AGENDA

REGULAR MEETING OF THE LAKEPORT CITY COUNCIL
(ALSO MEETS AS THE CITY OF LAKEPORT MUNICIPAL SEWER DISTRICT, THE LAKEPORT INDUSTRIAL DEVELOPMENT AUTHORITY, THE MUNICIPAL FINANCING AGENCY OF LAKEPORT and THE SUCCESOR AGENCY TO THE LAKEPORT REDEVELOPMENT AGENCY)

Tuesday, January 17, 2017

City Council Chambers, 225 Park Street, Lakeport, California 95453

Any person may speak for three (3) minutes on any agenda item; however, total public input per item is not to exceed 15 minutes, extended at the discretion of the City Council. This rule does not apply to public hearings. Non-timed items may be taken up at any unspecified time.

I. CALL TO ORDER & ROLL CALL: 6:00 p.m.

II. PLEDGE OF ALLEGIANCE:

III. ACCEPTANCE OF AGENDA:

Urgency Items:

To add item, Council is required to make a majority decision that an urgency exists (as defined in the Brown Act) and a 2/3rds determination that the need to take action arose subsequent to the Agenda being posted.

IV. CONSENT AGENDA:

The following Consent Agenda items are expected to be routine and noncontroversial. They will be acted upon by the Council at one time without any discussion. Any Council Member may request that any item be removed from the Consent Agenda for discussion under the regular Agenda. Removed items will be considered following the Consent Calendar portion of this agenda.

A. Ordinances:

Waive reading except by title, of any ordinances under consideration at this meeting for either introduction or passage per Government Code Section 36934.

B. Minutes:

Approve minutes of the regular City Council meeting of January 3, 2017.

C. Warrants:

Approve the warrant registers of December 20, 2016 and January 5, 2017.

V. PUBLIC PRESENTATIONS/REQUESTS:

A. Citizen Input:

Any person may speak for 3 minutes about any subject within the authority of the City Council, provided that the subject is not already on tonight’s agenda. Persons wishing to address the City Council are required to complete a Citizen’s Input form and submit it to the City Clerk prior to the meeting being called to order. While not required, please state your name and address for the record. NOTE: Per Government Code §54954.3(a), the City Council cannot take action or express a consensus of approval or disapproval on any public comments regarding matters which do not appear on the printed agenda.

B. Introduction of New Employees:


VI. COUNCIL BUSINESS:

A. Public Works Director

1. Bid Award: USDA Hwy 29 Force Main Project

Authorize the City Manager or designee to execute a contract with Allen Gill Construction for the completion of the USDA Hwy 29 Force Main Project.

2. Bid Award: Former Police Station Renovations

Authorize a budget amendment in the amount of $26,060.00 to account 110-3030-990.000 for tenant improvements (floor coverings and interior paint) for the former Lakeport Police Station located at 916 North Forbes Street.

B. City Attorney

1. Groundwater Sustainability Agency (GSA):

Direct staff to initiate the formation of a Groundwater Sustainability Agency (GSA) for the area of the Scotts Valley basin within the City’s service area and bring back dates for a public hearing on a resolution to form a GSA.

VII. CITY COUNCIL COMMUNICATIONS:

A. Miscellaneous Reports, if any:

VIII. ADJOURNMENT:

Adjourn

Materials related to an item on this Agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk’s Office at 225 Park Street, Lakeport, California, during normal business hours. Such documents are also available on the City of Lakeport’s website, www.cityoflakeport.com, subject to staff’s ability to post the documents before the meeting.
The City of Lakeport, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access, attend and/or participate in the City meeting due to disability, to please contact the City Clerk’s Office, (707) 263-5615, 72 hours prior to the scheduled meeting to ensure reasonable accommodations are provided.

Hilary Britton, Deputy City Clerk
MINUTES
REGULAR MEETING OF THE LAKEPORT CITY COUNCIL
(ALSO MEETS AS THE CITY OF LAKEPORT MUNICIPAL SEWER DISTRICT, THE LAKEPORT INDUSTRIAL DEVELOPMENT AUTHORITY, THE MUNICIPAL FINANCING AGENCY OF LAKEPORT and THE SUCCESOR AGENCY TO THE LAKEPORT REDEVELOPMENT AGENCY)
Tuesday, January 3, 2017

I. CALL TO ORDER & ROLL CALL: Mayor Mattina called the meeting to order at 6:00 p.m. Council Members, Barnes, Parlet, Spurr and Turner were present.

II. PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was led by Kevin Ingram.

III. ACCEPTANCE OF AGENDA: A motion was made by Council Member Parlet, seconded by Council Member Turner and unanimously carried by voice vote, to accept the agenda as posted/amend agenda to add or remove an item.

Urgency Items: There were no urgency items.

IV. CONSENT AGENDA:

A. Ordinances: Waive reading except by title, of any ordinances under consideration at this meeting for either introduction or passage per Government Code Section 36934.

B. Minutes: Approve minutes of the regular City Council meeting of December 20, 2016.

Vote on Consent Agenda: A motion was made by Council Member Turner, seconded by Council Member Parlet and unanimously carried by voice vote, to approve the Consent Agenda.

V. PUBLIC PRESENTATIONS/REQUESTS:

A. Citizen Input: There was no citizen input.

B. Board of Supervisors Lakeport Representative Introduction Mayor Mattina introduced newly elected District 4 representative Tina Scott who will represent Lakeport on the Lake County Board of Supervisors.

C. Proclamation: Community Development Director Ingram presented a proclamation honoring Thomas Gayner for his years of service on the City of Lakeport’s Planning Commission.

VI. COUNCIL BUSINESS:

A. City Clerk

1. Mayoral Appointments and Resolution Appointing Representatives to League of California Cities positions.

City Clerk Buendia presented the staff report.

The Mayor appointed Council Members to various liaisons, committees, and commissions as set forth in Exhibit 1 attached to these minutes.

A motion was made by Council Member Parlet seconded by Council Member Barnes and unanimously carried by voice vote, to adopt a resolution appointing Council Members Turner and Mattina to represent and vote on behalf of the City at the League of California Cities, Redwood Empire Division Business meetings and represent the City and vote at Division Legislative Committee meetings.

B. Police Chief

1. Bid Award: New Police Station The staff report was presented by Chief Rasmussen.

A motion was made by Council Member Parlet; seconded by Council Member Spurr, and unanimously carried by voice vote, to authorize the City Manager to sign a purchase order and purchase agreement with Total Security Solutions for the purchase and installation of bullet proof security windows at the new police facility located at 2025 S. Main St. in the amount of $34,032.32.

VII. CITY COUNCIL COMMUNICATIONS:
A. Miscellaneous Reports, if any:

City Manager Silveira gave no report.

City Attorney Ruderman wished everyone a Happy New Year.

Public Works Director Grider reported that staff has been busy over the holidays sanding roads.

Chief Rasmussen wished everyone a Happy New Year.

Community Development Director Ingram wished everyone a Happy New Year as well.

Council Member Barnes had nothing to report.

Council Member Parlet had nothing to report.

Council Member Spurr wished everyone a prosperous new year.

Council Member Turner had nothing to report.

Mayor Mattina had nothing to report.

VIII. ADJOURNMENT:

Mayor Mattina adjourned the meeting at 6:10 p.m.

_______________________________________
Stacey Mattina, Mayor

Attest:

________________________________
Kelly Buendia, City Clerk
## LAKEPORT CITY COUNCIL

**EFFECTIVE JANUARY 3, 2017**

**LIAISONS TO COMMISSIONS, BOARDS, COMMITTEES**

### LIAISONS

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### APPOINTMENTS

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1/11/2017

I hereby certify that the attached list of warrants has been audited, extensions are proper, purchase orders have been issued, and department heads have been given the opportunity to review and sign claim forms.

Nichólas Walker
Finance Director
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Bank Account 15-0352000798 Total: (69)  -215,115.23

Report Total: (69)  -215,115.23
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<td>Cleared Date</td>
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<td>CA EMP DEVELOPMENT DEPT</td>
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Report Total: (82) -175,909.12
## Summary

### Bank Account

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<tbody>
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### Cash Account

**No Cash Account**

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### Transaction Type

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<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>82</td>
<td>-175,909.12</td>
</tr>
</tbody>
</table>
RE: Award of USDA Hwy 29 Force Main Project

SUBMITTED BY: Doug Grider, Public Works Director

PURPOSE OF REPORT: ☑ Information only ☑ Discussion ☑ Action Item

WHAT IS BEING ASKED OF THE CITY COUNCIL/BOARD:

The City Council is being asked to review and award the construction contract to the low bidder on the project to Allen Gill Construction for the amount of $523,683.00

BACKGROUND/DISCUSSION:

Contract Documents were published in November 2016 titled “Highway 29 Force Main Project”. This bid document set forth the information needed for potential contractors to provide a price to perform directional drilling of approximately 600 feet of 18” fusible PVC casing and installation of approximately 600 feet of 12” fusible PVC force main within the casing, including tie in at both ends to the existing sewer system.

The bid opening for the subject project was held on December 14, 2016 and five bids were received. The apparent low bidder is Allen Gill Construction based in Millville, California. The other bids that were received were from Terracon Constructors, California Trenchless, Rapid Construction INC. and Team Ghilotti, INC. The engineer’s construction cost estimate was $564,480 and the apparent low bid came in at $523,683. The bids received are good for 60 days before they expire on February 12, 2017.

The bids were analyzed and the Bid Award Information package including the USDA checklist was compiled and transmitted to USDA for review on January 10, 2017. Mr. Michael Starinsky with the Davis USDA office reviewed the package and concurred with the recommendation to award the project to Allen Gill Construction.

Attached is the Bid Award Information package which includes an analysis of the bids received as well as a complete copy of Allen Gill’s bid, the response from the USDA RD, Davis office as well as a copy of the suggested form of agreement that the USDA requires the City and Contractor to utilize.

OPTIONS:

Authorize the City Manager or her designee to execute the approved form of contract with Allen Gill Construction for the USDA Hwy 29 Force Main Project pursuant to funding from USDA, or provide direction.

