



Council Chambers
200 H Street
Antioch, CA 94509

Closed Session - 5:00 P.M.
Regular Meeting - 7:00 P.M.

ANNOTATED AGENDA

for

May 8, 2018

Antioch City Council
Regular Meeting

Sean Wright, Mayor
Lamar Thorpe, Mayor Pro Tem
Monica E. Wilson, Council Member
Tony Tiscareno, Council Member
Lori Ogorchock, Council Member

Arne Simonsen, CMC, City Clerk
Donna Conley, City Treasurer

Ron Bernal, City Manager
Derek Cole, Interim City Attorney

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Notice of Availability of Reports

This agenda is a summary of the actions proposed to be taken by the City Council. For almost every agenda item, materials have been prepared by the City staff for the Council's consideration. These materials include staff reports which explain in detail the item before the Council and the reason for the recommendation. The materials may also include resolutions or ordinances which are proposed to be adopted. Other materials, such as maps and diagrams, may also be included. All of these materials are available at the City Clerk's Office, located on the 3rd Floor of City Hall, 200 H Street, Antioch, CA 94509, during normal business hours for inspection and (for a fee) copying. Copies are also made available at the Antioch Public Library for inspection. Questions on these materials may be directed to the staff member who prepared them, or to the City Clerk's Office, who will refer you to the appropriate person.

Notice of Opportunity to Address Council

The public has the opportunity to address the Council on each agenda item. To address the Council, fill out a yellow Speaker Request form, available on each side of the entrance doors, and place in the Speaker Card Tray. See the Speakers' Rules on the inside cover of this Agenda. Comments regarding matters not on this Agenda may be addressed during the "Public Comments" section.

5:02 P.M. ROLL CALL – CLOSED SESSIONS – for Council Members – *Council Members Wilson, Tiscareno Ogorchock and Mayor Wright (Mayor Pro Tem Thorpe arrived at 6:00 p.m.)*

PUBLIC COMMENTS for Closed Sessions – *None*

CLOSED SESSIONS:

1) **CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION** – Potential Litigation pursuant to Election Code 14025: California Voter Rights Act Demand Letter.

No action taken

2) **CONFERENCE WITH LEGAL COUNSEL** – Existing Litigation pursuant to California Government Code §54956.9 (d)(1): Discovery Builders/CEQA case v. City of Antioch

No reportable action

3) **CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION** – Significant exposure to litigation pursuant to California Government Code §54956.9 (d)(2): One case.

No reportable action

4) **PUBLIC EMPLOYEE PERFORMANCE EVALUATION: City Manager.** This closed session is authorized pursuant to Government Code section 54957.

No reportable action

7:00 P.M. ROLL CALL – REGULAR MEETING – for Council Members – *All Present*

PLEDGE OF ALLEGIANCE

1. PROCLAMATION

- Community Resilience Challenge East Bay, May 2018

STAFF REPORT

Approved, 5/0

Recommended Action: It is recommended that the City Council approve the proclamation.

ANNOUNCEMENTS OF CIVIC AND COMMUNITY EVENTS

ANNOUNCEMENTS OF BOARD AND COMMISSION OPENINGS

- SALES TAX CITIZENS' OVERSIGHT COMMITTEE
- BOARD OF ADMINISTRATIVE APPEALS

PUBLIC COMMENTS – *Members of the public may comment only on unagendized items. The public may comment on agendized items when they come up on this Agenda.*

CITY COUNCIL COMMITTEE REPORTS

MAYOR'S COMMENTS

2. CONSENT CALENDAR

A. APPROVAL OF COUNCIL MINUTES FOR APRIL 10, 2018

Recommended Action: It is recommended that the City Council approve the minutes. **Approved, 5/0**
STAFF REPORT

B. APPROVAL OF COUNCIL SPECIAL MEETING/WORKSHOP MINUTES FOR APRIL 14, 2018

Recommended Action: It is recommended that the City Council approve the Special Meeting/Workshop Minutes. **Approved, 5/0**
STAFF REPORT

C. APPROVAL OF COUNCIL MINUTES FOR APRIL 24, 2018

Recommended Action: It is recommended that the City Council approve the minutes. **Approved, 5/0**
STAFF REPORT

D. APPROVAL OF COUNCIL SPECIAL MEETING/WORKSHOP MINUTES FOR MAY 5, 2018

Recommended Action: It is recommended that the City Council continue the Special Meeting/Workshop Minutes to the next meeting. **Continued, 5/0**
STAFF REPORT

E. APPROVAL OF COUNCIL WARRANTS

Recommended Action: It is recommended that the City Council approve the warrants. **Approved, 5/0**
STAFF REPORT

F. CONSIDERATION OF BIDS FOR THE FAWN HILL WAY WATER MAIN REPLACEMENT (P.W. 503-17)

Recommended Action: It is recommended that the City Council award the Fawn Hill Way Water Main Replacement contract and authorize the City Manager to execute an agreement with the lowest, responsive bidder, R.J. Gordon Construction, Inc. in the amount of \$1,396,725. **Reso No. 2018/51 adopted, 5/0**
STAFF REPORT

CONSENT CALENDAR – Continued

- G.** RESOLUTION APPROVING CONSOLIDATED ENGINEER'S REPORT AND DECLARING INTENTION TO LEVY AND COLLECT ASSESSMENTS FOR THE HILLCREST, CITYWIDE, DOWNTOWN, ALMONDRIDGE, LONE TREE, AND EAST LONE TREE LANDSCAPE MAINTENANCE DISTRICTS, AND SETTING PUBLIC HEARING (PW 500)

Reso No. 2018/52 adopted, 5/0

Recommended Action: It is recommended that the City Council adopt the resolution approving the Consolidated Engineer's Report and setting June 26, 2018 as the date for the Public Hearing.

STAFF REPORT

- H.** FIRST AMENDED AND RESTATED LEASE AGREEMENT OF CITY-OWNED PROPERTY (APN 074-080-029) WITH MESA ANTIOCH, LLC

Reso No. 2018/53 adopted, 5/0

Recommended Action: It is recommended that the City Council adopt a resolution authorizing the City Manager to execute a First Amended and Restated Lease Agreement of City-Owned Property (APN 074-080-029) with Mesa Antioch, LLC.

STAFF REPORT

PUBLIC HEARING

- 3.** SECOND READING – ORDINANCE ENACTING SECTION 2-1.303 OF TITLE 2 OF THE ANTIOCH MUNICIPAL CODE ADOPTING A BY-DISTRICT SYSTEM FOR ELECTING MEMBERS OF THE CITY COUNCIL (*Introduced on 04/10/18*)

Recommended Action: It is recommended that the City Council take the following actions:

Ord. No. 2141-C-S adopted, 4/1-Ogorchock

- 1) Enactment and waiver of second reading of an ordinance adopting a district-based system of electing Antioch City Council members and establishing the dates for the implementation of district-based City Council elections; and

**Reso No. 2018/54 adopted (with Working Draft 1 Map),
3/2-Wright, Ogorchock**

- 2) Adoption of a Resolution Approving the Districts Map for Antioch City Council Elections.

**District numbers for the Antioch Council District Map were voted by Council:
In the November 2020 District-based system of electing Antioch City Council Members –
Districts 1 and 4 will be 2-year terms, and
Districts 2 and 3 will be 4-year terms,
5/0**

(Adopted Ordinance No. 2141-C-S, Resolution No. 2018/54, and final Antioch Council District Map attached)

STAFF REPORT

COUNCIL REGULAR AGENDA

- 4. RESOLUTION APPROVING THE AGREEMENT WITH ANTIOCH PUBLIC GOLF, INC. FOR THE OPERATION AND MANAGEMENT OF LONE TREE GOLF COURSE AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE AGREEMENT EFFECTIVE JULY 1, 2018 FOR A PERIOD OF FIFTEEN YEARS

Reso No. 2018/55 adopted, 5/0

Recommended Action: It is recommended that the City Council adopt a resolution approving the Agreement with Antioch Public Golf, Inc. for the operation and management of Lone Tree Golf Course and authorize the City Manager to execute the Agreement effective July 1, 2018 for a period of fifteen years.

STAFF REPORT

- 5. REPORT REGARDING EFFECT OF VOTES TAKEN AT THE APRIL 24, 2018 CITY COUNCIL MEETING REGARDING THE CONSIDERATION OF THE OAKLEY KNOLLS PROJECT ORDINANCE

Direction given to staff to bring back, 5/0

Recommended Action: It is recommended that the City Council decide whether to schedule at a future meeting the further consideration of the waiver of the second reading and enactment of the Oakley Knolls Project Ordinance.

STAFF REPORT

PUBLIC COMMENT

STAFF COMMUNICATIONS

COUNCIL COMMUNICATIONS AND FUTURE AGENDA ITEMS – *Council Members report out various activities and any Council Member may place an item for discussion and direction on a future agenda. Timing determined by Mayor and City Manager – no longer than 6 months.*

ADJOURNMENT – 9:23 p.m.



COMMUNITY RESILIENCE CHALLENGE EAST BAY
May 2018

WHEREAS, the health of our environment, economy, and society is essential for our current and future generations; and

WHEREAS, Sustainable Contra Costa is a key partner, providing our residents, students, businesses, and communities with the resources they need to be sustainable; and

WHEREAS, the Community Resilience Challenge East Bay inspires citizens to rise to the Challenge and help reach the goal of 8,500 collective actions in April and May by growing food, saving water and energy, reducing waste and pollution, and building a stronger, healthier, and thereby making our community a stronger, healthier and more resilient community; and

WHEREAS, actions taken through Community Resilience Challenge will have the added benefits of also reducing greenhouse gas emissions, saving money, and advancing community goals for health, safety, economic vitality, energy independence, and quality of life; and

WHEREAS, the City supports this collaborative effort bringing awareness to the need for local solutions to the pivotal issues facing our planet – from drought to food insecurity to climate change.

NOW, THEREFORE, I, SEAN WRIGHT, Mayor of the City of Antioch, do hereby proclaim May 2018 as “COMMUNITY RESILIENCE CHALLENGE MONTH” bringing the community together in action for a healthy, clean, and sustainable City and encourage all community members to register projects and actions at EastBayResilienceChallenge.org.

May 8, 2018

SEAN WRIGHT, Mayor

CITY COUNCIL MEETING

Special Meeting/Workshop
Regular Meeting
5:30 P.M.

April 10, 2018
Council Chambers

4:45 P.M. - CLOSED SESSION

- 1. CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION –** Potential Litigation pursuant to Election Code 14025: California Voter Rights Act Demand Letter.
- 2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS** pursuant to California Government Code section 54956.8: Orton/Libitzky owned Assessor's Parcel Numbers (APN No.'s): 066-110-009; 074-040-035; 066-101-001. City and Agency Negotiator, City Manager Ron Bernal; Parties – Orton/Libitzky, Antioch Marina LLC.
- 3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS** pursuant to California Government Code section 54956.8: City and Agency Negotiator, City Manager Ron Bernal; Parties – City Ventures.
- 4. PUBLIC EMPLOYEE PERFORMANCE EVALUATION: City Manager.** This closed session is authorized pursuant to Government Code section 54957.

Mayor Wright called the special meeting/workshop to order at 5:36 P.M., and City Clerk Simonsen called the roll.

Present: Council Members Wilson, Thorpe, Tiscareno, Ogorchock and Mayor Wright

PLEDGE OF ALLEGIANCE

Councilmember Ogorchock led the Council and audience in the Pledge of Allegiance.

SPECIAL MEETING/WORKSHOP

- 1. RECEIPT OF PUBLIC INPUT REGARDING THE DRAFTING OF A PROPOSED MAP OR MAPS FOR A DISTRICT-BASED SYSTEM OF ELECTING ANTIOCH CITY COUNCIL MEMBERS**

City Manager Bernal introduced the Special Meeting/Workshop item.

Interim City Attorney Cole presented the staff report dated April 10, 2018 recommending the City Council receive public input regarding the drafting of a proposed map or maps for a district-based system of electing Antioch City Council members.

In speaking to Quadrant Map B, Councilmember Tiscareno stated in the interest of residents who had contacted him, he was requesting Council consider moving the Delta Fair community of interest into district A, following the congressional district line for that area.

Jaime Clark noted that the change would mean larger deviations in districts A and D. She further noted other boundaries could be adjusted to even the districts.

In response to Council, Interim City Attorney Cole clarified that Working Draft Quadrant A addressed the issue of racially polarized voting; however, from a policy standpoint it did not follow standard procedure in respecting communities of interest.

Mayor Wright, also referencing Quadrant Map B, suggested designating Putnum Street the boundary between districts A and D to decrease the deviation.

Jaime Clark responded that the change would balance the districts and explained that the only communities of interest they had received before the deadline that would be split, would be the area above highway 4 and the Contra Loma/Delta Fair area.

