342	2009A	3,440,000.00
CSCDA Series 2002A Revenue Bonds	1,115,188	1,111,055	1,111,055	2009B	-
PFA 2005 Water Revenue Bonds, Series A	1,150,313	1,150,313	1,150,313	<b>Totals</b>	<b>4,370,000.00</b>
Water Revenue Bonds, Series 2010A	3,489,638	3,488,138	3,488,138		
<b>Total Parity Obligations Debt Service</b>	<u><b>5,850,480</b></u>	<u><b>5,844,848</b></u>	<u><b>5,844,848</b></u>		
<b>Available Revenues</b>	<u><b>13,580,789</b></u>	<u><b>8,616,911</b></u>	<u><b>11,708,794</b></u>		
<b>Subordinate Obligations Debt Service</b>					
Water Revenue Bonds, Series 2009A	3,805,450	3,808,750	3,808,750		
Water Revenue Bonds, Series 2009B	11,928,589	11,928,589	11,928,589		
Less: Federal Interest Subsidy Series 2009B (3)	(3,924,373)	(3,874,415)	(3,874,415)		
Less: Defeasance Amount	-	(4,370,000)	-		
<b>Total Subordinate Obligations Debt Service</b>	<u><b>11,809,666</b></u>	<u><b>7,492,924</b></u>	<u><b>11,862,924</b></u>		
<b>Total Debt Service (All Obligations)</b>	<u><b>17,660,146</b></u>	<u><b>13,337,771</b></u>	<u><b>17,707,771</b></u>		
Parity Debt Service Coverage	3.32	2.47	3.00		
Subordinate Debt Service Coverage	1.15	1.15	0.99		
Debt Service Coverage (All Obligations)	1.10	1.08	0.99		

**Notes**

(1) Includes interest earnings on the bond reserve funds for the parity and subordinate obligations

(2) Excludes depreciation, capital expenditures and debt service

(3) Reflects reduced subsidy due to sequestration

# Water rate analysis

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Monday, February 17, 2014 8:52 PM

Insufficient revenues

Based on growth projections

Conservation

Purchased water rates (Stockton East and Woodbridge)

Salary impacts

Regulatory impacts?

Tiered vs. fixed rates

Drought surcharge

Recent defeasance based on negative annual activity

Debt coverage ratio 1.15 on subordinate debt (senior is 1.5? But currently at 3 or 4ish)

San Juan Capistrano decision - when we can and can't use tiered rates

\$3m decreased revenues vs prior years

Fixed costs

Variable + electricity, etc.

Current production similar to 1999 (no adjustment for growth) [seattle =1955 but pop tripled]

Consumption 25% less than 08-09 rate study

SEWD single year 18% increase = 5% rate increase

Can't replenish funds for debt coverage ratios without positive net annual activity

Assume 3% labor and 6\$ medical increase??

21% increase for typical residential \$43.99 up by \$9.23

80% california agencies considering rate increases?

# 3476

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Tuesday, March 25, 2014 6:00 PM

# El Dorado Car Wash Median

Monday, February 17, 2014 8:52 PM

## EL DORADO CAR WASH MEDIAN

staff/consultants followed appropriate council policies re installation of medians, public outreach, etc.

plans were changed based on public input

property owner asserted concerns of business loss based on ingress challenge of new design; concerns came AFTER lengthy public input process and after property owner was paid for right of way for project

### Option A

continue with current plans to build median

- + : supported by well documented directives and outreach responsiveness
- : threat of good faith litigation claim from property owner

### Option B

Omit plans to build median

- + : satisfies property owner concerns
- : contradicts existing council policies
- contradicts environmental work
- theoretical liability increase based on less safe condition

### Option C

Porkchop Island

- + : satisfies property owner ingress concerns
- : theoretically less safe than full median
- no sign off from engineer of record (Sigfried)

### Option D

install 3rd lane as previously planned

- + : permits u-turn access from SB El Dorado
- : cost to undue recent improvements
- reinstates citizen landscaping concerns

### Option E

left turn from Alpine

# Weber Avenue Benches

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Tuesday, March 25, 2014 5:59 PM

## WEBER AVE BENCHES

request from Downtown Alliance through pd to remove  
evolved into daytime homeless shelter  
installation funded with CalTrans grant  
unclear if grant restrictions prohibit removal (unlikely)  
preparing issue summary for CM policy decision about removal