FISCAL IMPACT:

☑ None ☑ $ 523,683 Budgeted Item? ☑ Yes ☐ No

Budget Adjustment Needed? ☐ Yes ☑ No If yes, amount of appropriation increase: $

Affected fund(s): ☐ General Fund ☐ Water OM Fund ☑ Sewer OM Fund ☑ Other: USDA 604

Comments:
SUGGESTED MOTIONS:

Move to authorize the City Manager to sign the construction contract award for the HWY 29 Force Main Project with Allen Gill Construction.

Attachments:
1. USDA Contract Award Concurrence
2. Allen Gill Construction Proposal
3. Bid Summary
4. Bid Analysis
5. Recommendation of Award
6. Right of Way Certificates
7. Notice of Award
January 10, 2017

Mr. Rick Bowser  
PACE Engineering  
1730 South Street  
Redding, CA 96001-1811

Dear Mr. Bowser:

Subject: City of Lakeport  
Highway 29 Force Main Project

USDA Rural Development has reviewed the bid information and concurs with your recommendation to award the contract to Allen Gill Construction in the amount of $523,683. The City is authorized to issue the Notice of Award at this time.

At this time, you will need to prepare the contract documents for execution by all parties following the format outlined in this letter. The “Attachment to Agreement” needs to be filled out and attached to the construction contract agreement (EJCDC C-520). Five copies of the Agreement then needs to be executed by the City and the contractor. The contractor must also obtain performance and payment bonds utilizing a surety company listed on the Treasury Department’s most current revision of Circular 570. (The surety for the bid bond is acceptable.) The City’s attorney must then review the contract documents and execute the “Certificate of Owner’s Attorney” found on the attachment to the agreement. All copies of the contract documents must then be submitted to this agency and will need to include the following items:

1. **Contract Agreement**  The “Attachment to Agreement” needs to be attached and the agreement needs to be signed by the contractor and the City prior to submission to this agency. The attorney’s certificate also needs to be executed prior to submitting the contract documents to this agency.

2. **Notice of Contract Award**

3. **Performance and Payment Bonds**  The bond forms contained in the contract documents must be utilized and valid Powers-of-Attorney need to be attached.

4. **Contractor’s Certificate of Insurance**

Please contact Quinn Donovan and myself when you schedule the preconstruction conference since a representative from this agency must attend the meeting. (Mr. Loucks is approved as the Resident Inspector for this project.) You are reminded...
that the Notice to Proceed cannot be issued until this agency has approved the construction contract agreement.

If you have any questions pertaining to this letter, please contact me at (530) 792-5814.

Sincerely,

Michael Starinsky
State Engineer

cc: Quinn Donovan, USDA Rural Development, Santa Rosa
    Paul Harris, City of Lakeport
BID FORM

CITY OF LAKEPORT
225 PARK STREET, LAKEPORT, CA 95453
HIGHWAY 29 FORCE MAIN PROJECT

TABLE OF ARTICLES

Article 1 - Bid Recipient
Article 2 - Bidder's Acknowledgments
Article 3 - Bidder's Representations
Article 4 – Bidder’s Certification
Article 5 - Basis of Bid
Article 6 - Time of Completion
Article 7 - Attachments to Bid
Article 8 - Defined Terms
Article 9 - Bid Submittal

ARTICLE 1- BID RECIPIENT

1.01 This Bid is submitted to: City of Lakeport, 225 Park Street, Lakeport, CA, 95453

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2- BIDDER'S ACKNOWLEDGEMENTS

2.01 Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

ARTICLE 3- BIDDER’S REPRESENTATIONS

In submitting this Bid, Bidder represents that:
A. Bidder has examined and carefully studied the Bidding Documents, the other related data identified in the Bidding Documents, and the following Addenda, receipt of which is hereby acknowledged.

<table>
<thead>
<tr>
<th>Addendum No.</th>
<th>Addendum Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>12/2/16</td>
</tr>
<tr>
<td>2</td>
<td>12/9/16</td>
</tr>
</tbody>
</table>

B. Bidder has visited the Site and become familiar with and is satisfied as to the general, local and Site conditions that may affect cost, progress, and performance of the Work.
C. Bidder is familiar with and is satisfied as to all Federal, State and local Laws and Regulations that may affect cost, progress and performance of the Work.

D. Bidder has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site (except Underground Facilities) which have been identified in SGC 5.03, and (2) reports and drawings of Hazardous Environmental Conditions, if any, at the Site that have been identified in SGC 5.06 as containing reliable "technical data."

E. Bidder has considered the information known to Bidder; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, including applying the specific means, methods, techniques, sequences, and procedures of construction expressly required by the Bidding Documents; and (3) Bidder's safety precautions and programs.

F. Based on the information and observations referred to in Paragraph 3.01.E above, Bidder does not consider that any further examinations, explorations, tests, studies, or data are necessary for the determination of this Bid for performance of each Work at the price(s) bid and within the times and in accordance with the other terms and conditions of the Bidding Documents.

G. Bidder is aware of the general nature of the Work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.

H. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and the written resolution thereof by Engineer is acceptable to Bidder.

I. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance of the Work for which this Bid is submitted.

J. Bidder will submit written evidence of its authority to do business in the State or other jurisdiction where the Project is located not later than the date of its execution of the Agreement.

ARTICLE 4- BIDDER'S CERTIFICATION

4.01 Bidder further represents that:

A. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation;

B. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid;

C. Bidder has not solicited or induced any individual or entity to refrain from bidding; and

D. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 4.01.D:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process.
2. “fraudulent practice” means an intentional misrepresentation of facts made to (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;

3. “collusive practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels; and

4. “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

ARTICLE 5- BASIS OF BID

5.01 Bidder will complete the Work in accordance with the Contract Documents for the following price(s):

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>UNITS</th>
<th>UNIT PRICE</th>
<th>FIGURES</th>
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<tbody>
<tr>
<td>Force Main Improvements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Horizontal directional drill new casing and force main under Hwy 29, complete for the lump-sum price of: (This is a specialty item.)</td>
<td>LS</td>
<td>$38184.00</td>
<td>$38184.00</td>
</tr>
<tr>
<td>2. Construct intertie on west side of Hwy 29, complete for the lump-sum price of:</td>
<td>LS</td>
<td>$45552.00</td>
<td>$45552.00</td>
</tr>
<tr>
<td>3. Construct intertie on east side of Hwy 29, complete for the lump-sum price of:</td>
<td>LS</td>
<td>$60033.00</td>
<td>$60033.00</td>
</tr>
<tr>
<td>4. Restore surfaces including paving and striping at east tie-in location, complete for the lump-sum price of:</td>
<td>LS</td>
<td>$5089.00</td>
<td>$5089.00</td>
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<tr>
<td>5. AC pavement at west side tie-in location, complete:</td>
<td>6,500 SF</td>
<td>$4.10</td>
<td>$26,650.00</td>
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<tr>
<td>6. Crosswalk striping at Westside Park Rd., complete for the lump-sum price of:</td>
<td>LS</td>
<td>$4515.00</td>
<td>$4515.00</td>
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TOTAL BID INCLUDING ITEMS 1-6 AT THE LUMP-SUM PRICE OF: $523,683.00

All specified cash allowances are included in the price(s) set forth above and have been computed in accordance with Paragraph 13.03.B of the General Conditions.

ARTICLE 6- TIME OF COMPLETION

6.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.

6.02 Bidder accepts the provisions of the Agreement as to liquidated damage.

ARTICLE 7- ATTACHMENTS TO THIS BID

7.01 The following documents are attached to and made a condition of this Bid:

A. Required Bid security in the form of a Bid Bond (EJCDC No. C-430) or Certified Check;
B. If Bid amount exceeds $10,000, signed Compliance Statement/Certifications of Nonsegregated Facilities RD 400-6). Refer to specific equal opportunity requirements set forth in the Supplementary Conditions;

C. If Bid amount exceeds $25,000, signed Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion- Lower Tiered Covered Transactions (AD-1048);

D. If Bid amount exceeds $100,000, signed RD Instruction 1940-Q, Exhibit A-1, Certification for Contracts, Grant, and Loans.

E. Non-Collusion Affidavit;

F. Workers Compensation Certification;

G. List of Subcontractors

ARTICLE 8- DEFINED TERMS

8.01 The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

ARTICLE 9- BID SUBMITTAL

9.01 This Bid is submitted by: Allen Hill Construction Inc.

Bidder’s Business address: P.O. Box 35

Milpitas, CA 95035

Phone: 530-547-1112 Facsimile: 530-547-1118

Submitted on 12/12, 2016.

State Contractor License No. 623652

Employer’s Tax ID No. 20-1263923

If Bidder is:

An Individual

Name (typed or printed):

By: ____________________________

(Individual’s signature)

Doing business as: ____________________________

A Partnership

Partnership Name: ____________________________ (SEAL)

By: ____________________________

(Signature of general partner – attach evidence of authority to sign)
A Corporation

Corporation Name: **Allen Gill Construction Inc.** (SEAL)
State of Incorporation: **MA**
Type (General Business, Professional, Service, Limited Liability): **GENERAL BUSINESS**
By: **Allen Gill**
(Signature – attach evidence of authority to sign)

Name (typed or printed): **Allen Gill**
Title: **President**
Attest: **[Signature of Corporate Secretary]**
Date of Qualification to do business in California is **7/24/91**.

A Joint Venture

Name of Joint Venturer: ________________________________

First Joint Venturer Name: ___________________________ (SEAL)
By: ________________________________
(Signature of first joint venture partner – attach evidence of authority to sign)

Name (typed or printed): ______________________________
Title: ________________________________

Second Joint Venturer Name: ___________________________ (SEAL)
By: ________________________________
(Signature of second joint venture partner – attach evidence of authority to sign)

Name (typed or printed): ______________________________
Title: ________________________________

(Each joint venturer must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)
NON COLLUSION AFFIDAVIT TO BE EXECUTED BY BIDDER
AND SUBMITTED WITH BID

(ATTACHMENT 2)

(State of California)
County of Siskiyou

[Signature]

by first duly sworn, deposes and says that
he or she is president of Allen Gill Construction Inc.,
the party making the foregoing bid, that the bid is not made in the interest of, or on behalf of, any undislosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and further that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

By

Subscribed and sworn to before me on ________________

(date)

[Signature]

(Notary Public)

(SEAL)
State of California
County of Shasta

Subscribed and sworn to (or affirmed) before me on this 12th day of December, 2016, by Allen Gill (1) 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.

Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

Seal
Place Notary Seal Above

OPTIONAL
Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document: NonCollusion
Title or Type of Document: Affidavit
Number of Pages: 1

©2014 National Notary Association • www.NationalNotary.org • 1-800-US NOTARY (1-800-876-6827) Item #5910
BID BOND

Any singular reference to Bidder, Surety, Owner or other party shall be considered plural where applicable.

BIDDER (Name and Address):
Allen Gill Construction, Inc.
PO Box 35
Millville, CA 90602

SURETY (Name, and Address of Principal Place of Business):
Western Surety Company
333 S. Wabash Avenue, 41st Floor
Chicago, Illinois 60604

OWNER (Name and Address):
City of Lakeport
225 Park Street
Lakeport, CA 95453

BID
Bid Due Date: December 14, 2016
Highway 29 Force Main Project

BOND
Bond Number: N/A
Date: December 7, 2016
Penal sum: Ten Percent of the Total Amount Bid $ (10% of BidAmount)

Surety and Bidder, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Bid Bond to be duly executed by an authorized officer, agent, or representative.

BIDDER
Allen Gill Construction, Inc. (Seal)
Bidder’s Name and Corporate Seal

By: [Signature]
Print Name: Allen Gill
Title: President

SURETY
Western Surety Company (Seal)
Surety’s Name and Corporate Seal

By: [Signature (Attach Power of Attorney)]
Print Name: Stephanie Agapoff
Title: Attorney-In-Fact

Attest: [Signature]
Title

Note: Addresses are to be used for giving any required notice.
Provide execution by any additional parties, such as joint venturers, if necessary.
1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Bidder the penal sum set forth on the face of this Bond. Payment of the penal sum is the extent of Bidder’s and Surety’s liability. Recovery of such penal sum under the terms of this Bond shall be Owner’s sole and exclusive remedy upon default of Bidder.

2. Default of Bidder shall occur upon the failure of Bidder to deliver within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents.

3. This obligation shall be null and void if:

   3.1 Owner accepts Bidder’s Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents, or

   3.2 All Bids are rejected by Owner, or

   3.3 Owner fails to issue a Notice of Award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by Paragraph 5 hereof).

4. Payment under this Bond will be due and payable upon default of Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.

5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Bidder, provided that the total time for issuing Notice of Award including extensions shall not in the aggregate exceed 120 days from the Bid due date without Surety’s written consent.

6. No suit or action shall be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Bidder and Surety and in no case later than one year after the Bid due date.

7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.

8. Notices required hereunder shall be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.

9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.

10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.

11. The term “Bid” as used herein includes a Bid, offer, or proposal as applicable.
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 Sacramento

On Dec. 7, 2016 before me, Vicky Troyan, Notary Public

(insert name and title of the officer)

personally appeared __________ Stephanie Agapoff ______________________, who proved to me on the basis of satisfactory evidence to be the person(e) whose name(e) 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(e), or the entity upon behalf of which the person(e) 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)
POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint


of Sacramento, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 6th day of September, 2016.

WESTERN SURETY COMPANY

State of South Dakota
County of Minnehaha 

Paul T. Bruflat, Vice President

On this 6th day of September, 2016, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires

June 23, 2021

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinafore set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 7th day of December 2016.

WESTERN SURETY COMPANY

L. Nelson, Assistant Secretary
USDA  
COMPLIANCE STATEMENT

Form RD 400-6  
(Rev. 12-09)

This statement relates to a proposed contract with [City of Lakewood]

(Name of borrower or grantee)

who expects to finance the contract with assistance from either the Rural Housing Service (RHS), Rural Business-Cooperative Service (RBS), or the Rural Utilities Service (RUS) or their successor agencies, United States Department of Agriculture (whether by a loan, grant, loan insurance, guarantee, or other form of financial assistance). I am the undersigned bidder or prospective contractor. I represent that:

1. I [x] have, [ ] have not, participated in a previous contract or subcontract subject to Executive Order 11246 (regarding equal employment opportunity) or a preceding similar Executive Order.

2. If I have participated in such a contract or subcontract, I [x] have, [ ] have not, filed all compliance reports that I have been required to file in connection with the contract or subcontract.

If the proposed contract is for $50,000 or more and I have 50 or more employees, I also represent that:

3. I [x] have, [ ] have not, previously had contracts subject to the written affirmative action program requirements of the Secretary of Labor.

4. If I have participated in such a contract or subcontract, I [x] have, [ ] have not, developed and placed on file at each establishment affirmative action programs as required by the rules and regulations of the Secretary of Labor.

I understand that if I have failed to file any compliance reports that have been required or me, I am not eligible and will not be eligible to have my bid considered or to enter into the proposed contract unless and until I make an arrangement regarding such reports that is satisfactory to either the RHS, RBS, or RUS, or to the office where the reports are required to be filed.

I also certify that I do not maintain or provide for my employees any segregated facilities at any of my establishments, and that I do not permit my employees to perform their services at any location, under my control, where segregated facilities are maintained. I certify further that I will not maintain or provide for my employees any segregated facilities at any of my establishments, and that I will not permit my employees to perform their services at any location, under my control, where segregated facilities are maintained. I agree that a breach of this certification is a violation of the Equal Opportunity clause in my contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habit, local custom, or otherwise. I further agree that (except where I have obtained identical certifications from proposed subcontractors prior to the award of subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity clause; that I will retain such certifications in my files; and that I will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods): (See Reverse).

RD 400-6 (Rev. 12-09)
NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENTS FOR CERTIFICATIONS OF NON-SEGREGATED FACILITIES

A certification of Nonsegregated Facilities, as required by the May 9, 1967, order (32F.R. 7439, May 19, 1967) on Elimination of Segregated Facilities, by the Secretary of Labor, must be submitted prior to the award of a subcontract exceeding $10,000 which is not exempt from the provisions of the Equal Opportunity Clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Date: 12/12/16

Signature of Bidder or Prospective Contractor

PO Box 35 Millville, CA 96062

Address (including Zip Code)
U.S. DEPARTMENT OF AGRICULTURE

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions.

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017.510, Participants’ responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency with which this transaction originated.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Allen Gill Construction Inc.  Huly 29 FORGE MAINE

Organization Name  PR/Award Number or Project Name

Allen Gill - PRESIDENT

Name(s) and Title(s) of Authorized Representative(s)

Signature(s)  12/12/16

Date

Form AD-1048 (1/92)
Instructions for Certification

1. By signing and submitting this form, the prospective lower tier participant is providing the certification set out on the reverse side in accordance with these instructions.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4. The terms “covered transaction,” “debarred,” “suspended,” “ineligible,” “lower tier covered transaction,” “participant,” “person,” “primary covered transaction,” “principal,” “proposal,” and “voluntarily excluded,” as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this form that it will include this clause titled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions,” without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principles. Each participant may, but is not required to, check the Nonprocurement List.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly entered into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Form AD-1048 (1/92)
CERTIFICATION FOR CONTRACTS, GRANTS AND LOANS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or loan, the undersigned shall complete and submit Standard Form – LLL, “Disclosure of Lobbying Activities,” in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including contracts, subcontracts, and subgrants under grants and loans) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

[Signature]
(Name)

[Signature]
(Date)

[Title]

(08-21-91) PN 171
CONTRACTOR'S CERTIFICATION REGARDING WORKERS' COMPENSATION INSURANCE

State of California
County of SHAFT

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commending the performance of the work of this Contract.

Allen Gill Construction Inc.
(Name of Contractor)

by: Allen Gill - President
(Signature of Contractor)

Date: 12/21/16
# LIST OF SUBCONTRACTORS

**NOTE:** In accordance with Supplementary Condition SC-7.06A, the Contractor shall not award work valued at more than fifty percent (50%) of the Contract Price to Subcontractors without prior written approval of the Owner.

<table>
<thead>
<tr>
<th>Work to be Performed</th>
<th>Percent of Total Contract</th>
<th>Subcontractor’s Name, Contractor’s License, and Location of Place of Business</th>
<th>DIR Registration No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fusion of Pipe</td>
<td>2%</td>
<td>Underground Solutions, Poway, CA 92064</td>
<td>1000004790</td>
</tr>
<tr>
<td></td>
<td></td>
<td>930854</td>
<td></td>
</tr>
<tr>
<td>Stripping</td>
<td>1%</td>
<td>Apply-A-Line Inc, Anderson, CA 90007</td>
<td>1000003300</td>
</tr>
<tr>
<td></td>
<td></td>
<td>56026602</td>
<td></td>
</tr>
<tr>
<td>Boring 2&quot; AC Overlay</td>
<td>28%</td>
<td>Solid Rock Construction Inc.</td>
<td>1000006131</td>
</tr>
<tr>
<td></td>
<td>3%</td>
<td>Reading, CA 92602</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>67184B</td>
<td></td>
</tr>
</tbody>
</table>

(Add additional sheets if necessary)

**BIDDER:** Allen Gill Construction Inc.

Date: 1/12/11
INFORMATION REQUIRED OF BIDDER

The Bidder shall furnish the following information. Additional sheets shall be attached as required. Failure to properly complete this form will cause the bid to be non-responsive and may cause its rejection. In any event, no award will be made until all of the information required of the Bidder is delivered to the Owner.