Interim City Attorney Cole stated if Council considered the changes as previously discussed, he would suggest labeling it Quadrants C.

Mayor Wright suggested extending area D down Lone Tree Way to Deer Valley Road to follow the major thoroughfares.

Ms. Clark responded that the change requested would keep both areas in balance.

Marty Fernandez, Antioch resident, spoke in support of the Quadrants C map. He questioned how the process would affect Viera Lane residents and requested the City provide residents with costs associated for the district-based election process.

Interim City Attorney Cole announced an interpreter was present this evening to assist the public with translation services.

Garry Holman, Antioch resident, stated he opposed district-based elections because it was divisive; however, if the City moved forward, he would support the Quadrant Map that identified two Councilmembers for downtown.

Ralph Hernandez, Antioch resident, presented and reviewed a letter he submitted to the City opposing district-based elections.

Norma Hernandez, Antioch resident, stated she opposed district-based elections noting that they would disenfranchise voters and segregate residents of Antioch.

Allen Payton, Antioch resident, questioned if moving residents from the panhandle of area C into area B would balance districts.

Ms. Clark responded that the deviation would increase with the changes requested.

Dr. Jeffrey Klingler, Antioch resident, stated he was opposed to district-based elections. He sympathized with Council for having to make the decision and noted if the City moved forward, his preference would be the Quadrants C map.

Interim City Attorney Cole summarized the process and noted if Council approved the first reading and introduced the ordinance this evening; it would be brought back on May 8, 2018 for final approval. He requested Council provide direction on whether they wanted to advance one map or two maps to choose from, for final adoption on May 8, 2018.

Following discussion, the City Council directed staff to move forward with Work Draft Map 1 and Quadrants Map C. They encouraged residents to provide input into which map they preferred.

Interim City Attorney Cole stated it was his interpretation that Working Draft 1 or Quadrants Map C would meet the legal requirements of the California Voting Rights Act.

Mayor Wright adjourned the special meeting/workshop at 6:56 P.M.

Interim City Attorney Cole reported the City Council had been in Closed Session and gave the following report: **#1 CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION**, no reportable action, **#2 CONFERENCE WITH REAL PROPERTY NEGOTIATORS**, direction given to City Manager, **#3 CONFERENCE WITH REAL PROPERTY NEGOTIATORS**, direction given to City Manager; and, **#4 PUBLIC EMPLOYEE PERFORMANCE EVALUATION: City Manager**, no reportable action

Mayor Wright called the meeting to order at 7:14 P.M., and stated he would be opening and closing the meeting in honor of Tique Lee Caul., and City Clerk Simonsen called the roll.

Present: Council Members Wilson, Thorpe, Tiscareno, Ogorchock and Mayor Wright

PLEDGE OF ALLEGIANCE

Boy Scouts led the Council and audience in the Pledge of Allegiance.

Mayor Wright thanked the Boy Scout Troop #247 for attending the meeting and leading the Pledge of Allegiance.

PROCLAMATIONS

Keep Antioch Beautiful Day, April 21, 2018
Arbor Day, April 27, 2018

On motion by Councilmember Wilson, seconded by Councilmember Thorpe the Council unanimously approved the Proclamations.

Martha Parsons and members of the Keep Antioch Beautiful Committee thanked the City Council for the *Keep Antioch Beautiful Day* proclamation and invited the community to participate in the event from 8:30 A.M. – 11:00 P.M. on April 21, 2018.

Olga Schultz and members of the Antioch Garden Club thanked the City Council for the *Arbor Day* proclamation and announced that they would be joined by City staff and Boy Scout Troup #247 in a tree planting and picnic at 3:00 P.M. on April 27, 2018 at Mira Vista Park. They presented Council with geraniums.

ANNOUNCEMENTS OF CIVIC AND COMMUNITY EVENTS

Chief Brooks introduced George Harding IV as the new Animal Services Manager of Antioch Animal Services and gave a professional history.

George Harding IV stated he was happy to be in Antioch and he looked forward to serving the residents and pets in the community.

ANNOUNCEMENTS OF BOARD AND COMMISSION OPENINGS

City Clerk Simonsen announced the following Board and Commission openings:

- Contra Costa Transportation Authority - Citizens Advisory Committee: One (1) vacancy; deadline date is April 20, 2018
- Sales Tax Citizens' Oversight Committee: Seven (7) vacancies; deadline date is April 20, 2018
- Board of Administrative Appeals Alternate: One (1) vacancy; deadline date is April 20, 2018
- Police Crime Prevention Commission: One (1) vacancy; deadline date is April 13, 2018

He reported applications would be available in Council Chambers, online at the City's website and at the City Clerk's office.

PUBLIC COMMENTS - None

COUNCIL SUBCOMMITTEE REPORTS

Councilmember Wilson reported on her attendance at the Tri Delta Transit subcommittee meeting.

Councilmember Tiscareno reported on his attendance at the Golf Course subcommittee meeting.

Mayor Wright reported that he had also attended the Golf Course subcommittee meeting.

MAYOR'S COMMENTS

Mayor Wright stated that he had been on vacation in Utah hiking with his family and he encouraged everybody take time to enjoy their families. He announced a Strategic Planning and

Visioning Special Meeting/Workshop would be held at 9:00 A.M. on April 14, 2018 at the Nick Rodriguez Community Center.

PRESENTATION

Debbie Toth, President and Chief Executive Officer of Choice in Aging, gave an Age Friendly Community PowerPoint presentation. She invited the City Council to participate in the Learning Lab for Policy Makers from 9:00 A.M. – 3:30 P.M. on May 30, 2018 at the Center for Community Arts in Walnut Creek.

Councilmembers Ogorchock and Tiscareno responded that they would be attending the event.

PUBLIC COMMENTS - Continued

Mike Pollard announced the Antioch Prayer Breakfast would be held on May 3, 2018 at the Lone Tree Golf and Event Center. He presented tickets for the event to the City Council and City Manager Bernal. He commended the City Council and Chief Brooks for their professionalism.

Norma and Ralph Hernandez, Antioch residents, clarified that they, along with various other former Councilmembers, had not received any developer money during their campaigns.

1. CONSENT CALENDAR

- A. APPROVAL OF COUNCIL SPECIAL MEETING/WORKSHOP MINUTES FOR MARCH 24, 2018
- B. APPROVAL OF COUNCIL MINUTES FOR MARCH 27, 2018
- C. APPROVAL OF COUNCIL WARRANTS
- D. **RESOLUTION NO. 2018/44 RESCINDING RESOLUTION NO. 2018/21 AMENDING THE FY17/18 MASTER FEE SCHEDULE REGARDING RECORDATION AND RELEASE OF LIENS**
- E. **RESOLUTION NO. 2018/45 ESTABLISHING THE RATE PER EQUIVALENT RUNOFF UNIT FOR FISCAL YEAR 2018/19 AND REQUESTING THE CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT TO ADOPT AN ANNUAL PARCEL ASSESSMENT FOR DRAINAGE MAINTENANCE AND THE NATIONAL POLLUTION DISCHARGE ELIMINATION SYSTEM PROGRAM**
- F. **RESOLUTION NO. 2018/46 SECOND AMENDMENT TO THE CONSULTANT SERVICE AGREEMENT WITH KAPSCH TRAFFICOM USA, INC. FOR SUPPORT SERVICES RELATED TO THE WATER TREATMENT PLANT DISINFECTION IMPROVEMENTS (P.W. 246-29)**

On motion by Councilmember Ogorchock, seconded by Councilmember Thorpe, the City Council unanimously approved the Council Consent Calendar.

PUBLIC HEARINGS

4. INTRODUCTION AND WAIVER OF FIRST READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANTIOCH ENACTING SECTION 2-1.303 OF TITLE 2 OF THE ANTIOCH MUNICIPAL CODE ADOPTING A BY-DISTRICT SYSTEM FOR ELECTING MEMBERS OF THE CITY COUNCIL

City Manager Bernal introduced Public Hearing Item #4.

Interim City Attorney Cole presented the staff report dated April 10, 2018 recommending the City Council introduce and waive the First Reading of an Ordinance of the City Council of the City of Antioch Enacting Section 2-1.303 of Title 2 of the Antioch Municipal Code Adopting a By-District System for Electing Members of the City Council.

Yerenia Zarate, Janet Costa, Christine Clark, Brenden O'Laskey, representing East County Regional Group, spoke in support for Working Draft Map 1 and creating one district north of Highway 4.

Dr. Jeffrey Klingler, Antioch resident, stated he did not support district-based election system and the fact that it was the product of a threat of a lawsuit. He recognized the Council's openness to public input and urged them to remain positive moving forward with the process.

Shagoofa Khan, representing the Student Advisory Committee (S.A.C.), spoke in support of Working Draft Map 1 and keeping the community north of Highway 4 in one district.

Mayor Wright read written comment from Jeunel Driggers-McFarland, Hollie McFarland, Tatiana Boynton, Steven Fuentes Macedo, Marco Dominguez, Natalyia Johnson and Rigoberto Ramon Lemus, representing SAC indicating their support of Working Draft Map 1.

Scott Rafferty stated he was the Attorney who initiated the process and noted that he had granted two extensions to the City which helped with the compressed timeframe. He further noted the California Voting Rights Act was a good law and a good idea for a city the size of Antioch. He commended the City Council for the relationship they had with residents. He recommended implementation in 2020 and syncing Antioch's election with the presidential cycle.

Susana Williams, Antioch resident, spoke in support of Working Draft Map 1 and keeping the community north of Highway 4 in one district. She suggested Council consider economics and voter turnout when they discuss phasing in the process.

Fredy Leon, Deborah Polk, Berlen Leon, representing East County Regional Group, spoke in support for Working Draft Map 1 and keeping the community north of Highway 4 in one district.

Ellie Householder and Samson Knight, Antioch residents, provided written comment in support of Working Draft Map 1 and keeping the community north of Highway 4 in one district.

Mayor Wright read written comment from Martha Parsons, Antioch resident, indicating she did not support district-based elections; however, if the City moved forward she would support Quadrant Map C and implementation in 2020 or 2022.

Warren Lutz, Antioch resident, stated he did not support Quadrant maps and urged Council to support Working Draft Map 1.

Ralph Hernandez, Antioch resident, stated he did not support district-based elections and expressed concern that the process had created division within the community. He noted that district representation could be achieved by creating a Citizens' Advisory Committee.

Norma Hernandez, Antioch resident, stated if the City moved forward with district-based elections, she would suggest Council remain at large and the Boards and Commissions be elected by districts.

Sylvia Ramirez, Antioch resident, requested an extension on a decision to allow for additional public outreach on this issue.

Tim McCall, Antioch resident, questioned how districts would benefit from having only one person representing them on the City Council.

Interim City Attorney Cole recommended the City Council adopt the ordinance with option #1 or #2.

Mayor Wright discussed the City's public outreach process and stated he felt it was not in the best interest of the City to fight a lawsuit that they would lose. He stated he would support implementation of district-based elections in 2020.

Councilmember Tiscareno stated he was not opposed district-based elections; however, he did not support them at this time because the City was being forced to do so under the threat of litigation and they were using population data from the 2010 census. He stated if the City moved forward he would support implementation in 2020.

Councilmember Thorpe stated he could support either option for implementation.

Councilmember Wilson stated she was also concerned that this process was moving forward under the threat of litigation.

Councilmember Ogorchock stated she would support implementation in 2020 and suggested Council consider delaying the process until the City had accurate census data in 2022. She expressed concern that the process had been divisive.

Councilmember Thorpe questioned if the maps could be placed on the ballot for voter approval.

In response, Interim City Attorney Cole requested Council complete this process first so the City would no longer have the California Voting Rights Act liability and noted that if they wanted to call an election in the future they could do so.

City Clerk Simonsen added that the map needed to be adopted at the same time as the ordinance.

Interim City Attorney Cole cautioned Council that if they delayed implementation until 2022, the City would not be free of a lawsuit that attempted to address the interim. He noted future action could also include the creation of an independent Commission so that after the election cycle and 2020 census a citizen body would begin the districting process. He requested Council introduce the ordinance and adopt a map as part of this process, and in the future, if there was ratification from the voters, they could be presented with two map options.

City Clerk Simonsen reviewed the estimated costs associated with district-based elections and adding a ballot measure. He stated he could provide more accurate information at a future Council meeting.

Mayor Wright suggested the City agendaize a discussion on a potential ballot measure.

In response to Councilmember Ogorchock, Councilmember Thorpe explained that the Council would assign each district their numbers when they approved the final map.

RESOLUTION NO. 2018/47
RESOLUTION NO. 2018/48

On motion by Councilmember Thorpe, seconded by Councilmember Tiscareno, the City Council unanimously introduced and waived the First Reading of an Ordinance of the City Council of the City of Antioch Enacting Section 2-1.303 of Title 2 of the Antioch Municipal Code Adopting a By-District System for Electing Members of the City Council with option #2 and correcting the reference to government code #34878 to #34873 in paragraph E of option #2.