1) BIDDER's Name, Address, and Phone Numbers:

   Name: Allen Gill Construction Inc
   Address: P.O. Box 35 Millville, CA 96062
   Phone No.: 530-547-1111  FAX No.: 530-547-1118

2) BIDDER's Contractor License Information:

   Primary Classification: A+B
   California State License No. and Expiration Date: 1023652  7/31/18

   Specialty classifications held, if any: DBE, 8A

   Department of Industrial Relations Registration No.: 1000013164

3) Name, address, and telephone number of surety company and agent who will provide the required bonds on this Contract:

   INTERWEST INSURANCE SERVICES - Liz Collodi
   1357 E. Lassen Ave, Chico, CA 95926
   530-897-3154

4) ATTACH TO THIS BID a financial statement, references, and other information, sufficiently comprehensive to permit an appraisal of BIDDER's current financial condition.
5) ATTACH TO THIS BID a list of five projects completed by the Contractor during the last 10 years involving similar horizontal directional drilling projects. The list shall include the following information as a minimum:

- Names, address, and telephone number of Owner
- Name of project
- Location of project
- Brief description of the work involved
- Contract amount
- Date of completion of contract
- Name, address, and telephone number of engineer

To be considered for award, the BIDDER and the job site superintendent who will be assigned this project shall have completed at least five projects of similar type and complexity and comparable value. BIDDER's who meet the above qualifications shall ascertain before submission of their proposal that any other subcontractor listed in this Proposal shall also have these qualifications for their area of work.

6) ATTACH TO THIS BID evidence of good faith efforts to solicit small, minority, and women’s businesses for work. Specifically, the six affirmative steps defined in SC-19.06 of the Supplementary Conditions.

Compliance with the good faith effort shall include at minimum:

A Request For Proposal (RFP) to David Mendoza of the Minority Business Development Agency (MBDA) dmendoza@fresnombdacenter.com

The RFP shall include:
- Project location
- Project bid date
- Brief project description
- Trades needed on the project


The SUB-NET post shall include:
- Project location
- Project bid date
- Brief project description
- Trades needed on the project

Failure to include evidence of good faith efforts with this bid will cause the bid to be non-responsive and may cause its rejection.
Request For Proposal-Highway 29 Force Main-Lakeport CA

Clayton Olds
Wed 12/7/2016 1:04 PM
To: dmendoza@fresnombdacenter.com <dmendoza@fresnombdacenter.com>

David,

We will be bidding this project to the City of Lakeport, below is the information needed for the project. Please contact me if you have any questions.

Project Location-Lakeport CA
Bid Date- 12/12/16 @ 11AM
Description- Installation of 600 LF of 18" Casing and 12" water force main via directional boring method.
Trades Needed- Traffic control, directional drilling, pipe fusion technician.

Clayton Olds
Estimator/Project Manager
Allen Gill Construction Inc
PO Box 35
Millville, CA 96062
P: 530-547-1112
F: 530-547-1118
C: 530-604-3337
ATTACHMENT 2

Bidder Notification - Highway 29 Force Main Project

editor@calbx.com
Fri 12/9/2016 11:21 AM
Inbox
To: Clayton Olds <clayton@allengillconstruction.com>;

This courtesy notice is being sent to ensure the accuracy of information we are reporting in the Virtual Plan Room about the following project:

Highway 29 Force Main Project
Located in Lakeport, CA (Lake_CA Co.)
Bids on 12/14/2016 at 11:00am PST

We have been informed that your company is associated with this project as follows:

Bidding General Contractor
Allen Gill Construction, Inc.
Contact: Olds, Clayton
Email: clayton@allengillconstruction.com

Please notify us by e-mail: editor@calbx.com
1) If your company should not be listed as Bidding General Contractor.
2) The contact information we have listed is inaccurate.
3) There is another individual that you would like us to send these notices.

(If you no longer wish to receive these courtesy notices please click here)
RE: Sub-Net Job Posting

GLS <GLS@sba.gov>

Thu 12/8/2016 1:27 PM
Inbox
To: Clayton Olds <clayton@allengilconstruction.com>
Cc: Terry, Angela B. <Angela.Terry@sba.gov>

Good Afternoon,
Please address your concern to the Sub-Net program office at Angela.Terry@sba.gov for further assistance.
GLS team cannot access to this application in order to provide you the inputs. We have copied them in the email.

Thanks
Hong Tong

From: Clayton Olds [mailto:clayton@allengilconstruction.com]
Sent: Wednesday, December 07, 2016 4:15 PM
To: GLS
Cc: DSBS
Subject: Re: Sub-Net Job Posting

I am still unable to post a job solicitation for sub contractors on the SBA site. I have also not heard back from DSBS, please have someone contact me via the phone number below. Is there a number I can call to get this resolved? The support 800 number stated they do not handle this type of question and did not know who I should call.

Clayton Olds
Estimator/Project Manager
Allen Gill Construction Inc
PO Box 35
Millville, CA 96062
P: 530-547-1112
F: 530-547-1118
C: 530-604-3337

From: GLS <GLS@sba.gov>
Sent: Tuesday, November 15, 2016 8:21 AM
To: Clayton Olds
Cc: DSBS
Subject: RE: Sub-Net Job Posting

Please address your concern to the Sub-Net program office at DSBS@sba.gov for further assistance. GLS team cannot access to this application in order to provide you the inputs. We have copied them in the email.

Thanks
Hong Tong

From: Clayton Olds [mailto:clayton@allengillconstruction.com]
Sent: Monday, November 14, 2016 12:59 PM
To: GLS
Subject: Sub-Net Job Posting

I am trying to post an upcoming project we are bidding on Sub-Net to solicit women owned small businesses but once I log-in on Sub-Net it doesn’t give me "Post" tab.

Clayton Olds
Estimator/Project Manager
Allen Gill Construction Inc
PO Box 35
Millville, CA 96062
P: 530-547-1112
F: 530-547-1118
C: 530-604-3337
REFERENCES:

TRI COUNTIES BANK
ATTN: KEN A. RORIE-VICE PRESIDENT
2171 PILLSBURY ROAD
CHICO, CA 95926
530-895-7525

INTERWEST INSURANCE SERVICES
ATTN: JOHN HOPKINS-VICE PRESIDENT
1357 E. LASSEN AVE
CHICO, CA 95973
530-897-3154
# BID SUMMARY

## HWY 29 FORCE MAIN PROJECT

**OWNER:** CITY OF LAKEPORT  
**BID DATE:** 12/14/2016  
**JOB NO.:** 523.32D

### Item Description

<table>
<thead>
<tr>
<th>NO.</th>
<th>QTY</th>
<th>UNIT</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>LS</td>
<td>Horizontal directional drill new casing and force main under Hwy 29, complete for the lump-sum price of: (This is a specialty item.)</td>
</tr>
<tr>
<td>2</td>
<td>1</td>
<td>LS</td>
<td>Construct intertie on west side of Hwy 29, complete for the lump-sum price of:</td>
</tr>
<tr>
<td>3</td>
<td>1</td>
<td>LS</td>
<td>Construct intertie on east side of Hwy 29, complete for the lump-sum price of:</td>
</tr>
<tr>
<td>4</td>
<td>1</td>
<td>LS</td>
<td>Restore surfaces including paving and striping at east tie-in location, complete for the lump-sum price of:</td>
</tr>
<tr>
<td>5</td>
<td>400</td>
<td>SF</td>
<td>AC pavement at west side tie-in location, complete:</td>
</tr>
<tr>
<td>6</td>
<td>1</td>
<td>LS</td>
<td>Crosswalk striping at Westside Park Rd., complete for the lump-sum price of:</td>
</tr>
</tbody>
</table>

### Contractor's Overhead and Profit @ 8%

- Allen Gill Construction: $35,280
- Terracon Constructors: $88,200
- California Trenchless, Inc: $878,876
- Rapid Construction, Inc: $772,299

### Contingency @ 20%

- Allen Gill Construction: $56,440
- Terracon Constructors: $570,500
- California Trenchless, Inc: $678,976
- Rapid Construction, Inc: $4,300

### Total Estimated Construction Cost

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Total Estimated Construction Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allen Gill Construction</td>
<td>$536,337</td>
</tr>
<tr>
<td>Terracon Constructors</td>
<td>$570,500</td>
</tr>
<tr>
<td>California Trenchless, Inc</td>
<td>$678,976</td>
</tr>
<tr>
<td>Rapid Construction, Inc</td>
<td>$4,300</td>
</tr>
</tbody>
</table>

**Total Estimated Construction Cost, Minus Contingency: $441,000**
<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>Allen Gill Construction, Inc</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ranking</td>
<td>1</td>
</tr>
<tr>
<td>Phone</td>
<td>530-547-1112</td>
</tr>
<tr>
<td>Attended Pre-Bid Job Walk</td>
<td>NO</td>
</tr>
<tr>
<td>License</td>
<td>623652</td>
</tr>
<tr>
<td>Verify License(s)</td>
<td>YES</td>
</tr>
<tr>
<td>Addendums Acknowledged</td>
<td>YES</td>
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<tr>
<td>Total Bid</td>
<td>$523,683</td>
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<tr>
<td>NonCollusion Affidavit</td>
<td>YES</td>
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<tr>
<td>Bid Bond (10% of Bid)</td>
<td>YES</td>
</tr>
<tr>
<td>Power of Attorney</td>
<td>YES</td>
</tr>
<tr>
<td>Compliance Statement</td>
<td>YES</td>
</tr>
<tr>
<td>Certifications of Non-Segregated Facilities</td>
<td>YES</td>
</tr>
<tr>
<td>Certification Regarding Debarment</td>
<td>YES</td>
</tr>
<tr>
<td>Certification for Contracts, Grants and Loans</td>
<td>YES</td>
</tr>
<tr>
<td>Certification Regarding Worker's Compensation</td>
<td>YES</td>
</tr>
<tr>
<td>Financial Statement</td>
<td>YES</td>
</tr>
<tr>
<td>List of Subs</td>
<td>Underground Solutions, Apply-A-Line, Solid Rock Construction</td>
</tr>
<tr>
<td>Bidder Information</td>
<td>YES</td>
</tr>
<tr>
<td>Bonding Company</td>
<td>Western Surety Company</td>
</tr>
<tr>
<td>List of Completed Projects</td>
<td>YES</td>
</tr>
<tr>
<td>Reference Check</td>
<td>Jenny Holden, Indian Health Service</td>
</tr>
<tr>
<td></td>
<td>Ross Perry, Western Shasta RCD</td>
</tr>
<tr>
<td></td>
<td>Wilson Donohoe, Olsen Hydroelectric Power Plant</td>
</tr>
<tr>
<td>Registered and Qualified with DIR</td>
<td>1000013164 - YES</td>
</tr>
</tbody>
</table>
December 16, 2016

0523.32D

SENT BY EMAIL ONLY
pharris@cityoflakeport.com

Paul Harris, Utilities Superintendent
City of Lakeport Corporation Yard
591 Martin Street
Lakeport, CA 95453

Dear Paul,

Subject: Recommendation of Award
Highway 29 Force Main Project

The bid opening for the subject project was held on December 14, 2016. The City of Lakeport received five bids, and the attached Bid Summary is certified to be a complete and correct tabulation of the bids received. The apparent low bidder is Allen Gill Construction, with a total bid of $523,683.00. PACE examined the low bidder's Proposal and found it to be correct and acceptable.