Mayor Wright declared a recess at 9:43 P.M. The meeting reconvened at 9:58 P.M. with all Councilmembers present.

5. OAKLEY KNOLLS (PD-15-01): DISCOVERY BUILDERS REQUESTS APPROVAL OF A VESTING TENTATIVE SUBDIVISION MAP, FINAL DEVELOPMENT PLAN, AND PLANNED DEVELOPMENT REZONE TO PERMIT THE DEVELOPMENT OF A 28-UNIT RESIDENTIAL SUBDIVISION

City Manager Bernal introduced Public Hearing Item #5.

Director of Community Development Ebbs presented the staff report dated April 10, 2018 recommending the City Council take the following actions: 1) Adopt the Resolution adopting the Oakley Knolls Initial Study and Mitigated Negative Declaration; and 2) Introduce the Ordinance for a zoning map amendment from Planned Development District (PD) to Planned Development District (PD-15-01); and 3) Adopt the Resolution approving a Vesting Tentative Map/Final Development Plan subject to conditions of approval. He noted additional information the Council received today included minutes from the Planning Commission meeting, summary and a letter addressing the environmental review process.

Kevin English, Director of Advanced Planning for Discovery Builders, stated they had been working with staff on this project for approximately two years and they agreed with all the conditions of approval. He noted he looked forward to Council's support of the project and he was available to answer any questions.

In response to Councilmember Thorpe, Mr. English stated he was unable to answer anything specific related to the correspondence received this evening.

Interim City Attorney Cole stated that he believed Council's concern was how a developer, who had filed a lawsuit against the City, entered into an agreement to briefly toll another lawsuit and challenged another developer's project could then ask the City for entitlements when they made arguments that were inconsistent with seeking that relief. He commented that he understood Council's frustration; however, their action this evening should be based on the application and the merits of the project.

Mayor Wright opened and closed the public hearing with no members of the public requesting to speak.

Director of Community Development Ebbs reported that the Initial study and Mitigated Negative Declaration were the appropriate documents for a project of this size and at this location.

Councilmember Tiscareno expressed concern regarding the small rear yard setbacks.

In response to Councilmember Tiscareno, Director of Community Development Ebbs explained that lot size, setbacks and scale for this project, was comparable to the Vineyards project.

Councilmember Tiscareno questioned why staff, in the past, recommended a continuance when they received letters at the last minute from developers; however, they had had not done so for this application.

Director of Community Development Ebbs explained that when the criticism was against the City, they chose a conservative approach; however, when it was against another applicant they left the decision up to that developer. He noted same question was posed to the current applicant who directed the City to proceed with an action this evening.

In response to Council, Mr. English explained that they used a variety of labor including union and sourced the maximum amount of labor locally. He also explained that 10-foot was the minimum standard for the rear setbacks; however, there were several instances where rear yards were in excess of that. He noted it was not a gated development; however, they were building a small park area that would be fenced, maintained by the HOA and have restricted access for homeowners.

Councilmember Ogorchock spoke in support of increasing the rear yard setbacks to a minimum of 15-feet, maintaining the RV parking requirement and utilizing deep rooted trees throughout the project. She discussed the importance of the Homeowners Association understanding that they were responsible for maintaining the masonry walls. She requested each residence be provided a parking spot in the center of the cul-de-sac and spoke in support of local hire. She clarified that as real estate developer, she could not sell these homes.

Interim City Attorney Cole concurred that initially Councilmember Ogorchock would not be able to sell these units and there was no conflict of interest.

Mr. English reported that the mechanical, plumbing and electric would all be union on this project and agreed to add a condition of approval indicating so. He noted they could increase the rear yard setbacks based on the site plan and agreed to plant deep rooted trees.

Mayor Wright commented that he did not have any concerns on the project; however, he was concerned with the constant threat of a lawsuit from the developer.

A motion was made by Councilmember Ogorchock, seconded by Councilmember Tiscareno to: 1) Adopt the Resolution adopting the Oakley Knolls Initial Study and Mitigated Negative Declaration; and 2) Introduce the Ordinance for a zoning map amendment from Planned Development District (PD) to Planned Development District (PD-15-01); and 3) Adopt the Resolution approving a Vesting Tentative Map/Final Development Plan subject to conditions of approval.

Following discussion the motion was amended as follows:

On motion by Councilmember Ogorchock, seconded by Councilmember Tiscareno, the City Council 1) Adopted the Resolution adopting the Oakley Knolls Initial Study and Mitigated Negative Declaration; and 2) Introduced the Ordinance for a zoning map amendment from Planned Development District (PD) to Planned Development District (PD-15-01); and 3) Adopted the Resolution approving a Vesting Tentative Map/Final Development Plan subject to conditions of approval with the following amendments:

- Increasing rear yard setbacks to 15-foot minimums
- There shall be one on street parking per lot as required by the city code and as approved by the City Engineer.
- That the mechanical, plumbing and electric for this project would all be union labor
- RV parking would be deferred to the developer

The motion carried the following vote:

Ayes: Tiscareno, Ogorchock, Wright

Noes: Wilson, Thorpe

COUNCIL REGULAR AGENDA

At 10:55 P.M., Council consensus was to hear agenda item #6 this evening and continue agenda items #7, #8 and #9 to a future meeting.

6. UPDATE OF THE WATER AND SEWER RATE FEE STUDY (P.W. 362-8)

City Manager Bernal introduced Regular Agenda Item #6.

Project Manager Buenting, Water Treatment Plant Superintendent Coley and Consultant Tom Pavletic, Municipal and Financial Services (FNS) presented the staff report and PowerPoint presentation dated April 10, 2018 recommending the City Council provide direction to staff regarding the recommended water and sewer rates, fees and charges.

Terry Ramus, Antioch resident, voiced his support for maintaining the infrastructure and brackish water desalination plant. He noted tiered water rates were anti-business and de incentivized users from buying the product.

Mayor Wright stated tiered rates discouraged users who used more water; and a single rate system would allow higher rate users to use more which would slow rate increases. He spoke in support of switching back to a uniformed rate system.

Mr. Pavletic clarified the reduction in use was mainly due to water conservation that resulted because of executive action and marketing by the State. He noted water use was rebounding despite tiered rates.

Water Treatment Plant Superintendent Coley explained uniformed and tiered rates were revenue neutral; however, the tiered rate model showed that it benefited a majority of the population who were using less water. He noted the amount of water people were using would continue to decrease.

Mr. Pavletic commented that tiered rates were created because there was a nexus with an additional cost for higher levels of peak water use.

Project Manager Buenting explained that the current rate structure adopted in 2015 would implement rates that would take effect July 1, 2018. He noted the current rate structure was sustaining the water and sewer enterprise funds.

City Manager Bernal added that the current rate structure also included funding for the brackish water system.

Councilmember Ogorchock commented that senior residents were having difficulty with tiered rates.

Following discussion, Council directed staff to bring back information on converting the City to a uniformed water rate structure and Prop 218 protest vote method. They noted sewer rates could also be considered at that time.

City Clerk Simonsen stated if Council moved forward with a uniformed rate structure, he would request they make budget adjustments for the mailing costs and Prop 218 vote.

Councilmember Thorpe directed staff to provide the yearly overall average water use for tiered and uniformed rates.

7. INFORMATION ON SECTION 115 TRUST FOR PENSIONS

8. CONSIDERATION OF PROJECTS UNDER THE ONE-TIME REVENUE POLICY

9. APPROVE A CIVIC ENHANCEMENT GRANT PROGRAM TO SUPPORT COMMUNITY EVENTS AND IMPROVEMENT PROJECTS

As previously discussed, agenda items #7, #8 and #9 were continued to a future meeting.

PUBLIC COMMENTS – None

STAFF COMMUNICATIONS

City Manager Bernal announced the City Council would be holding a Strategic Planning and Visioning Special Meeting/Workshop at 9:00 A.M. on April 14, 2018 at the Nick Rodriguez Community Center.

COUNCIL COMMUNICATIONS – None

ADJOURNMENT

Mayor Wright adjourned the meeting at 12:01 A.M.

Respectfully submitted:

Kitty Eiden

KITTY EIDEN, Minutes Clerk

**ANTIOCH CITY COUNCIL SPECIAL MEETING
STRATEGIC PLANNING AND VISIONING WORKSHOP**

Special Meeting/Workshop
9:00 A.M.

April 14, 2018
Nick Rodriguez Community Center
213 F Street, Antioch

On April 14, 2018, the workshop was called to order by Mayor Wright at 9:09 a.m. City Council Members present were Mayor Wright, Council Members Wilson, Thorpe, Tiscareno and Ogorchock. Mayor Wright welcomed everyone to the Antioch Council Special Meeting/Strategic Planning and Visioning Workshop.

PLEDGE OF ALLEGIANCE

Mayor Wright led the Council and audience in the Pledge of Allegiance.

Staff present:

Ron Bernal, City Manager
Tammany Brooks, Police Chief
Nickie Mastay, Administrative Services Director
Alan Barton, Information Services Director
Nancy Kaiser, Parks and Recreation Director
Lynne Filson, Assistant City Engineer II
Consultants Steve and Kendall Flint of Regional Government Services (RGS) facilitated the workshop.

Board Members/Commissioners present:

Kerry Motts, Planning Commission
James Conley, Planning Commission
Janet Zacharatos, Planning Commission
Michelle Fitzer, Sales Tax Citizens' Oversight Committee Member
Ellie Householder, Sales Tax Citizens' Oversight Committee Member
Tim McCall, Economic Development Commission

PUBLIC COMMENTS – None

1. STRATEGIC PLANNING AND VISIONING WORKSHOP

Consultants Steve and Kendall Flint were introduced. Kendall Flint provided an overview of the workshop with Council, Commissioners, staff, and the public. She went over the Mission, Core Values and listed the Goals from the Strategic Planning Workshop on January 20, 2018. The seven Goals from the January 20, 2018 Strategic Planning Workshop were:

1. Ensure the City's Continued Financial Stability
2. Support Public Safety
3. Promote Sustainable Economic Development
4. Promote Community Pride

5. Strive to be a Healthy Community
6. Support Downtown Revitalization
7. Encourage Sustainable Development

Consultant Kendall Flint defined the Strategies and Tactics. Discussion began with an emphasis on Visioning.

Mayor Wright declared a recess at 10:58 A.M. (Mayor Pro Tem Thorpe left the Special Meeting/Workshop at 10:58 A.M.). The meeting reconvened at 11:16 A.M. with Councilmember's Wilson, Tiscareno, Ogorchock and Mayor Wright present.

Visioning discussion continued with economic development as a focus.

Mayor Wright declared a recess at 12:00 P.M. The Special Meeting/Workshop reconvened at 12:08 P.M. with Councilmember's Wilson, Tiscareno, Ogorchock and Mayor Wright present.

Continued Visioning discussion with Council, Commissioners, staff, and the public with direction provided to Consultants Flint.

Mayor Pro Tem Thorpe returned to the Special Meeting/Workshop at 12:13 P.M.

Council Member Tiscareno left the Special Meeting/Workshop at 12:30 P.M.

ADJOURNMENT

The Special Meeting/Workshop was adjourned at 1:35 pm.

Respectfully submitted:

Nickie Mastay

Nickie Mastay, Administrative Services Director

**CITY COUNCIL MEETING
INCLUDING THE ANTIOCH CITY COUNCIL
ACTING AS HOUSING SUCCESSOR
TO THE ANTIOCH DEVELOPMENT AGENCY**

**Regular Meeting
7:00 P.M.**

**April 24, 2018
Council Chambers**

Mayor Wright called the meeting to order at 7:02 P.M., and City Clerk Simonsen called the roll.

Present: Council Members Wilson, Tiscareno and Mayor Wright

Absent: Council Members Ogorchock and Thorpe (Councilmember Thorpe arrived at 7:18 P.M.)

PLEDGE OF ALLEGIANCE

Councilmember Wilson led the Council and audience in the Pledge of Allegiance.

1. PROCLAMATIONS

Be Kind to Animals Month, May 2018

Antioch Police Captain Diane Aguinaga – Service Recognition

On motion by Councilmember Wilson, seconded by Councilmember Tiscareno the Council unanimously approved the Proclamations.

Barbara Soblarvarro representing Friends of Animal Services, Shelter staff and volunteers accepted the *Be Kind to Animals Month* proclamation and announced a celebration would be held from 1:00 P.M. – 4:00 P.M. on May 12, 2018 at Antioch Animal Shelter. They announced they would be sponsoring all adoptions during National Be Kind to Animals week May 7-12, 2018.

A Field Representative representing Congressman Jerry McNerney's read and presented Captain Diane Aguinaga with a letter recognizing her 25 years of service.