Allen Gill Construction has accomplished a number of projects in California including projects at the Olsen Hydroelectric Power Plant, Western Shasta Resource Conservation District, and the Dept. of Health & Human Services - Indian Health Service. PACE has contacted three references listed, and without exception, those contacted positively recommended Allen Gill Construction.

Pursuant to discussions with City staff, PACE believes that it is in the best interest of the City to award the Total Bid for a Total Contract Price of $523,683.00 to Allen Gill Construction, contingent upon USDA Rural Development approval. Please call with any questions regarding this letter.

Sincerely,

Rickey A. Bowser
Project Engineer

RB
Enclosure
c: Quinn Donovan, Santa Rosa USDA RD
   Mike Starinsky, Davis USDA RD
RIGHT-OF-WAY CERTIFICATE

The undersigned, David J. Ruderman, hereby certifies except as noted in item 4 below:

1. That the undersigned has acquired and presently holds continuous and adequate rights-of-way on private lands needed for the construction, operation, and maintenance of the facilities to be installed, repaired, or enlarged with the proceeds of a loan made or insured by, and/or a grant from, United States Department of Agriculture and such omissions, defects, or restrictions as may exist will in no substantial way or manner endanger the value or the operation of the facilities.

2. That the undersigned has acquired the necessary permits, franchises, and authorizations or other instruments by whatsoever name designated, from public utilities and public bodies, commissions, or agencies authorizing the construction, operation, and maintenance of the facilities upon, along or across streets, roads, highways, and public utilities.

3. That the attached "Right-of-way Map" shows the location and description of all land and rights-of-way acquired by right of use or adverse possession and by legal conveyances such as right-of-way or easement deeds, permits, or other instruments.

4. Exceptions:

WITNESS WHEREOF, applicant hereunto affixes his name and corporate seal this 9th day of January, 2017.

By David J. Ruderman

Colantuono, Highsmith & Whatley, PC

Lakeport City Attorney

(Affix Corporate Seal Here)
OPINION OF COUNSEL RELATIVE TO RIGHTS-OF-WAY

Date: January 9, 2017

Dear Sir:

I have reviewed the action taken by City of Lakeport (hereinafter called the "Corporation") in obtaining a right-of-way for the construction, operation, and maintenance of the facilities to be installed, repaired, or enlarged with the proceeds of a loan made or insured by, and/or a grant from Rural Development to the Corporation. I have examined the right-of-way instruments, permits, or licenses obtained from landowners, public bodies, and public utilities and made such searches of the public records necessary to determine the legal sufficiency of the instruments covered by the "Right-of-way Certificate," executed by the Corporation on January 9, 2017. I also have examined the "Right-of-way Map" to determine whether continuous and adequate land and rights-of-way are owned or have been acquired by the instruments covered in the "Right-of-way Certificate".

Based on the foregoing examination, and to the best of my knowledge, information, and belief, I am of the opinion that:

A. The legal instruments by which the Corporation has acquired said rights-of-way (a) are in appropriate and due legal form and adequately confer upon the Corporation the necessary rights-of-way for the construction, operation, and maintenance of its facilities in their present or proposed location, and such omissions or defects as may exist in no substantial way or manner endanger the value or operation of the facilities, and (b) have each been properly recorded in the appropriate public land records of each County in which any of the land affected thereby is situated. Such consents, releases, or subordinations from lienholders recommended by me or required by Rural Development have been obtained.

B. The legal instruments referred to above give unto the Corporation a continuous and adequate right-of-way to permit the construction, operation, and maintenance of the Corporation’s facilities except as below noted.

C. Exceptions:

Easement to parking lot area is a temporary construction easement for storage of supplies and equipment for construction of pipeline project. Utility easement for pipeline is a continuous right-of-way.

Very truly yours,

[Signature]

Colantuono, Highsmith & Whatley, PC
Attorney for City of Lakeport

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to U.S. Department of Agriculture, Clearance Officer, Washington, D.C. 20250. Please DO NOT RETURN this form to this address. Forward to the local USDA office only. You are not required to respond to this collection of information unless it displays a currently valid OMB control number.
NOTICE OF AWARD

Date of Issuance:

Owner: City of Lakeport  Owner’s Contract No.: 

Engineer: PACE Engineering, Inc.  Engineer’s Project No.: 523.32D

Project: Highway 29 Force Main Project  Contract Name: Highway 29 Force Main Project

Bidder: Allen Gill Construction, Inc.

Bidder’s Address: P.O. Box 35, Millville, CA 96062

TO BIDDER:

You are notified that Owner has accepted your Bid dated December 14, 2016 for the above Contract, and that you are the Successful Bidder and are awarded a Contract for the Highway 29 Force Main Project for the lump-sum Contract Price of $523,683.00.

Five (5) unexecuted counterparts of the Agreement accompany this Notice of Award, and one copy of the Contract Documents accompanies this Notice of Award, or has been transmitted or made available to Bidder electronically.

Two (2) full-size sets of the Drawings will be delivered separately from the other Contract Documents.

You must comply with the following conditions precedent within 15 days of the date of receipt of this Notice of Award:

1. Deliver to Owner five (5) counterparts of the Agreement, fully executed by Bidder.
2. Deliver with the executed Agreements the Contract security (performance and payment bonds) and insurance documentation as specified in the Instructions to Bidders and General Conditions, Articles 2 and 6.
3. Other conditions precedent (if any): Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within ten days after you comply with the above conditions, Owner will return to you one fully executed counterpart of the Agreement, together with any additional copies of the Contract Documents as indicated in Paragraph 2.02 of the General Conditions.

Owner: City of Lakeport

____________________________________
Authorized Signature

By: __________________________________

Title: __________________________________

Copy: PACE Engineering, Inc.
AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)

THIS AGREEMENT is by and between
City of Lakeport

Allen Gill Construction, Inc.

(“Owner”) and
(“Contractor”).

Owner and Contractor hereby agree as follows:

ARTICLE 1 – WORK

Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows: Highway 29 Force Main Project

ARTICLE 2 – THE PROJECT

The Project, of which the Work under the Contract Documents is a part, is generally described as follows: Highway 29 Force Main Project

ARTICLE 3 – ENGINEER

3.01 The Project has been designed by PACE Engineering, Inc.

3.02 The Owner has retained PACE Engineering, Inc. (“Engineer”) to act as Owner’s representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

ARTICLE 4 – CONTRACT TIMES

4.01 Time of the Essence

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 Contract Times: Days

A. The Work will be substantially completed within 90 days after the date when the Contract Times commence to run as provided in Paragraph 4.01 of the General Conditions, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions within 120 days after the date when the Contract Times commence to run.

4.03 Liquidated Damages

A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with the Contract. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):
1. **Substantial Completion:** Contractor shall pay Owner $1000 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.02.A above for Substantial Completion until the Work is substantially complete.

2. **Completion of Remaining Work:** After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner $500 for each day that expires after such time until the Work is completed and ready for final payment.

3. **Liquidated damages for failing to timely attain Substantial Completion and final completion are not additive and will not be imposed concurrently.**

**ARTICLE 5 – CONTRACT PRICE**

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to adjustment under the Contract:

A. For all Work, at the prices stated in Contractor’s Bid, attached hereto as an exhibit.

**ARTICLE 6 – PAYMENT PROCEDURES**

6.01 **Submittal and Processing of Payments**

A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 **Progress Payments; Retainage**

A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor’s Applications for Payment on or about the 1st day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.

1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract
   a. 95 percent of Work completed (with the balance being retainage); and
   b. 95 percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).

B. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to 95 percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less 100 percent of Engineer’s estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.
6.03 **Final Payment**

A. Upon final completion and acceptance of the Work in accordance with Paragraph 15.06 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 15.06.

**ARTICLE 7 – INTEREST**

7.01 All amounts not paid when due shall bear interest at the maximum rate allowed by law and approved by the funding agency.

**ARTICLE 8 – CONTRACTOR’S REPRESENTATIONS**

8.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:

A. Contractor has examined and carefully studied the Contract Documents, and any data and reference items identified in the Contract Documents.

B. Contractor has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.

D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.

E. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor’s safety precautions and programs.

F. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.

G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.

H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

J. Contractor’s entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

ARTICLE 9 – CONTRACT DOCUMENTS

9.01 Contents

A. The Contract Documents consist of the following:
   1. This Agreement (pages 1 to 8, inclusive).
   2. Performance Bond (pages 00610-1 to 00610-3, inclusive).
   3. Payment Bond (pages 00615-1 to 00615-3, inclusive).
   4. General Conditions (pages 1 to 65, inclusive).
   5. Supplementary Conditions (pages 00800-1 to 00800-9, inclusive).
   6. Engineer’s Supplementary Conditions (pages ESC-1 to 29 including attachments, inclusive).
   7. Specifications as listed in the table of contents of the Project Manual.
   8. Drawings (not attached but incorporated by reference) consisting of 6 sheets with each sheet bearing the following general title:

   City of Lakeport Highway 29 Force Main Project

9. Addenda (numbers 1 to 2 inclusive).

10. Exhibits to this Agreement (enumerated as follows):
   a. Contractor’s Bid (pages 00410-1 to 00490-2, inclusive).

11. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
   a. Notice to Proceed.
   b. Work Change Directives.
   c. Change Orders.
   d. Field Orders.

B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).

C. There are no Contract Documents other than those listed above in this Article 9.

D. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.
ARTICLE 10 – MISCELLANEOUS

10.01 Terms
A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

10.02 Assignment of Contract
A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 Successors and Assigns
A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 Severability
A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.05 Contractor’s Certifications
A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:

1. “corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process or in the Contract execution;

2. “fraudulent practice” means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;

3. “collusive practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and

4. “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.
10.06 Other Provisions

A. Owner stipulates that if the General Conditions that are made a part of this Contract are based on EJCDC® C-700, Standard General Conditions for the Construction Contract, published by the Engineers Joint Contract Documents Committee®, and if Owner is the party that has furnished said General Conditions, then Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, through a process such as highlighting or “track changes” (redline/strikeout), or in the Supplementary Conditions.
IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.
This Agreement will be effective on __________ (which is the Effective Date of the Contract).

OWNER: City of Lakeport

__________________________________________
By: ________________________________________
Title: ________________________________________
(If Contractor is a corporation, a partnership, or a joint
venture, attach evidence of authority to sign.)
Attest: ______________________________________
Title: ________________________________________
Address for giving notices:
____________________________________________
____________________________________________
____________________________________________
License No.: __________________________________
(where applicable)
(If Owner is a corporation, attach evidence of authority
to sign. If Owner is a public body, attach evidence of
authority to sign and resolution or other documents
authorizing execution of this Agreement.)

NOTE TO USER: Use in those states or other
jurisdictions where applicable or required.
ATTACHMENT TO AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)

This attachment is to the Agreement made and entered into on ____________________, by and between the City of Lakeport hereinafter “Owner”, and Allen Gill Construction, Inc. hereinafter called “Contractor.” This Contract is for that Work described in the Contract Documents entitled:

Highway 29 Force Main Project

This Contract shall not be effective unless and until approved by a delegated representative of USDA Rural Development.

CERTIFICATE OF OWNER’S ATTORNEY

I, the undersigned,_______________________________________ the duly authorized and acting legal representative of____________________________________________, do hereby certify as follows:

I have examined the attached Contract(s) and performance and payment bond(s) and the manner of execution thereof, and I am of the opinion that each of the aforesaid agreements has been duly executed by the proper parties thereto acting through their duly authorized representatives; that said representatives have full power and authority to execute said agreements on behalf of the respective parties named thereon; and that the foregoing agreements constitute valid and legally binding obligations upon the parties executing the same in accordance with terms, conditions, and provisions thereof. I also am of the opinion that the Contractor’s insurance coverage(s) complies with the requirements of the Contract.

____________________________________
(Attorney’s Signature)

DATE:______________________________

AGENCY CONCURRENCE

As lender or insurer of funds to defray the costs of this Contract, and without liability for any payments thereunder, the Agency hereby concurs in the form, content, and execution of this Agreement.

BY:______________________________ DATE:______________________________

TITLE:______________________________
PERFORMANCE BOND

CONTRACTOR (name and address): Allen Gill Construction, Inc.
P.O. Box 35
Millville, CA 96062

SURETY (name and address of principal place of business):

OWNER: City of Lakeport
225 Park Street
Lakeport, CA 95453

CONSTRUCTION CONTRACT
Effective Date of the Agreement: ____________________________
Amount: $523,683.00
Description: Highway 29 Force Main Project

BOND
Bond Number: ____________________________
Date (not earlier than the Effective Date of the Agreement of the Construction Contract):
Amount: ____________________________
Modifications to this Bond Form: □ None □ See Paragraph 16

Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Performance Bond to be duly executed by an authorized officer, agent, or representative.

CONTRACTOR AS PRINCIPAL
_________________________________________ (seal)
Contractor’s Name and Corporate Seal

By: ____________________________
Signature

Print Name
Title
Attest: ____________________________
Signature
Title

SURETY
_________________________________________ (seal)
Surety’s Name and Corporate Seal

By: ____________________________
Signature (attach power of attorney)

Print Name
Title
Attest: ____________________________
Signature
Title

Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.
1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

2. If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Paragraph 3.

3. If there is no Owner Default under the Construction Contract, the Surety’s obligation under this Bond shall arise after:

   3.1 The Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice shall indicate whether the Owner is requesting a conference among the Owner, Contractor, and Surety to discuss the Contractor’s performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner’s notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Paragraph 3.1 shall be held within ten (10) business days of the Surety’s receipt of the Owner’s notice. If the Owner, the Contractor, and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner’s right, if any, subsequently to declare a Contractor Default;

   3.2 The Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and

   3.3 The Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.

4. Failure on the part of the Owner to comply with the notice requirement in Paragraph 3.1 shall not constitute a failure to comply with a condition precedent to the Surety’s obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.

5. When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety’s expense take one of the following actions:

   5.1 Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;

   5.2 Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;

   5.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owners concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Paragraph 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or

5.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor, and with reasonable promptness under the circumstances:

   5.4.1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or

   5.4.2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.

6. If the Surety does not proceed as provided in Paragraph 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Paragraph 5.4, and the Owner refuses the payment or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

7. If the Surety elects to act under Paragraph 5.1, 5.2, or 5.3, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication for:

   7.1 the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;

   7.2 additional legal, design professional, and delay costs resulting from the Contractor’s Default, and resulting from the actions or failure to act of the Surety under Paragraph 5; and

   7.3 liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

8. If the Surety elects to act under Paragraph 5.1, 5.3, or 5.4, the Surety’s liability is limited to the amount of this Bond.

9. The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors, and assigns.

10. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.
11. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this paragraph are void or prohibited by law, the minimum periods of limitations available to sureties as a defense in the jurisdiction of the suit shall be applicable.

12. Notice to the Surety, the Owner, or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears.

13. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

14. Definitions

14.1 Balance of the Contract Price: The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made including allowance for the Contractor for any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

14.2 Construction Contract: The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.

14.3 Contractor Default: Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.

14.4 Owner Default: Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

14.5 Contract Documents: All the documents that comprise the agreement between the Owner and Contractor.

15. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

16. Modifications to this Bond are as follows:
PAYMENT BOND

CONTRACTOR (name and address):
Allen Gill Construction, Inc.
P.O. Box 35
Millville, CA 96062

SURETY (name and address of principal place of business):

OWNER: City of Lakeport
225 Park Street
Lakeport, CA 95453

CONSTRUCTION CONTRACT
Effective Date of the Agreement:
Amount: $523,683.00
Description: Highway 29 Force Main Project

BOND
Bond Number:
Date (not earlier than the Effective Date of the Agreement of the Construction Contract): 
Amount: 
Modifications to this Bond Form: □ None □ See Paragraph 18

Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Payment Bond to be duly executed by an authorized officer, agent, or representative.

CONTRACTOR AS PRINCIPAL

(seal)
Contractor’s Name and Corporate Seal

By: 
Signature 

Print Name
Title
Attest: 
Signature 

Title

SURETY

(seal)
Surety’s Name and Corporate Seal

By: 
Signature (attach power of attorney)

Print Name
Title
Attest: 
Signature

Title

Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party shall be considered plural where applicable.
1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner to pay for labor, materials, and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.

2. If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies, and holds harmless the Owner from claims, demands, liens, or suits by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.

3. If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 13) of claims, demands, liens, or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, and tendered defense of such claims, demands, liens, or suits to the Contractor and the Surety.

4. When the Owner has satisfied the conditions in Paragraph 3, the Surety shall promptly and at the Surety's expense defend, indemnify, and hold harmless the Owner against a duly tendered claim, demand, lien, or suit.

5. The Surety's obligations to a Claimant under this Bond shall arise after the following:

5.1 Claimants who do not have a direct contract with the Contractor,

5.1.1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and

5.1.2 have sent a Claim to the Surety (at the address described in Paragraph 13).

5.2 Claimants who are employed by or have a direct contract with the Contractor have sent a Claim to the Surety (at the address described in Paragraph 13).

6. If a notice of non-payment required by Paragraph 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Paragraph 5.1.1.

7. When a Claimant has satisfied the conditions of Paragraph 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:

7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and

7.2 Pay or arrange for payment of any undisputed amounts.

7.3 The Surety's failure to discharge its obligations under Paragraph 7.1 or 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Paragraph 7.1 or 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

8. The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Paragraph 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

9. Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

10. The Surety shall not be liable to the Owner, Claimants, or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to or give notice on behalf of Claimants, or otherwise have any obligations to Claimants under this Bond.

11. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.
12. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Paragraph 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

13. Notice and Claims to the Surety, the Owner, or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.

14. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

15. Upon requests by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

16. Definitions

16.1 Claim: A written statement by the Claimant including at a minimum:

1. The name of the Claimant;
2. The name of the person for whom the labor was done, or materials or equipment furnished;
3. A copy of the agreement or purchase order pursuant to which labor, materials, or equipment was furnished for use in the performance of the Construction Contract;
4. A brief description of the labor, materials, or equipment furnished;
5. The date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
6. The total amount earned by the Claimant for labor, materials, or equipment furnished as of the date of the Claim;
7. The total amount of previous payments received by the Claimant; and
8. The total amount due and unpaid to the Claimant for labor, materials, or equipment furnished as of the date of the Claim.

16.2 Claimant: An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials, or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic’s lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms of “labor, materials, or equipment” that part of the water, gas, power, light, heat, oil, gasoline, telephone service, or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor’s subcontractors, and all other items for which a mechanic’s lien may be asserted in the jurisdiction where the labor, materials, or equipment were furnished.