A Field Representative representing Assemblymember Jim Frasier presented Captain Diane Aguinaga with an official Assembly Resolution in recognition of her 25 years of service.

A Field Representative representing Supervisor Burgis's presented Captain Diane Aguinaga with a plaque in recognition of her 25 years of service.

Chief Brooks recognized Captain Aguinaga's service and presented her with the proclamation and a letter from Senator Harris in recognition of her 25 years of service. He stated she would be greatly missed and wished her luck in her retirement. He announced several members of the Antioch Police Department were in attendance this evening to show their support.

Councilmember Thorpe arrived at 7:18 P.M.

ANNOUNCEMENTS OF CIVIC AND COMMUNITY EVENTS

Frank Sterling invited the public to attend Community Violence Solutions Community Resource Fair from 11:00 A.M. – 3:00 P.M. on April 28, 2018. He announced flyers for the event were available in Council Chambers this evening.

J.R. Wilson announced there had been an anonymous donor and registration for the Delta Softball Tournament of Heroes was now free. He encouraged everyone to participate in the event on May 26-27, 2018. He announced postcards and flyers for the event were available in Council Chambers.

Bob Andrade, representing East County Turning Point, reported that they were in the process of upgrading their 501c3 status and were offering to assist the City in building a private homeless shelter in the area. He requested the opportunity to meet with the City to discuss this endeavor.

Joy Motts, Celebrate Antioch Foundation, announced an Art and Wine Walk would be held from 12:00 P.M. – 4:00 P.M. on May 5, 2018. She reported on her attendance at Supervisor Burgis's Open House and encouraged the City to actively promote local activities.

ANNOUNCEMENTS OF BOARD AND COMMISSION OPENINGS

City Clerk Simonsen announced the following Board and Commission openings:

- Sales Tax Citizens' Oversight Committee: Seven (7) vacancies; deadline date is May 11, 2018
- Board of Administrative Appeals: One (1) vacancy deadline; deadline date is May 25, 2018

He reported applications would be available online at the City's website and at the City Clerk's office.

PUBLIC COMMENTS

Frank Sterling, Antioch resident, reported on his visitation to the homeless encampment during the City's cleanup efforts and suggested Council be present when occupants of homeless encampments were displaced. He encouraged the City Council to take the opportunity to meet East County Turning Point to develop options for the homeless.

Dr. Jeffrey Klingler thanked Mayor Wright for the *Be Kind to Animals Month* proclamation and for Council's efforts to improve the Antioch Animal Shelter.

COUNCIL SUBCOMMITTEE REPORTS

Councilmember Wilson reported she would be attending the Tri Delta Transit meeting on April 25, 2018.

Councilmember Thorpe reported on his attendance at the adhoc committee meeting. He encouraged speakers to share their thoughts on homelessness with the County Board of Supervisors.

Mayor Wright reported on his attendance at the Delta Diablo committee meeting.

MAYOR'S COMMENTS

Mayor Wright thanked the City Council for their dedication and willingness to serve the community. He reported on his attendance at various events throughout the City. He noted as Council they had the task to lead the City in a direction that was best for everyone and he believed that was what they had been doing.

PRESENTATION

BART Board President Joel Keller gave a PowerPoint presentation of the BART to Antioch extension. He announced the ribbon-cutting ceremony would be held at 11:00 A.M. on May 25, 2018 and the first paid train would leave the station on May 26, 2018 at 5:43 A.M.

In response to Council, Mr. Keller reviewed the parking plan and future expansion of BART into Brentwood.

- 2. CONSENT CALENDAR for City /City Council Members acting as Housing Successor to the Antioch Development Agency**
 - A. APPROVAL OF COUNCIL MINUTES FOR APRIL 10, 2018**
 - B. APPROVAL OF COUNCIL SPECIAL MEETING/WORKSHOP MINUTES FOR APRIL 14, 2018**
 - C. APPROVAL OF COUNCIL WARRANTS**
 - D. REJECTION OF CLAIMS: (1) MT. DIABLO UNIFIED SCHOOL DISTRICT; AND (2) NICHOLAS VIEIRA**
 - E. APPROVAL OF TREASURER'S REPORT FOR MARCH 2018**
 - F. SECOND READING – OAKLEY KNOLLS PROJECT ORDINANCE (*Introduced on 04/10/18*)**
 - G. RESOLUTION NO. 2018/49 ROAD MAINTENANCE AND REHABILITATION ACCOUNT (RMRA)**

H. **RESOLUTION NO. 2018/50 SECOND AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH SWATT MIERS ARCHITECTS FOR THE CITY HALL COUNCIL CHAMBERS INTERIOR REMODEL (P.W. 247-P)**

City of Antioch Acting as Housing Successor to the Antioch Development Agency

I. **APPROVAL OF HOUSING SUCCESSOR WARRANTS**

Councilmember Wilson requested item F be pulled from the Consent Calendar.

Councilmember Thorpe requested item G be pulled from the Consent Calendar.

On motion by Councilmember Thorpe, seconded by Councilmember Tiscareno, the City Council unanimously approved the Council Consent Calendar with the exception of items F and G, which were removed for further discussion.

Item F – Director of Community Development Ebbs presented the staff report dated April 24, 2018.

Councilmember Wilson stated she was pulling the item to be consistent with her previous vote against the project. She noted that she could not believe the developer wanted to be a part of the community but had sued other projects.

In response to Mayor Wright, Interim City Attorney Cole stated if there was a 2/2 vote on this item, the ordinance would not be enacted.

Mayor Wright stated he would support a continuance of this item.

Councilmember Tiscareno agreed that it would be fair to have all Councilmembers present to vote on this item.

A motion was made by Councilmember Tiscareno, seconded by Mayor Wright to continue item F to May 8, 2018. The motion failed by the following vote:

Ayes Tiscareno, Wright

Noes: Wilson, Thorpe

Interim City Attorney stated the item was still before Council for action.

City Clerk Simonsen stated Council had the opportunity under Robert's Rules to make a motion to reconsider the item to be heard at the next Council meeting.

Interim City Attorney Cole clarified a motion to "Reconsider" would be to reconsider the introduction of the ordinance and that needed to be made by someone who voted in the affirmative.

A motion was made by Councilmember Thorpe, seconded by Councilmember Tiscareno to adopt the ordinance for a zoning map amendment from Planned Development District (PD) to Planned Development District (PD15-01).

Speaking to the motion the following discussion ensued.

Deputy Director of Community Development Ebbs clarified that this motion would be approving staff's recommendation.

Interim City Attorney Cole explained that Council had approved all other aspects of the project and as a formality this was a second reading of the ordinance for final approval. He noted this action would approve a rezone of the property and if approved, would ratify all of the components of the project. He further noted if there was a 2/2 vote, he would have to analyze the situation to determine what that action would do to the project. He stated a majority of Council approved the project previously and the City would find itself in an odd position if the vote was not in favor of adopting the ordinance.

City Clerk Simonsen commented that a motion for reconsideration could be taken at the meeting where it was being reconsidered and not at a subsequent meeting.

Mayor Wright stated because of a missing Councilmember this evening, the second reading could fail, which would not show the majority will of the Council.

City Clerk Simonsen added that another option would be for staff to withdraw the item and bring it back at their pleasure.

Interim City Attorney Cole recommended the City Council take the vote and if there was not a majority vote, he would take the matter under consideration and bring it back either for action or a report as to why action could not be taken. He apologized for not being able to give an analysis this evening.

The motion made by Councilmember Thorpe, seconded by Councilmember Tiscareno to adopt the ordinance for a zoning map amendment from Planned Development District (PD) to Planned Development District (PD15-01) failed by the following vote:

Ayes Tiscareno, Wright

Noes: Wilson, Thorpe

With concurrence of Council, Interim City Attorney Cole stated he would place an item on the next agenda to either bring this item back for action or a report as to why action could not be taken.

Item G – Assistant City Engineer Filson presented the staff report dated April 24, 2018 recommending the City Council adopt a resolution amending the 2018-19 budget to incorporate a list of projects funded by SB-1 The Road Repair and Accountability Act.

Councilmember Thorpe stated he pulled this item to clarify that this list of projects was funded by the gas tax and those who were circulating a petition to repeal the gas tax would take away the funds for these types of projects.

On motion by Councilmember Thorpe, seconded by Councilmember Wilson, the City Council unanimously approved item G.

PUBLIC COMMENTS – None

STAFF COMMUNICATIONS

COUNCIL COMMUNICATIONS

Councilmember Wilson requested staff agendize a discussion on subsidy for youth fares for Tri-Delta Transit.

Mayor Wright requested staff agendize a discussion on support for a small business incubator.

Councilmember Tiscareno requested staff agendize a discussion on the creation of a quiet zone for railroad activity downtown.

ADJOURNMENT

With no further business, Mayor Wright adjourned the meeting at 8:24 P.M.

Respectfully submitted:

Kitty Eiden
KITTY EIDEN, Minutes Clerk



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of May 8, 2018

TO: Honorable Mayor and Members of the City Council

SUBMITTED BY: Christina Garcia, Deputy City Clerk *Cg*

APPROVED BY: Nickie Mastay, Administrative Services Director *NM*

SUBJECT: City Council Special Meeting/Workshop Minutes of May 5, 2018

RECOMMENDED ACTION

It is recommended that the City Council continue the Special Meeting/Workshop Minutes of May 5, 2018 to the next meeting.

STRATEGIC PURPOSE

N/A

FISCAL IMPACT

None

DISCUSSION

N/A

ATTACHMENT

None.

CITY OF ANTIOCH
 CLAIMS BY FUND REPORT
 FOR THE PERIOD OF
 APRIL 13 - APRIL 26, 2018
 FUND/CHECK#

100 General Fund

Non Departmental

374383 HABIT RESTAURANTS LLC, THE	DEPOSIT REFUND	1,381.00
374384 HALE, JAY	DESIGN REVIEW REFUND	331.87
374391 INNOVATIVE ROOFING INC	CBSC FEE REFUND	28.80
374452 BAY AREA NEWS GROUP	LEGAL AD	77.40
374454 BRIGHT PLANET SOLAR	CBSC FEE REFUND	10.39
374466 CORTEL LLC	DEPOSIT REFUND	1,245.00
931495 ZUMWALT ENGINEERING GROUP INC	CONSULTING SERVICES	15,285.19

City Council

374338 BANK OF AMERICA	SUPPLIES	248.38
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City Attorney

374352 CONTINUING EDUCATION OF THE BAR	LEGAL SERVICES	525.60
374359 COTA COLE ATTORNEYS LLP	LEGAL SERVICES	26,179.14
374381 GIBBONS AND CONLEY	LEGAL SERVICES	2,829.00
374382 GOLDFARB AND LIPMAN LLP	LEGAL SERVICES	692.00
374407 MUNICIPAL POOLING AUTHORITY	LEGAL SERVICES	29,465.95
374428 TELECOM LAW FIRM PC	LEGAL SERVICES	1,933.50
931489 RAY MORGAN COMPANY	COPIER USAGE	271.86

City Manager

374340 BEST BEST AND KRIEGER LLP	LEGAL SERVICES	6,424.08
374431 VERIZON WIRELESS	DATA USAGE	38.01
931489 RAY MORGAN COMPANY	COPIER USAGE	271.86

City Clerk

374370 EIDEN, KITTY J	MINUTES CLERK	2,085.50
374410 OFFICE MAX INC	OFFICE SUPPLIES	269.72
374452 BAY AREA NEWS GROUP	LEGAL AD	2,946.60
931489 RAY MORGAN COMPANY	COPIER USAGE	271.86

Human Resources

374448 AUSK, CHINH B	EXPENSE REIMBURSEMENT	121.88
931489 RAY MORGAN COMPANY	COPIER USAGE	407.12

Economic Development

374367 DUALHARE INC	COMMUNICATION SERVICES	12,250.00
931489 RAY MORGAN COMPANY	COPIER USAGE	271.86

CITY OF ANTIOCH
 CLAIMS BY FUND REPORT
 FOR THE PERIOD OF
 APRIL 13 - APRIL 26, 2018
 FUND/CHECK#

Finance Administration

931489 RAY MORGAN COMPANY	COPIER USAGE	566.15
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Finance Accounting

374336 BANK OF AMERICA	CERTIFICATION	580.00
931491 SUPERION LLC	ASP SERVICE	20,607.90

Finance Operations

374410 OFFICE MAX INC	OFFICE SUPPLIES	48.36
374470 DELL COMPUTERS	COMPUTER EQUIPMENT	336.62
374543 UNITED PARCEL SERVICE	WEEKLY PRINTER SERVICE FEE	19.50
931489 RAY MORGAN COMPANY	COPIER USAGE	521.79

Non Departmental

374353 CONTRA COSTA COUNTY	COUNTY SHARE NE TAX 16-17	181,160.50
374365 DELTA DIABLO	GOLF COURSE WATER	2,370.00
374366 DIERKE, LANA	BL TAX REFUND	250.00
374413 PARS	PD SUPP ACTUARIAL	2,230.00
374438 ALL STAR FORD	UTILITY VEHICLE	14,712.11
374525 REGIONAL GOVERNMENT SERVICES	CONTRACT SERVICES	1,350.00
931485 MUNISERVICES LLC	BL DISCOVERY SERVICES	19,582.23

Public Works Maintenance Administration

374547 VERIZON BUSINESS	CELL PHONE	38.01
931489 RAY MORGAN COMPANY	COPIER USAGE	58.45

Public Works General Maintenance Services

931489 RAY MORGAN COMPANY	COPIER USAGE	155.87
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Public Works Street Maintenance

374339 BANK OF AMERICA	TRAINING	79.46
374371 ENTERRA ENVIRONMENTAL	TRAINING	105.00
374443 ANCHOR CONCRETE CONSTRUCTION	SIDEWALK REPAIR PROJECT	33,059.29
374446 ANTIOCH BUILDING MATERIALS	ASPHALT	5,407.96
374474 DU ALL SAFETY LLC	TRAINING	1,171.88
374503 L SERPA TRUCKING INC	RENTAL	702.00
374511 LOWES COMPANIES INC	SUPPLIES	268.74
374547 VERIZON BUSINESS	CELL PHONE	38.01

Public Works-Signal/Street Lights

374412 PACIFIC GAS AND ELECTRIC CO	ELECTRIC	454.40
374440 AMERICAN GREENPOWER USA INC	INDUCTION LIGHTING	4,024.69

CITY OF ANTIOCH
 CLAIMS BY FUND REPORT
 FOR THE PERIOD OF
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374447 AT AND T MCI	PHONE	751.28
931471 ICR ELECTRICAL CONTRACTORS	ELECTRICAL SERVICES	3,367.92
Public Works-Striping/Signing		
374368 EAST BAY WELDING SUPPLY	SUPPLIES	125.76
374371 ENTERRA ENVIRONMENTAL	TRAINING	105.00
374380 GARTON TRACTOR INC	EQUIPMENT	5,765.31
374497 INTERSTATE SALES	THERMO PLASTIC	13,398.00
374511 LOWES COMPANIES INC	SUPPLIES	23.72
374512 MANERI SIGN COMPANY	SIGNS	1,838.22
374547 VERIZON BUSINESS	CELL PHONE	38.01
Public Works-Facilities Maintenance		
374321 AERC	WASTE REMOVAL	701.46
374349 COMBINATION LOCK AND SAFE	WATER PAYMENT BOX	409.40
374387 HONEYWELL INTERNATIONAL INC	HVAC SERVICES	385.00
374417 PLATINUM ROOFING INC	ROOF REPAIR	590.50
374447 AT AND T MCI	PHONE	59.45
374505 LENHART ALARM AND SECURITY	ALARM SERVICES	735.00
374511 LOWES COMPANIES INC	SUPPLIES	183.24
374518 OAKLEYS PEST CONTROL	PEST CONTROL	165.00
374547 VERIZON BUSINESS	CELL PHONE	38.01
374551 WESCO RECEIVABLES CORP	SUPPLIES	312.59
Public Works-Parks Maint		
374357 CONTRA COSTA WATER DISTRICT	TREE REMOVAL	2,500.00
374412 PACIFIC GAS AND ELECTRIC CO	ELECTRIC	152.34
374433 WOODIWISS PAINTING	PROFESSIONAL SERVICES	3,740.00
374447 AT AND T MCI	PHONE	101.85
374511 LOWES COMPANIES INC	SUPPLIES	517.58
Public Works-Median/General Land		
374329 ACE HARDWARE, ANTIOCH	SUPPLIES	0.97
374372 EVANS AND SON MASONRY	REPAIR SERVICES	2,120.00
374412 PACIFIC GAS AND ELECTRIC CO	ELECTRIC	61.39
374422 SHERWIN WILLIAMS CO	SUPPLIES	422.69
374426 STEWARTS TREE SERVICE INC	LANDSCAPE SERVICES	4,400.00
374447 AT AND T MCI	PHONE	214.95
Police Administration		
374319 ADAMSON POLICE PRODUCTS	EQUIPMENT	554.90
374327 AMERICAN TROPHIES AWARDS	SUPPLIES	447.47

CITY OF ANTIOCH
 CLAIMS BY FUND REPORT
 FOR THE PERIOD OF
 APRIL 13 - APRIL 26, 2018
 FUND/CHECK#

374334	ARROWHEAD 24 HOUR TOWING INC	TOWING SERVICES	927.50
374347	CITY OF FAIRFIELD	RANGE FEES	450.00
374351	CONCORD UNIFORMS LLC	SUPPLIES	8.65
374360	CRYSTAL CLEAR LOGOS INC	UNIFORMS	496.06
374361	CRYSTAL CLEAR LOGOS INC	UNIFORMS	364.67
374363	CSI FORENSIC SUPPLY	SUPPLIES	462.02
374367	DUALHARE INC	COMMUNICATION SERVICES	350.00
374369	EIDEN, KITTY J	MINUTES CLERK	56.00
374378	GALLS INC	SUPPLIES	1,563.33
374400	LC ACTION POLICE SUPPLY	SUPPLIES	1,979.99
374415	PITNEY BOWES INC	POSTAGE	258.80
374416	PITNEY BOWES INC	POSTAGE	316.37
374423	SHRED IT INC	SHRED SERVICES	304.90
374425	STATE OF CALIFORNIA	DOJ FEES	661.00
374436	ADAMSON POLICE PRODUCTS	EQUIPMENT	41.30
374437	ALAMEDA COUNTY SHERIFFS OFFICE	TRAINING - ADAMS	506.00
374462	COMMERCIAL SUPPORT SERVICES	CAR WASHES	139.00
374469	CRYSTAL CLEAR LOGOS INC	SUPPLIES	587.25
374480	GET SAFE	TRAINING	490.00
374481	GET SAFE	TRAINING	490.00
374487	HOLIDAY INN	LODGING - HOPWOOD	300.38
374488	HOLIDAY INN	LODGING - KINT	300.38
374513	MARTIN, RICHARD B	MILEAGE REIMBURSEMENT	66.60
374543	UNITED PARCEL SERVICE	SHIPPING	32.75
931465	A AND B CREATIVE TROPHIES	SUPPLIES	299.38
931472	IMAGE SALES INC	SUPPLIES	82.44
931474	SUPERION LLC	EXECUTIME ADVANCED SCHEDULING	12,143.20
931484	IMAGE SALES INC	SUPPLIES	33.94
931489	RAY MORGAN COMPANY	COPIER USAGE	2,737.02

Police Prisoner Custody

931489	RAY MORGAN COMPANY	COPIER USAGE	64.54
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Police Community Policing

374320	ADLERHORST INTERNATIONAL INC	K9 PURCHASE	12,121.88
374402	MOORE K9 SERVICES	K9 TRAINING	800.00
374410	OFFICE MAX INC	OFFICE SUPPLIES	33.90
374424	SP PLUS CORPORATION	PARKING ENFORCEMENT	13,261.25
374468	CRIME SCENE CLEANERS INC	CRIME SCENE CLEANUP	70.00
374502	KOCH, MATTHEW T	EXPENSE REIMBURSEMENT	132.33

CITY OF ANTIOCH
 CLAIMS BY FUND REPORT
 FOR THE PERIOD OF
 APRIL 13 - APRIL 26, 2018
 FUND/CHECK#

Police Traffic Division

374485 HARLEY DAVIDSON SUPPLIES 54.02

Police Investigations

374348 CLASSY GLASS PROFESSIONAL SERVICES 250.00
 374354 CONTRA COSTA COUNTY CRIME LAB FEES 18,137.00
 374355 CONTRA COSTA COUNTY CAL-ID PORTION 117,085.00
 374356 CONTRA COSTA COUNTY SART EXAMS 24,000.00
 374429 TRANSUNION RISK AND ALTERNATIVE INTEL 76.30
 374449 AUTO WORLD INC VEHICLE LEASE 2,175.00
 374461 CLASSY GLASS PROFESSIONAL SERVICES 260.00
 374507 LEXISNEXIS LEGAL SERVICES 252.50
 374538 T MOBILE USA INC DISCOVERY SERVICES 3,596.00
 374546 VANDERPOOL, JASON C EXPENSE REIMBURSEMENT 52.64
 931489 RAY MORGAN COMPANY COPIER USAGE 707.69

Police Special Operations Unit

374541 TOYOTA FINANCIAL SERVICES VEHICLE LEASE 597.97

Police Communications

374447 AT AND T MCI PHONE 1,484.45

Office Of Emergency Management

374447 AT AND T MCI PHONE 158.96

Police Facilities Maintenance

374387 HONEYWELL INTERNATIONAL INC BOILER 31,173.02
 374396 KELLY MOORE PAINT CO SUPPLIES 14.00
 374447 AT AND T MCI PHONE 293.38
 374489 HONEYWELL INTERNATIONAL INC HVAC SERVICES 725.00
 374505 LENHART ALARM AND SECURITY ALARM SERVICES 120.00
 374511 LOWES COMPANIES INC SUPPLIES 140.32
 931465 A AND B CREATIVE TROPHIES SUPPLIES 32.63

Community Development Land Planning Services

374370 EIDEN, KITTY J MINUTES CLERK 84.00
 374401 MERIDETH, ZOE ALANNA EXPENSE REIMBURSEMENT 382.31
 374403 MORRIS, ALEXIS S EXPENSE REIMBURSEMENT 469.49
 374431 VERIZON WIRELESS DATA USAGE 38.01
 374452 BAY AREA NEWS GROUP LEGAL AD 578.70
 374470 DELL COMPUTERS COMPUTER EQUIPMENT 168.31
 374492 ICF JONES AND STOKES INC CONSULTING SERVICES 48,914.80

CITY OF ANTIOCH
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374504 LAND USE PLANNING SERVICES INC	CONSULTING SERVICES	14,812.95
374530 SCUDERO, KEVIN S	EXPENSE REIMBURSEMENT	1,195.72
931489 RAY MORGAN COMPANY	COPIER USAGE	286.02
CD Code Enforcement		
374337 BANK OF AMERICA	SUPPLIES	192.57
374394 K2GC	ABATEMENT SERVICES	3,278.64
374430 TRB AND ASSOCIATES	PROFESSIONAL SERVICES	23,300.00
374431 VERIZON WIRELESS	DATA USAGE	152.04
374519 OFFICE MAX INC	OFFICE SUPPLIES	70.85
931489 RAY MORGAN COMPANY	COPIER USAGE	195.72
PW Engineer Land Development		
374410 OFFICE MAX INC	OFFICE SUPPLIES	40.42
374431 VERIZON WIRELESS	DATA USAGE	76.02
374447 AT AND T MCI	PHONE	39.08
931489 RAY MORGAN COMPANY	COPIER USAGE	377.90
Community Development Building Inspection		
374337 BANK OF AMERICA	TRAINING - C ANDREWS	307.66
374391 INNOVATIVE ROOFING INC	ACCESSIBILITY FEE REFUND	1,017.45
374410 OFFICE MAX INC	OFFICE SUPPLIES	77.28
374454 BRIGHT PLANET SOLAR	INSPECTION FEE REFUND	275.22
374519 OFFICE MAX INC	OFFICE SUPPLIES	11.64
931489 RAY MORGAN COMPANY	COPIER USAGE	286.02
Capital Imp. Administration		
374431 VERIZON WIRELESS	DATA USAGE	38.01
931489 RAY MORGAN COMPANY	COPIER USAGE	160.15
Community Development Engineering Services		
931489 RAY MORGAN COMPANY	COPIER USAGE	155.44
213 Gas Tax Fund		
Streets		
374412 PACIFIC GAS AND ELECTRIC CO	ELECTRIC	411.68
374521 PACIFIC GAS AND ELECTRIC CO	PHONE	9.53
214 Animal Control Fund		
Animal Control		
374453 BAYER HEALTH CARE	SUPPLIES	100.94
374475 EAST BAY VETERINARY EMERGENCY	VETERINARY SERVICES	233.84