16.3 Construction Contract: The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

16.4 Owner Default: Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

16.5 Contract Documents: All the documents that comprise the agreement between the Owner and Contractor.

17. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

18. Modifications to this Bond are as follows:
STAFF REPORT

RE: Purchase Orders for Tenant Improvements to Former Police Station

MEETING DATE: January 17, 2017

SUBMITTED BY: Douglas Grider, Public Works Director

PURPOSE OF REPORT: Discussion

WHAT IS BEING ASKED OF THE CITY COUNCIL/BOARD:

The City Council is being asked to authorize a budget amendment in the amount of $26,060.00 to account 110-3030-990.000 for tenant improvements for the former Lakeport Police Station located at 916 North Forbes Street. The improvements are related to new floor coverings and interior paint.

BACKGROUND/DISCUSSION:

The Lakeport Police Department intends to vacate their current headquarters on North Forbes Street in January 2017. The City is pleased to announce that a new tenant has agreed to lease this facility beginning in February 2017.

To offer a clean and attractive office space to the new tenants, it has been determined that the existing worn floor coverings (carpet and vinyl flooring) must be replaced. New interior paint on the walls and ceilings is also needed. All bids/quotes for these improvements were from local vendors.

Floor coverings:

1. Magic Interiors, Lakeport  Non Responsive
2. The Carpet Man/Floors to Go, Clearlake  $19,500.00 Low bid
3. Premier Flooring, Lakeport  Non responsive

City staff recommends a Purchase Order be issued for the lowest bid of $19,500.00

Interior paint:

1. Bour Painting, Kelseyville  $6,560.00 Low bid
2. Dewey & Sons, Lakeport  $8,422.00
3. Cani Painting, Lakeport  $14,920.00

Staff recommends that a Purchase Order be issued for the lowest bid of $6,560.00
Staff intends to coordinate completion of the needed tenant improvements prior to the new tenants occupying the office space.

Funds for these property improvements are proposed to be charged to the City’s General Fund (110).

OPTIONS:

1. Authorize a budget amendment in the amount of $26,060.00 to account 110-3030-990.000 for tenant improvements (floor coverings and interior paint) for the former Lakeport Police Station located at 916 North Forbes Street.

2. Do not approve but provide direction to staff.

3. Choose to take no action.

FISCAL IMPACT:

- None ☐ $26,060.00 ☒ Budgeted Item? ☐ Yes ☒ No
- Budget Adjustment Needed? ☒ Yes ☐ No  If yes, amount of appropriation increase: $26,060.00
- Affected fund(s): ☒ General Fund ☐ Water OM Fund ☐ Sewer OM Fund ☐ Other:

Comments:

SUGGESTED MOTION:

Move to authorize a budget amendment in the amount of $26,060.00 to account 110-3030-990.000 for tenant improvements (floor coverings and interior paint) for the former Lakeport Police Station located at 916 North Forbes Street.

Attachments:  1. Carpet Man/Floors-to-go Bid with Prevailing Wage
               2. Bour Painting Bid with Prevailing Wage
January 6, 2017

Lakeport Police Department 
916 N. Forbes 
Lakeport  

263-5491 (Lt Ferguson) 
484-5948 (Jim) 
dgrider@cityoflakeport.com

The Carpet Man proposes to furnish all materials and perform all labor necessary to complete the following:

- Carpet – Commercial 26 oz. Nonravel – 101.2 sy @ $11.95 sy  
  (Sergeant’s Office, Lieutenant’s Office, Main Center Area, Crew Room, Closets)  
  $1,209.34

- Vinyl – 14 sy @ $15.95 sy  
  (Kitchen, Middle Bathroom)  
  223.30

- Vinyl – 6.67 sy @ $15.95 sy  
  (Bathrooms)  
  106.39

- 6’ Rubber Base in Kitchen & 2 Bathrooms – 104 lf @ $3.00 lf  
  312.00

- 4’ Rubber Base in Offices, Main Center Area – 215 lf @ $3.00 lf  
  645.00

- Snaplock Transition – 15 lf @ $3.00 lf  
  45.00

- Freight  
  inc in other bid

- Tax – 7.75%  
  196.93

- CA Carpet Stewardship Assessment Fee – 101.2 sy @ $0.25 sy  
  25.30

- Material Total  
  $2,763.26

- Labor to install glue-down carpet

- Tear-up glued down carpet in 2 Offices

- Fill cracks & float around foundation and outer back wa

- Tear-up V.C.T. in 2 Bathrooms

- Remove & reset 2 toilets

- Move refrigerator

- Labor to install vinyl

- Debris cleanup & dump fees

- Labor Total – Prevailing Wage  
  $4,736.74

Total  
$7,500.00

All of the above work to be completed in a substantial and workman-like manner according to standard practices. Payment to be discussed upon acceptance of bid. Any balance not paid upon completion of job will be subject to a finance charge of 2% per month. Customer agrees to pay all collection costs.

If you have any questions, please feel free to give me a call.

Thank you
Adam Knernschild

ACCEPTANCE

The Carpet Man is hereby authorized to furnish all materials and labor required to complete the work specified in the above proposal, for which the undersigned agree to pay amount specified in said proposal, and according to the terms thereof.

(707) 263-8834 / (707) 994-5318
(707) 994-5543 - fax
January 6, 2017

Lakeport Police Department 263-5491 (Lt Ferguson)
916 N. Forbes 484-5948 (Jim)
Lakeport dgrider@cityoflakeport.com

The Carpet Man proposes to furnish all materials and perform all labor necessary to complete the following:

- Carpet – Commercial 26 oz. Nonravel – 125.33 sy @ $11.95 sy $1,497.69
  (Chief’s Office, Guidance Room, Center Main Area, Store Room)
- Vinyl – 9.2 sy @ $15.95 sy 146.74
  (2 Bathrooms)
- 4” Rubber Base in Chief’s Office, Guidance Room & all main areas – 335 lf @ $3.00 lf 1,005.00
- 6” Rubber Base in 2 Bathrooms – 120 lf @ $3.00 lf 360.00
- Snaplock – 6 lf @ $3.00 lf 18.00
- Freight inc in other bid
- Sales Tax – 7.75% 234.63
- CA Carpet Stewardship Assessment Fee – 125.33 sy @ $0.25 sy 31.33
- Material Total 3,293.39

Labor to install glue down carpet
- Tear-up glue down carpet
- Fill cracks & float around outside walls in back
- Tear-up vinyl in 2 Bathrooms
- Remove & reset 2 toilets
- Labor to install vinyl
- Debris cleanup & dump fees
- Labor Total 4,706.61

Total 8,000.00

All of the above work to be completed in a substantial and workman-like manner according to standard practices. Payment to be discussed upon acceptance of bid. Any balance not paid upon completion of job will be subject to a finance charge of 2% per month. Customer agrees to pay all collection costs.

If you have any questions, please feel free to give me a call.

Thank you
Adam Knernschild

ACCEPTANCE

The Carpet Man is hereby authorized to furnish all materials and labor required to complete the work specified in the above proposal, for which the undersigned agree to pay amount specified in said proposal, and according to the terms thereof.

X ____________________________

(707) 263-8834 / (707) 994-5318
(707) 994-5543 - fax
December 15, 2016

Lakeport Police Department
916 N. Forbes
Lakeport

263-5491 (Lt Ferguson)
484-5948 (Jim)
dgrider@cityoflakeport.com

The Carpet Man proposes to furnish all materials and perform all labor necessary to complete the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carpet – 26 oz. Commercial Nonravel – 52.8 sy @ $11.95 sy (Recorder Office)</td>
<td>$630.96</td>
</tr>
<tr>
<td>Vinyl – 9.73 sy @ $15.95 sy (Lobby, Bathroom)</td>
<td>155.19</td>
</tr>
<tr>
<td>4” Rubber Base in Main Room &amp; Lobby – 115 lf @ $3.00 lf</td>
<td>345.00</td>
</tr>
<tr>
<td>6” Rubber Base in Bathroom – 26 lf @ $3.00 lf</td>
<td>78.00</td>
</tr>
<tr>
<td>Snaplock – 3 lf @ $3.00 lf</td>
<td>9.00</td>
</tr>
<tr>
<td>Freight</td>
<td>75.00</td>
</tr>
<tr>
<td>Sales Tax – 7.75%</td>
<td>94.41</td>
</tr>
<tr>
<td>CA Carpet Stewardship Assessment Fee – 52.8 sy @ $0.25 sy</td>
<td>13.20</td>
</tr>
<tr>
<td>Material Total</td>
<td>$1,400.76</td>
</tr>
</tbody>
</table>

Labor to install glue down carpet
Tear-up commercial glue down carpet
Tear-up vinyl in Bathroom
Remove & reset one toilet
Labor to install vinyl
Debris cleanup & dump fees
Labor Total
$2,599.24

Total
$4,000.00

All of the above work to be completed in a substantial and workman-like manner according to standard practices. Payment to be discussed upon acceptance of bid. Any balance not paid upon completion of job will be subject to a finance charge of 2% per month. Customer agrees to pay all collection costs.

If you have any questions, please feel free to give me a call.

Thank you
Adam Knernscheid

ACCEPTANCE

The Carpet Man is hereby authorized to furnish all materials and labor required to complete the work specified in the above proposal, for which the undersigned agree to pay amount specified in said proposal, and according to the terms thereof.

X

(707) 263-8834 / (707) 994-5318
(707) 994-5543 - fax
Here is my revised bid with ceilings being painted with a different color than the walls. Fix the ceiling where the water leak was. Remove and dispose of all baseboards, fill holes in walls before painting. Paint all previously painted areas throughout all offices. Figured materials and dump fees, $1,400.

Estimated hours figured out at prevailing wage is 86 hours @ $60. per hour $5,160.

Total estimate $6,560.

Thank you,
Jeff Bour
Bour Painting
CA license #716523
707-245-4890
STAFF REPORT

RE: Groundwater Sustainability Agency for Scotts Valley Basin under the Sustainable Groundwater Management Act

MEETING DATE: 1/17/2017

SUBMITTED BY: David Ruderman, City Attorney

PURPOSE OF REPORT: ☑ Information only ☑ Discussion ☑ Action Item

WHAT IS BEING ASKED OF THE CITY COUNCIL/BOARD:

The City Council is being asked to provide direction to staff to move forward with the formation of a groundwater sustainability agency for the Scotts Valley groundwater basin that underlies the City.