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931489 RAY MORGAN COMPANY	COPIER USAGE	440.24
219 Recreation Fund		
Non Departmental		
374388 HUB INTERNATIONAL OF CA INSUR.	EVENT INSURANCE	512.16
374444 ANDERSON, SYLVIA	FACILITY DEPOSIT REFUND	500.00
374509 LOPEZ ANDRADE, OLIVIA	FACILITY & POLICE REFUND	1,000.00
374534 SIMEON, OLIVIA	FACILITY DEPOSIT REFUND	500.00
374540 TORRES, EDUARDO	FACILITY & POLICE REFUND	1,000.00
Recreation Admin		
374505 LENHART ALARM AND SECURITY	ALARM SERVICES	315.00
Senior Programs		
374338 BANK OF AMERICA	SUPPLIES	380.98
374343 BRENTWOOD PRESS AND PUBLISHING	ADVERTISING	399.00
374435 AAA FIRE PROTECTION SVCS	PROFESSIONAL SERVICES	705.00
374447 AT AND T MCI	PHONE	629.27
Recreation Sports Programs		
374350 CONCORD SOFTBALL UMPIRES	UMPIRE FEES	926.00
374379 GARDA CL WEST INC	ARMORED CAR SERVICE	58.75
374447 AT AND T MCI	PHONE	20.37
374514 MASSONE MECHANICAL INC	ICE MACHINE SERVICE	391.55
374545 US FOODSERVICE INC	SUPPLIES	230.28
Recreation-New Comm Cntr		
374335 AT AND T MCI	PHONE	66.74
374338 BANK OF AMERICA	SUPPLIES	56.41
374341 BLACK DIAMOND KIDS CENTER	CONTRACTOR PAYMENT	231.00
374379 GARDA CL WEST INC	ARMORED CAR SERVICE	117.50
374395 KALGOLD TECHNOLOGIES INC	CONTRACTOR PAYMENT	648.00
374405 MUIR, ROXANNE	CONTRACTOR PAYMENT	643.80
374420 RIDLEY, DEXTER	CONTRACTOR PAYMENT	699.00
374431 VERIZON WIRELESS	DATA USAGE	38.01
374435 AAA FIRE PROTECTION SVCS	PROFESSIONAL SERVICES	705.00
374447 AT AND T MCI	PHONE	22.58
374450 BAGNESCHI, ALBERTA	CONTRACTOR PAYMENT	909.60
374478 ECOLAB	SUPPLIES	137.85
374501 JENNIFER HINES DESIGN	RECREATION GUIDE DESIGN	2,603.28
374511 LOWES COMPANIES INC	SUPPLIES	37.04
374521 PACIFIC GAS AND ELECTRIC CO	GAS	6,266.53

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374526 RIDLEY, DEXTER	CONTRACTOR PAYMENT	147.00
374532 SHRED IT INC	SHRED SERVICES	222.88
374542 UNIQUE PEST CONTROL	PEST CONTROL	400.00
931489 RAY MORGAN COMPANY	COPIER USAGE	354.86
226 Solid Waste Reduction Fund		
Solid Waste Used Oil		
374463 CONTRA COSTA CO PUBLIC WORKS	MR. FUNNELHEAD PSAS	5,000.00
374471 DELTA DIABLO	HHW PROGRAM	1,687.80
Solid Waste		
374391 INNOVATIVE ROOFING INC	WASTE MANAGEMENT FEE REFUND	35.00
374471 DELTA DIABLO	HHW PROGRAM	9,760.96
374519 OFFICE MAX INC	OFFICE SUPPLIES	36.95
229 Pollution Elimination Fund		
Channel Maintenance Operation		
374339 BANK OF AMERICA	MEMBERSHIP RENEWAL	45.00
Storm Drain Administration		
374519 OFFICE MAX INC	OFFICE SUPPLIES	36.95
238 PEG Franchise Fee Fund		
Non Departmental		
374451 BARTON, T ALAN	EXPENSE REIMBURSEMENT	63.04
251 Lone Tree SLLMD Fund		
Lonetree Maintenance Zone 1		
374447 AT AND T MCI	PHONE	81.48
374539 TERRACARE ASSOCIATES	TURF MOWING	136.60
Lonetree Maintenance Zone 2		
374447 AT AND T MCI	PHONE	139.27
Lonetree Maintenance Zone 3		
374447 AT AND T MCI	PHONE	61.11
Lonetree Maintenance Zone 4		
374539 TERRACARE ASSOCIATES	TURF MOWING	218.56

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252 Downtown SLLMD Fund		
Downtown Maintenance		
374539 TERRACARE ASSOCIATES	TURF MOWING	136.60
254 Hillcrest SLLMD Fund		
Hillcrest Maintenance Zone 1		
374447 AT AND T MCI	PHONE	40.74
374539 TERRACARE ASSOCIATES	TURF MOWING	355.16
Hillcrest Maintenance Zone 2		
374447 AT AND T MCI	PHONE	142.59
374539 TERRACARE ASSOCIATES	TURF MOWING	486.30
Hillcrest Maintenance Zone 4		
374447 AT AND T MCI	PHONE	120.56
374533 SILVA LANDSCAPE	LANDSCAPE SERVICES	2,052.00
374539 TERRACARE ASSOCIATES	TURF MOWING	273.20
255 Park 1A Maintenance District Fund		
Park 1A Maintenance District		
374447 AT AND T MCI	PHONE	0.06
374539 TERRACARE ASSOCIATES	TURF MOWING	355.16
256 Citywide 2A Maintenance District Fund		
Citywide 2A Maintenance Zone 3		
374539 TERRACARE ASSOCIATES	TURF MOWING	5.46
Citywide 2A Maintenance Zone 6		
374539 TERRACARE ASSOCIATES	TURF MOWING	327.84
Citywide 2A Maintenance Zone 8		
374539 TERRACARE ASSOCIATES	TURF MOWING	27.32
Citywide 2A Maintenance Zone 9		
374447 AT AND T MCI	PHONE	81.48
374539 TERRACARE ASSOCIATES	TURF MOWING	81.96
257 SLLMD Administration Fund		
SLLMD Administration		
374339 BANK OF AMERICA	TRAINING	790.00
374474 DU ALL SAFETY LLC	TRAINING	390.63

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374539 TERRACARE ASSOCIATES	TURF MOWING	327.84
374547 VERIZON BUSINESS	CELL PHONE	76.02
931488 QUENVOLDS	SAFETY SHOES - BURGESS	272.96
259 East Lone Tree SLLMD Fund		
Zone 1-District 10		
374533 SILVA LANDSCAPE	LANDSCAPE SERVICES	4,104.00
311 Capital Improvement Fund		
Parks & Open Space		
374358 CONTRACTOR COMPLIANCE & MONT.	LABOR COMPLIANCE SERVICES	210.00
374553 WOODARD AND CURRAN	CONSULTING SERVICES	49,212.70
312 Prewett Family Park Fund		
Parks & Open Space		
374338 BANK OF AMERICA	SUPPLIES	277.16
374472 DELTA FENCE CO	REPAIR SERVICES	1,500.00
319 Residential Dev Alloc Fund		
Non Departmental		
374441 AMERICAN PLUMBING INC	PLUMBING SERVICES	3,260.79
376 Lone Diamond Fund		
Assessment District		
374458 CENTRAL SELF STORAGE ANTIOCH	STORAGE	252.00
569 Vehicle Replacement Fund		
Equipment Maintenance		
374438 ALL STAR FORD	UTILITY VEHICLE	13,143.33
570 Equipment Maintenance Fund		
Non Departmental		
374490 HUNT AND SONS INC	FUEL	24,038.36
Equipment Maintenance		
374322 AFFORDABLE TIRE CENTER	SMOG SERVICE	50.00
374331 ANTIOCH AUTO PARTS	AUTO PARTS	494.48
374333 ANTIOCH GLASS	GLASS REPLACEMENT	235.94
374334 ARROWHEAD 24 HOUR TOWING INC	TOWING SERVICES	142.50
374339 BANK OF AMERICA	AUTO PARTS	274.86
374346 CHUCKS BRAKE AND WHEEL SERVICE	AUTO PARTS	2,201.62

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374386 HOME DEPOT, THE	SUPPLIES	225.00
374397 KEN KELLER SALES	AUTO PARTS	145.31
374406 MUNICIPAL MAINT EQUIPMENT INC	PARTS	1,467.52
374411 OREILLY AUTO PARTS	AUTO PARTS	313.65
374421 SGS TESTCOM	SMOG INSPECTIONS	6.65
374432 WALNUT CREEK FORD	AUTO PARTS	491.95
374445 ANTIOCH AUTO PARTS	AUTO PARTS	206.77
374459 CHUCKS BRAKE AND WHEEL SERVICE	AUTO PARTS	330.17
374486 HARLEY DAVIDSON	AUTO PARTS	9.69
374505 LENHART ALARM AND SECURITY	ALARM SERVICES	120.00
374511 LOWES COMPANIES INC	SUPPLIES	28.55
374520 OREILLY AUTO PARTS	AUTO PARTS	46.42
374547 VERIZON BUSINESS	CELL PHONE	38.01
374549 WALNUT CREEK FORD	AUTO PARTS	107.70
374552 WINTER CHEVROLET CO	AUTO PARTS	419.19
931466 BIG SKY ENTERPRISES INC	DISPOSAL SERVICES	524.75
931470 FRED'S WELDING	AUTO PARTS	229.49
931475 UNLIMITED GRAPHIC AND SIGN NET	SUPPLIES	435.00
931482 FRED'S WELDING	WELDING SERVICES	200.00
931489 RAY MORGAN COMPANY	COPIER USAGE	71.44

573 Information Services Fund

Non Departmental

374336 BANK OF AMERICA	EE COMPUTER PURCHASE	2,007.77
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Information Services

374447 AT AND T MCI	PHONE	74.85
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Network Support & PCs

374398 KIS	PROFESSIONAL SERVICES	225.00
374447 AT AND T MCI	PHONE	86.41
931479 CDW GOVERNMENT INC	APPLE TV	1,269.00
931489 RAY MORGAN COMPANY	COPIER USAGE	20.22

Telephone System

374326 AMERICAN MESSAGING	PAGER SERVICE	42.67
374335 AT AND T MCI	PHONE	399.59
374447 AT AND T MCI	PHONE	2,137.67

GIS Support Services

374339 BANK OF AMERICA	SUPPLIES	86.40
374345 CALIFORNIA SURVEYING AND DRAFT	SUPPLIES	778.50

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Office Equipment Replacement

374470 DELL COMPUTERS	MONITORS	1,178.16
931467 COMPUTERLAND	SOFTWARE	2,800.56

577 Post Retirement Medical-Police Fund

Non Departmental

931473 RETIREE	MEDICAL AFTER RETIREMENT	2,811.23
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579 Post Retirement Medical-Mgmt Fund

Non Departmental

374392 RETIREE	MEDICAL AFTER RETIREMENT	581.38
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580 Loss Control Fund

Human Resources

374439 ALLIED 100	AED REPLACEMENT	604.65
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611 Water Fund

Non Departmental

374362 CRYSTAL CLEAR LOGOS INC	UNIFORMS	311.29
374442 AMERICAN TEXTILE AND SUPPLY INC	SUPPLIES	739.50
374445 ANTIOCH AUTO PARTS	AUTO PARTS	1,455.94
374479 FASTENAL CO	SUPPLIES	1,631.24
931483 GRAINGER INC	SUPPLIES	2,161.61

Water Supervision

374339 BANK OF AMERICA	DISCOVERY SERVICES	54.36
374547 VERIZON BUSINESS	CELL PHONE	76.02

Water Production

374324 ALAMEDA ELECTRICAL DISTRIBUTOR	REPAIR SERVICES	941.02
374325 ALL SERVICE CONTRACTING CORP	END CAPS	4,945.35
374328 ANIMAL DAMAGE MANAGEMENT	PEST CONTROL	275.00
374330 ACE HARDWARE, ANTIOCH	SUPPLIES	33.24
374335 AT AND T MCI	PHONE	133.44
374342 BORGES AND MAHONEY	PARTS	1,538.56
374371 ENTERRA ENVIRONMENTAL	TRAINING	630.00
374373 EXPONENT INC	CONSULTING SERVICES	12,547.90
374376 FISHER SCIENTIFIC COMPANY	SUPPLIES	995.58
374377 FRANK A OLSEN COMPANY INC	MACHINE ADAPTION	2,377.50
374393 JLR ENVIRONMENTAL CONSULTANTS	GA INDUSTRIES MODEL XR201DS	89,476.53
374399 KORALEEN ENTERPRISES	PARTS	411.41

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374410 OFFICE MAX INC	OFFICE SUPPLIES	33.90
374412 PACIFIC GAS AND ELECTRIC CO	ELECTRIC	210.30
374447 AT AND T MCI	PHONE	1,117.61
374465 CONTRA COSTA WATER DISTRICT	UNTREATED WATER	124,860.34
374474 DU ALL SAFETY LLC	TRAINING	390.63
374479 FASTENAL CO	SUPPLIES	76.69
374482 GUALCO GROUP INC, THE	PROFESSIONAL SERVICES	6,003.30
374483 HACH CO	SUPPLIES	5,971.87
374491 I KRUGER INC	PARTS	5,915.04
374505 LENHART ALARM AND SECURITY	ALARM SERVICES	360.00
374523 PETERSON	MAINTENANCE SERIVCES	1,479.00
374524 POLYDYNE INC	POLYMER	2,645.00
374543 UNITED PARCEL SERVICE	SHIPPING	35.01
374547 VERIZON BUSINESS	CELL PHONE	38.01
374550 WALTER BISHOP CONSULTING	CONSULTING SERVICES	5,858.22
931468 EUROFINS EATON ANALYTICAL INC	TESTING	585.00
931469 EVOQUA WATER TECHNOLOGIES LLC	LAB SERVICES	552.97
931480 CHEMTRADE CHEMICALS US LLC	ALUM	8,192.50
931481 EUROFINS EATON ANALYTICAL INC	TESTING	20.00
931483 GRAINGER INC	SUPPLIES	15.82
931487 OLIN CHLOR ALKALI PRODUCTS	CAUSTIC	6,971.04
931489 RAY MORGAN COMPANY	COPIER USAGE	55.04
931494 VINCENT ELECTRIC MOTOR CO	PARTS	3,576.24

Water Distribution

374323 AJW CONSTRUCTION	PROFESSIONAL SERVICES	36,385.13
374332 ANTIOCH AUTO PARTS	PARTS	24.06
374339 BANK OF AMERICA	SUPPLIES	205.00
374344 CA-NV AWWA	CERTIFICATE RENEWAL	160.00
374365 DELTA DIABLO	RECYCLED WATER	7,092.92
374371 ENTERRA ENVIRONMENTAL	TRAINING	1,155.00
374390 INFOSEND INC	POSTAGE COSTS	4,965.14
374404 MT DIABLO LANDSCAPE CENTERS INC	CONCRETE MIX	96.73
374410 OFFICE MAX INC	OFFICE SUPPLIES	36.59
374427 SYAR INDUSTRIES INC	ASPHALT	2,112.93
374447 AT AND T MCI	PHONE	20.37
374455 C AND J FAVALORA TRUCKING INC	OFF HAUL SERVICES	4,266.50
374457 CENTER FOR HEARING HEALTH INC	ANNUAL AUDIOMETRIC TESTING	771.38
374474 DU ALL SAFETY LLC	TRAINING	2,343.75
374479 FASTENAL CO	SUPPLIES	109.62
374495 INFOSEND INC	POSTAGE FEES	227.97
374511 LOWES COMPANIES INC	SUPPLIES	200.56

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374527 ROBERTS AND BRUNE CO	SUPPLIES	3,338.63
374547 VERIZON BUSINESS	CELL PHONE	380.10
931471 ICR ELECTRICAL CONTRACTORS	ELECTRICAL SERVICES	204.06
931489 RAY MORGAN COMPANY	COPIER USAGE	181.85
Water Meter Reading		
374408 NATIONAL METER & AUTOMATION INC	WATER METER AND REGISTERS	2,560.19
374418 PRINT CLUB	PRINTING SERVICES	747.34
374511 LOWES COMPANIES INC	SUPPLIES	61.74
374527 ROBERTS AND BRUNE CO	SUPPLIES	6,996.35
374547 VERIZON BUSINESS	CELL PHONE	38.01
Public Buildings & Facilities		
374456 CAMP DRESSER AND MCKEE INC	CONSULTING SERVICES	21,331.81
374500 JDH CORROSION CONSULTANTS INC	CATHOTIC PROTECTION ASSESSMENT	111,354.27
374515 MUNICIPAL FINANCIAL SERVICES	CONSULTING SERVICES	665.00
374553 WOODARD AND CURRAN	CONSULTING SERVICES	10,439.35
931492 TESTING ENGINEERS INC	INSPECTION SERVICES	729.00
Warehouse & Central Stores		
374505 LENHART ALARM AND SECURITY	ALARM SERVICES	180.00
374543 UNITED PARCEL SERVICE	WEEKLY PRINTER SERVICE FEE	19.50
931489 RAY MORGAN COMPANY	COPIER USAGE	18.72
621 Sewer Fund		
Sewer-Wastewater Supervision		
374339 BANK OF AMERICA	PANEL BOARD EXPENSE	95.44
374547 VERIZON BUSINESS	CELL PHONE	76.02
931489 RAY MORGAN COMPANY	COPIER USAGE	291.98
Sewer-Wastewater Collection		
374323 AJW CONSTRUCTION	PROFESSIONAL SERVICES	36,385.12
374339 BANK OF AMERICA	SUPPLIES	25.00
374371 ENTERRA ENVIRONMENTAL	TRAINING	945.00
374374 FASTENAL CO	SUPPLIES	35.83
374375 FINTA ENTERPRISES INC	WASTE DISPOSAL	9,287.97
374385 HERNANDEZ, ARTHUR SIMON	CERTIFICATION REIMBURSEMENT	421.00
374390 INFOSEND INC	POSTAGE COSTS	4,965.14
374410 OFFICE MAX INC	OFFICE SUPPLIES	200.43
374427 SYAR INDUSTRIES INC	EZ STREET ASPHALT	2,112.91
374447 AT AND T MCI	PHONE	42.03
374455 C AND J FAVALORA TRUCKING INC	OFF HAUL SERVICES	4,266.50

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374457	CENTER FOR HEARING HEALTH INC	ANNUAL AUDIOMETRIC TESTING	771.37
374471	DELTA DIABLO	HHW PROGRAM	19,551.24
374474	DU ALL SAFETY LLC	TRAINING	1,953.11
374495	INFOSEND INC	POSTAGE FEES	227.97
374499	JACK DOHENY SUPPLIES INC	PARTS	5,483.18
374505	LENHART ALARM AND SECURITY	ALARM SERVICES	540.00
374515	MUNICIPAL FINANCIAL SERVICES	CONSULTING SERVICES	665.00
374517	NOR CAL PIPELINE SERVICES	SEWER MAIN REPAIR	35,715.00
374527	ROBERTS AND BRUNE CO	PIPE FITTINGS	5,713.73
374547	VERIZON BUSINESS	CELL PHONE	228.06
931471	ICR ELECTRICAL CONTRACTORS	ELECTRICAL SERVICES	204.06
931483	GRAINGER INC	SUPPLIES	301.05
931490	SCOTTO, CHARLES W AND DONNA F	BUILDING RENTAL	4,750.00

631 Marina Fund

Non Departmental

374389	HUNT AND SONS INC	FUEL	11,571.32
374414	PETERSON, STEVEN	DEPOSIT REFUND	261.00

Marina Administration

374339	BANK OF AMERICA	ADVERTISING	370.00
374364	CUSTOM COMPUTERS INC	WI-FI PROJECT	500.00
374367	DUALHARE INC	COMMUNICATION SERVICES	500.00
374419	RECREATION PUBLICATIONS	ADVERTISING	680.00
374505	LENHART ALARM AND SECURITY	ALARM SERVICES	120.00
931489	RAY MORGAN COMPANY	COPIER USAGE	60.33

Public Buildings & Facilities

374548	VISIPLEX INC	PA SYSTEM	4,997.00
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641 Prewett Water Park Fund

Non Departmental

374388	HUB INTERNATIONAL OF CA INSUR.	EVENT INSURANCE	512.16
374484	HAGAN, RICHARD	FACILITY DEPOSIT REFUND	500.00
374528	RUAH COMMUNITY OUTREACH	FACILITY DEPOSIT REFUND	500.00
374529	SAAFI, FELETILIKI	FACILITY DEPOSIT REFUND	500.00

Recreation Water Park

374435	AAA FIRE PROTECTION SVCS	PROFESSIONAL SERVICES	705.00
374441	AMERICAN PLUMBING INC	PLUMBING SERVICES	975.79
374447	AT AND T MCI	PHONE	117.28
374467	CRESCO EQUIPMENT RENTALS & AFF	EQUIPMENT RENTAL	448.53

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374476 EAST BAY WELDING SUPPLY	EQUIPMENT RENTAL	114.00
374501 JENNIFER HINES DESIGN	RECREATION GUIDE DESIGN	2,603.28
374505 LENHART ALARM AND SECURITY	ALARM SERVICES	690.00
374506 LESLIES POOL SUPPLIES	CHEMICALS	330.36
374511 LOWES COMPANIES INC	SUPPLIES	884.30
374518 OAKLEYS PEST CONTROL	PEST CONTROL	380.00
374519 OFFICE MAX INC	OFFICE SUPPLIES	353.61
374531 SHEARRER, JANE	CLASS REFUND	120.00
374544 UNIVAR USA INC	CHEMICALS	1,611.57
931489 RAY MORGAN COMPANY	COPIER USAGE	271.16

721 Employee Benefits Fund

Non Departmental

374434 24 HOUR FITNESS SPORT	PAYROLL DEDUCTIONS	44.99
374460 CITY SPORTS CLUB	PAYROLL DEDUCTIONS	54.98
374464 CONTRA COSTA COUNTY	PAYROLL DEDUCTIONS	400.00
374473 DIAMOND HILLS SPORT CLUB	PAYROLL DEDUCTIONS	210.00
374477 EAST COUNTY STRENGTH & CONDIT.	PAYROLL DEDUCTIONS	85.00
374493 IN SHAPE HEALTH CLUBS	PAYROLL DEDUCTIONS	108.00
374494 IN SHAPE HEALTH CLUBS	PAYROLL DEDUCTIONS	662.97
374496 INTERNAL REVENUE SERVICE	PAYROLL DEDUCTIONS	60.00
374498 IRVIN DEUTSCHER YMCA	PAYROLL DEDUCTIONS	50.00
374508 LINA	PAYROLL DEDUCTIONS	6,356.65
374516 MUNICIPAL POOLING AUTHORITY	PAYROLL DEDUCTIONS	3,739.08
374522 PARS	PAYROLL DEDUCTIONS	3,213.39
374535 STANDARD LIFE INSURANCE	PAYROLL DEDUCTIONS	882.75
374536 STATE OF CALIFORNIA	PAYROLL DEDUCTIONS	200.00
374537 STATE OF CALIFORNIA	PAYROLL DEDUCTIONS	485.00
931476 ANTIOCH PD SWORN MGMT ASSOC	PAYROLL DEDUCTIONS	550.00
931477 ANTIOCH POLICE OFFICERS ASSOC	PAYROLL DEDUCTIONS	20,567.92
931478 ANTIOCH PUBLIC WORKS EMPLOYEE	PAYROLL DEDUCTIONS	3,746.26
931486 NATIONWIDE RETIREMENT SOLUTION	PAYROLL DEDUCTIONS	64,057.44
931493 VANTAGEPOINT TRANSFER AGENTS 3	PAYROLL DEDUCTIONS	6,368.45



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of May 8, 2018

TO: Honorable Mayor and Members of the City Council

SUBMITTED BY: Tracy Tope, Civil Engineer *TT*

REVIEWED BY: Scott Buenting, Project Manager *SB*

APPROVED BY: Lynne B. Filson, Assistant City Engineer II *LBF*

SUBJECT: Consideration of Bids for the Fawn Hill Way Water Main Replacement, P.W. 503-17

RECOMMENDED ACTION

It is recommended that the City Council award the Fawn Hill Way Water Main Replacement contract and authorize the City Manager to execute an agreement with the lowest, responsive bidder, R.J. Gordon Construction, Inc. in the amount of \$1,396,725.

STRATEGIC PURPOSE

This item supports Strategy K-1 in the Strategic Plan by ensuring well maintained public facilities and rights-of-way and Strategy K-2 by enhancing the delivery of high quality water to our customers.

FISCAL IMPACT

The 2017-18 Capital Improvement Budget includes \$1.6 million through the Water System Improvement Fund. The Engineer's estimate for the construction of this project was \$1,400,000.

DISCUSSION

On April 24, 2018, eight bids were received and opened as shown on the attached tabulation. The low bid was submitted by R.J. Gordon Construction, Inc. of Pleasant Hill in the amount of \$1,396,725. The bids have been checked and found to be without any errors or omissions.

This project will replace the deteriorating water facilities on Fawn Hill Way between Golden Bear Drive and Goldcrest Way, including Silver Hill Court, Copper Hill Court, Oak Meadow Court, Deerhorn Court, and Fawn Hill Court and install new cathodic protection facilities within the project area.

ATTACHMENTS

- A: Resolution
- B: Tabulation of Bids
- C: Vicinity Map

RESOLUTION NO. 2018/**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANTIOCH
AWARDING THE FAWN HILL WAY WATER MAIN REPLACEMENT
CONTRACT AND EXECUTION OF A CONSTRUCTION AGREEMENT WITH
R.J. GORDON CONSTRUCTION, INC.
P.W. 503-17**

WHEREAS, the City Council has considered awarding the Fawn Hill Way Water Main Replacement project construction contract to the lowest, responsive and responsible bidder, R.J. Gordon Construction, Inc. in the amount of \$1,396,725; and

WHEREAS, the City desires to execute a construction agreement with R.J. Gordon Construction, Inc. in the amount of \$1,396,725 for the Fawn Hill Way Water Main Replacement project;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Antioch hereby authorizes to award the construction contract to the lowest, responsive and responsible bidder, R.J. Gordon Construction, Inc., and authorizes the City Manager to execute a construction agreement with R.J. Gordon Construction, Inc. in the amount of \$1,396,725, in a form approved by the City Attorney.