BACKGROUND/DISCUSSION:

Introduction

In 2014, the California Legislature passed the Sustainable Groundwater Management Act (“Act”) to regulate the state’s groundwater. The Act regulates individual aquifers through formation of one or more “groundwater sustainability agencies” (“GSAs”) specific to that groundwater basin or a portion thereof. GSAs will develop groundwater sustainability plans (“GSPs”), which will study conditions and plan for management of groundwater extractions through monitoring, regulation, and fines for enforcement. The Act authorizes one or more local agencies with water supply, water management, or land use responsibilities — including the City — that overlie a groundwater basin to form a GSA for that basin.¹ For any groundwater basins designated as medium- or high-priority by the Department of Water Resources’ (“DWR”) Bulletin 118, the Act requires that a GSA be formed by June 30, 2017 and a GSP adopted by January 31, 2020 if the basin is subject to critical conditions of overdraft.² For medium- and high-priority basins, a GSP must be adopted by January 31, 2022.³ Once formed, GSAs have broad authority to regulate groundwater for their basins.⁴ If a portion of a basin is not managed by a GSA, the county is presumed to be the GSA for that unmanaged area.⁵ If these deadlines are not otherwise met, the State Water Resources Control Board (“SWRCB”) may designate the basin as “probationary” and adopt an interim GSP.⁶

The Scotts Valley groundwater basin that underlies the City is designated as a medium-priority basin. Therefore, if the City wishes to form a GSA for this basin or a portion of it, it must do so by June 30, 2017. The GSP will need to be adopted by January 31, 2022.

¹ Wat. Code, §§ 10721, subd. (m), 10723 [all further references are to the Water Code unless otherwise stated]
² § 10735.2, subd. (a); see also § 10720.7, subd. (a)(1)
³ § 10735.2, subd. (a); see also § 10720.7, subd. (a)(1) and (2)
⁴ §§ 10725-10726.9
⁵ § 10724, subd. (a)
⁶ §§ 10735.2, 10735.4, 10735.6, 10735.8.
Powers of a GSA. GSAs may investigate groundwater conditions for the basin they regulate, prepare Groundwater Sustainability Plans (“GSPs”), create ordinances and regulations for groundwater use, and enforce any restrictions placed on extraction. Specifically, a GSA may

- regulate new well construction, reactivation of abandoned wells, and enlargement of existing groundwater wells;
- limit or suspend extractions from individual groundwater wells or extractions from groundwater wells in the aggregate;
- enact and transfer extraction allocations, either temporarily or permanently;
- require extractors to operate on a rotation basis; and
- impose fees to pay for the costs of regulating groundwater, or for providing active management services including purchases of real property or supplemental water.

The GSA is responsible for monitoring its basin, and updating the GSP every five years. In addition, if SWRCB finds that the basin is being poorly managed, the GSA responsible for it must comply with interim orders from the SWRCB to correct whatever deficiencies the board identifies. Ultimately, the SWRCB may essentially take control of the basin if necessary to protect it.

GSA Formation Procedures. A GSA may be formed by a local agency on its own, or together with other local agencies as part of a joint powers agreement, memorandum of agreement, or “other legal agreement.” To form a GSA, a local agency or a group of local agencies must:

1. Establish and maintain a list of persons interested in receiving notices regarding plan preparation, meeting announcements, and availability of draft plans, maps, and other relevant documents.
2. Set a public hearing on a resolution to form a GSA and adoption of any rules or regulations for the GSA.
3. Publish notice of that hearing once a week for two weeks.
4. Hold the noticed public hearing on GSA formation in the county overlying the basin and approve a resolution forming the GSA.

GSA Formation Notices. Within 30 days of deciding to form a GSA for their basin, the local agency or agencies must provide notice to DWR of their decision to undertake groundwater management by submitting the following information:

1. Service area boundaries, boundaries of the groundwater basin or portion of the groundwater basin to be managed, and the local agencies that will manage it,
2. Copy of the resolution(s) forming the GSA,
3. Copy of any new rules or regulations adopted by the local agencies for purposes of the GSA, and
4. List of “interested parties” for the groundwater basin and an explanation of how their interests will be considered in regulating the groundwater basin.

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7 § 10725.4
8 § 10727. Basins designated medium or high priority must prepare a GSP; other basins may develop a GSP. If multiple GSAs share a basin, their GSP or GSPs must be coordinated in both development and enforcement. See also § 10727.6. The GSP process must include public input, and input from interested persons and entities within the basin. The GSA must give notice to any City within the basin, and to the County, at least 90 days prior to adopting the GSP.
9 § 10725.2
10 § 10726.4
11 Construction, of course, is still subject to local ordinances and permitting requirements.
12 §§ 10730 [regulatory fees], 110730.2 [service fees]
13 § 10723.6, subd. (a)
14 10723.8, subd. (a)
Once received, DWR conducts a “completeness review,” discussed below. Once DWR determines that a notice is complete, the notice is posted to its website and the GSA is formed 90 days after posting.

**DWR Completeness Review.** If more than one notice is submitted for the same groundwater basin or service area within the same 90 day period, then no GSA is formed and the Act directs the local agencies to seek an agreement where one of the notices is withdrawn or the proposed service areas are modified to eliminate any overlap in jurisdiction. Thus, the Act prevents the formation of GSAs with overlapping jurisdictions and requires local agencies to resolve the discrepancy before a GSA may be formed. It essentially requires all local agencies with jurisdiction over a basin or service area to agree on the local agencies that will be part of the GSA before it may be formed.

In addition, DWR’s “completeness review” includes determining whether local agencies forming a GSA have identified all “interested parties” and how their interests will be considered in regulating the groundwater basin before the GSA may be formed. It’s unclear how this authority will be used, however, DWR may now delay the formation of a GSA if it determines this aspect of the notice is insufficient. The interested parties that must be taken into consideration include:

1. Holders of groundwater rights for the basin, including agricultural users and domestic well owners,
2. Municipal well operators (i.e., local governments that pump groundwater),
3. Public water systems,
4. Local land use planning agencies,
5. Environmental users of groundwater,
6. Surface water users that affect groundwater resources,
7. The federal government, including the military and managers of federal lands,
8. California Native American tribes,
9. Disadvantaged communities especially those served by private domestic wells or small community water systems, and
10. Other local agencies interested in groundwater resources.

Thus, local agencies forming a GSA must identify all of the parties listed above that may be affected by groundwater regulation in the basin or proposed service area and develop a plan for how their interests will be considered in the development and implementation of the GSP before providing notice to DWR and forming the GSA.

**Exceeding Service Area Boundaries.** The Act provides that local agencies may only form a GSA for that portion of the groundwater basin within their “service area.” Thus, it is no longer theoretically possible for a single local agency to be a GSA for an entire groundwater basin unless the basin is entirely within the local agency’s service area. If local agencies submit notices to form a GSA to DWR that include groundwater management exceeding their service area boundaries, DWR may find the notice incomplete and the GSA will not be formed. As a practical matter, this also means that counties will be the GSA for areas of a groundwater basin not within the service area of any other local agency.

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15 § 10723.8, subd. (b)
16 § 10723.8, subd. (c)
17 Ibid
18 §§ 10723.8, subd. (a), 10723.2
19 § 10723.8, subd. (d)
20 § 10723.8, subd. (b); See also Department of Water Resources, GSA Formation Notification Guidelines for Local Agencies: Actions for Local Agencies to Follow When Deciding to Become or Form a Groundwater Sustainability Agency (GSA) (Oct. 27, 2015) <http://www.water.ca.gov/groundwater/sgm/pdfs/GSA_Notification_Requirements_2015-10-27.pdf> [as of Nov. 3, 2015]
21 See § 10724
Scotts Valley Basin. There are limited exceptions to the Act’s requirement to form GSAs. One option is where a local agency can submit an “Alternative Plan” showing 10 years’ of basin conditions in which it operated within a sustainable yield, supported by a report prepared by a registered professional engineer or geologist, which is functionally equivalent to a GSP. The County has filed an “Alternative Plan” with DWR that includes the Scotts Valley basin before January 1, 2017. There will be a 60-day public comment period on the “Alternative Plan,” but DWR is not expected to make a finding on whether the County’s plan is adequate for some two years — well after the June 30, 2017 deadline to form a GSA. If it is found to be adequate, the Scotts Valley basin will not be required to have a GSA or prepare a GSP.

City staff has discussed with County staff the possibility of forming a joint powers authority to become the GSA for Scotts Valley and has even prepared a draft joint powers agreement. However, County staff is currently recommending to the Board of Supervisors that the County form a single GSA covering all groundwater basins in the County (including the Scotts Valley basin) for ease of administration. As far as staff understands, the current recommendation would give the City a non-voting seat on a technical advisory committee as one of the interested parties in the regulation of groundwater.

Conclusion

GSAs have the potential to be powerful agencies that create a new opportunity for the City to engage in management of a resource which is vital to future development and sustainable growth. Although staff’s preference is to form a JPA with the County to be the GSA for the entire Scotts Valley basin, because County staff is no longer recommending this form of GSA, staff recommends the City pursue forming a GSA on its own. Should there be overlapping boundaries on any GSAs formed by both the City and the County, DWR will require them to be resolved before it approves the GSA.

OPTIONS:

1. Direct staff to begin work on declaring the City as the GSA for the area within the Scotts Valley basin that is within the City’s service area.
2. Provide other direction to staff regarding the formation of a GSA for the Scotts Valley groundwater basin.
3. Take no action.

FISCAL IMPACT:

[ ] None  [x] $ TBD  Budgeted Item?  [ ] Yes  [ ] No  

Budget Adjustment Needed?  [ ] Yes  [ ] No  If yes, amount of appropriation increase: $  

Affected fund(s):  [ ] General Fund  [ ] Water OM Fund  [ ] Sewer OM Fund  [ ] Other:  

Comments:  

SUGGESTED MOTIONS:

Move to direct staff to initiate the formation of a groundwater sustainability agency for the area of the Scotts Valley basin within the City’s service area and bring back dates for a public hearing on a resolution to form a GSA.