* * * * *

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Antioch at a regular meeting thereof, held on the 8th day of May 2018, by the following vote:

AYES:

ABSENT:

NOES:

**ARNE SIMONSEN, CMC
CITY CLERK OF THE CITY OF ANTIOCH**

CITY OF ANTIOCH
TABULATION OF BIDS

JOB TITLE: Fawn Hill Way Water Main Replacement
(P.W. 503-17)

BIDS OPENED: April 24, 2018 ~ 2:00 p.m.
City Council Chambers

	Engineer's Construction Estimate	R.J. Gordon Construction, Inc. Pleasant Hill	Northern Pacific Corporation Napa	J.W. Backhoer Construction, Inc. Knightsen	A-S Pipelines, Inc. Pittsburg	D & D Pipelines, Inc. San Anselmo
TOTAL BID PRICE	\$1,400,000.00	\$1,396,725.00	\$1,398,750.00	\$1,444,275.00	\$1,449,970.00	\$1,566,900.00

<i>R.J. Gordon Construction, Inc.</i>	<i>Northern Pacific Corporation</i>	<i>J.W. Backhoer Construction, Inc.</i>	<i>A-S Pipelines, Inc.</i>	<i>D & D Pipelines, Inc.</i>
<u>Pipetrench Asphalt Restoration</u> E.E. Gilbert Construction, Inc.	<u>Sawcutting</u> Harrison Concrete Cutting	<u>None</u>	<u>Striping</u> Chrisp Company <u>Paving</u> Sunrise Grading & Paving <u>Concrete</u> Murga, Strange & Chalmers	<u>Grind & Pave</u> MCK Services <u>Sawcut</u> Fineline Sawing

ATTACHMENT "B"

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CITY OF ANTIOCH
TABULATION OF BIDS

JOB TITLE: Fawn Hill Way Water Main Replacement
(P.W. 503-17)

BIDS OPENED: April 24, 2018 ~ 2:00 p.m.
City Council Chambers

	Engineer's Construction Estimate	W.R. Forde Associates Richmond	California Trenchless, Inc. Hayward	Mountain Cascade, Inc. Livermore		
TOTAL BID PRICE	\$1,400,000.00	\$1,664,600.00	\$1,832,600.00	\$2,145,120.00		

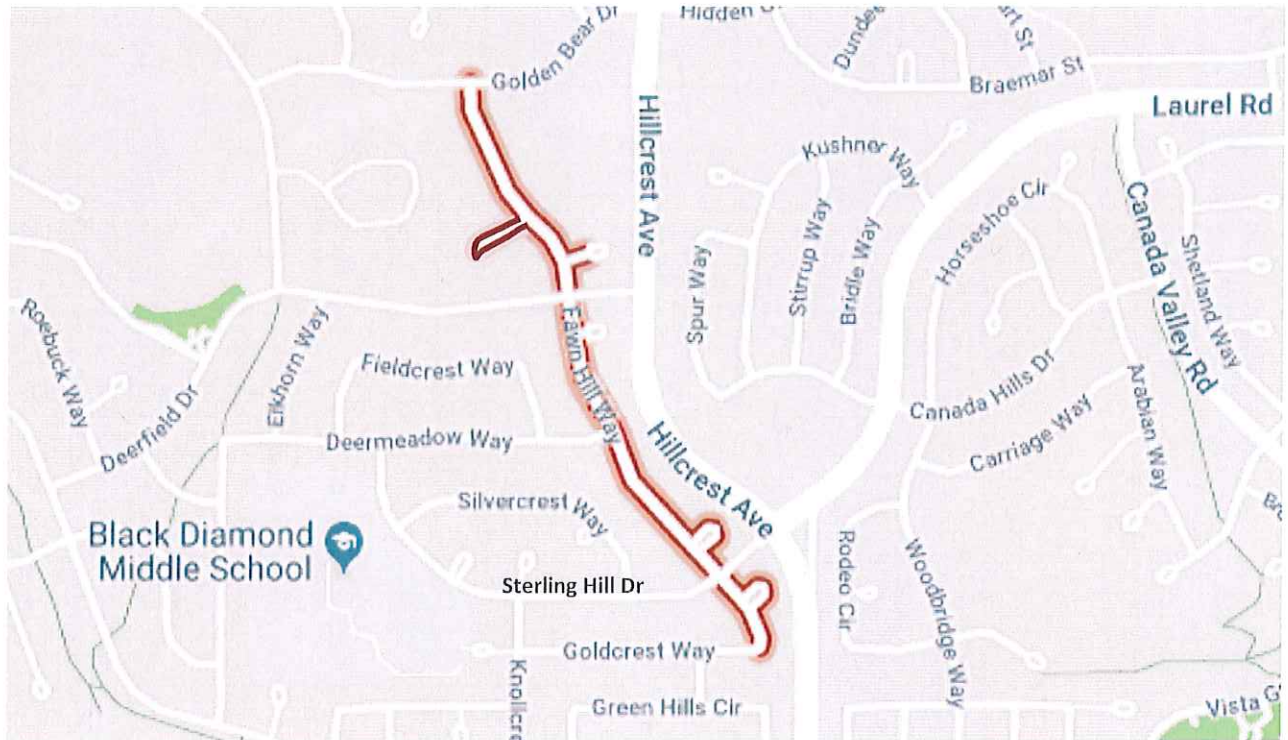
<i>W.R. Forde Associates</i>	<i>California Trenchless, Inc.</i>	<i>Mountain Cascade, Inc.</i>		
<u>Cathodic Protection</u> Corrpro <u>Striping</u> Bayside Stripe & Seal	<u>Sawcutting</u> Del Secco Diamond Core & Saw	<u>Striping</u> Chrisp Company		

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ATTACHMENT "C"

FAWN HILL WAY WATER MAIN REPLACEMENT

VICINITY MAP





STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of May 8, 2018

TO: Honorable Mayor and Members of the City Council

SUBMITTED BY: Phil Hoffmeister, Administrative Analyst II *PH*

APPROVED BY: Lynne Filson, Assistant City Engineer II *LBF*

SUBJECT: Resolution Approving Consolidated Engineer's Report and Declaring Intention to Levy and Collect Assessments for the Hillcrest, Citywide, Downtown, Almondridge, Lone Tree, and East Lone Tree Landscape Maintenance Districts, and Setting Public Hearing (PW 500)

RECOMMENDED ACTION

It is recommended that the City Council adopt the attached Resolution approving the Consolidated Engineer's Report and setting June 26, 2018 as the date for the Public Hearing.

STRATEGIC PURPOSE

This action is the essential funding mechanism in meeting Citywide Strategic Plan, Strategy K-1: Ensure well maintained public facilities, rights-of-way, and parks. This action also contributes to fulfilling Long Term Goal K: Designing, building, operating, maintaining, stewarding and enhancing Antioch's assets and resources in partnership with the community; and Long Term Goal J: Provide outstanding parks and recreation facilities for the community.

FISCAL IMPACT

Street Light and Landscape Maintenance District (SLLMD) assessment revenues for FY 2018-19 are estimated at approximately \$2,064,813 and maintenance costs are estimated at approximately \$4,648,307. After applying available SLLMD balances, \$1,556,831 will be needed from the General Fund to cover remaining costs, which is already incorporated into the proposed General Fund budget for FY2018-19.

DISCUSSION

In Fiscal Year (FY) 2001-02 a Citywide Proposition 218 ballot to create one citywide Street Light and Landscape Maintenance District (SLLMD), subdivided into four benefit zones, failed by a 70% margin. Following that failed election, Council approved the Engineer's Report for the "existing" or "base assessment" Assessment District. That report, as does this year's, assesses only properties that are subject to assessments that were previously imposed by petition of the developer of the parcel.

The 1972 Street Light and Landscape Maintenance District Act requires a Registered Civil Engineer prepare an Engineer's Report annually prior to rate setting by the City Council.

The attached Engineer's Report presents maintenance cost estimates based on FY 2018-19 budgets and approximately \$2,064,813 in collected assessments. None of the assessments exceed their respective maximum base rate. Based on previous Council direction, assessments have been allocated first to cover costs of administration, then to local landscaping, and finally arterials and medians. Any shortfalls are shown as a contribution by the General Fund.

The action of the Council tonight is to approve the receipt of the Engineer's Report and to set a Public Hearing to consider it fully on June 26, 2018. At that time, staff will recommend that Council confirm the levy of assessments and certify them to the County.

ATTACHMENTS

- A. Resolution
- B. Engineer's Report
- C. Street Light and Landscape Maintenance District Boundary Map

ATTACHMENT "A"

RESOLUTION NO. 2018/**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANTIOCH
APPROVING THE CONSOLIDATED ENGINEER'S REPORT AND DECLARING THE
INTENTION TO LEVY AND COLLECT ASSESSMENTS FOR THE HILLCREST,
CITYWIDE, DOWNTOWN, ALMONDRIDGE, LONE TREE, AND EAST LONE TREE
LANDSCAPE MAINTENANCE DISTRICTS, AND SETTING PUBLIC HEARING
(PW 500)**

WHEREAS, the City Council has ordered the formation of the Hillcrest, Citywide, Downtown, Almondridge, Lone Tree Way, and East Lone Tree Landscape Maintenance Districts; and

WHEREAS, Streets & Highway Code §22620 et seq and Proposition 218 provide the procedures for the levy of annual assessments and the formation of such assessment districts; and

WHEREAS, the engineer of work has filed a report with the City Clerk, setting out the matters required by state law; and

WHEREAS; the City Council hereby approves the Consolidated Engineer's Report as submitted;

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

The City Council hereby approves the Consolidated Engineer's Report as submitted and declares its intention to levy and collect assessments within the Hillcrest, Citywide, Downtown, Almondridge, Lone Tree, and East Lone Tree Landscape Maintenance Districts for the fiscal year 2018-2019.

1. The improvements in each District include maintenance of public landscaping, including but not limited to roadside and medians on collector streets, cul-de-sacs, landscaped trails and open space. No substantial changes are proposed to be made regarding the existing improvements, except the maintenance of new facilities that have been constructed since the last Engineer's Report.
2. The Hillcrest Landscape Maintenance District generally encompass the subdivisions abutting or in the area of Hillcrest Avenue. The Downtown District generally encompasses the commercial downtown area of the City. The Almondridge District generally encompasses the Almondridge subdivision. The Lone Tree District generally encompasses the subdivisions in the area south of Lone Tree Way. The East Lone Tree District generally encompasses the subdivisions in the area east of Vista Grande Drive and west of Empire Avenue. The Citywide District encompasses the remainder of the City, which is not included in one of the above-mentioned districts.

RESOLUTION NO. 2018/**

May 8, 2018

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3. Reference is made to the Consolidated Engineer's Report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the assessment districts, and any zones therein, and the proposed assessments upon assessable lots and parcels within those districts.
4. Notice is hereby given that the City Council will conduct a public hearing on the matter of the levy and collection of assessments as described herein at 7:00 p.m. on June 26, 2018 at the City Council Chambers, City Hall, Third and "H" Streets, Antioch, California. Public testimony will be allowed at this public hearing regarding the proposed levy and collection of assessments as described herein.
5. The City of Antioch is proposed to be assessed for its proportional street frontage in Downtown District 4, Zone 1.
6. Separate written protests may be filed with the City Clerk, City Hall, 200 "H" Street, P.O. Box 5007, Antioch, California, 94531-5007 at any time prior to the conclusion of the public hearing on June 26, 2018. Protests must state all grounds of objection. A protest filed by a property owner must contain the address of the affected property. The City Council will also receive oral testimony and objections.
7. The City Clerk is hereby directed to publish a public hearing notice in the Contra Costa Times, as required by law.
8. None of the proposed assessments are proposed to be increased over the amounts authorized by the ballot measure.

If any person challenges the decision of the City in this matter in court, he or she may be limited to raising only those issues that were raised at the public hearing described in this notice, or in written correspondence delivered to the City at, or prior to, the public hearing.

A copy of the Engineer's Report is available for inspection at the Community Development, Engineering and Development Services Division, 2nd Floor, City Hall, 200 "H" Street, Antioch, California. Written statements in favor of, or in opposition to this matter, may be filed with the City Clerk, City Hall, 200 "H" Street (P.O. Box 5007), Antioch CA 94531-5007, at any time prior to the hearing and to be heard thereon. The meeting facility is accessible to the handicapped. Auxiliary aides will be made available, upon request in advance, for persons with hearing or vision disabilities.

RESOLUTION NO. 2018/**

May 8, 2018

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* * * * *

I HEREBY CERTIFY that the foregoing resolution was adopted by the City Council of the City of Antioch at a regular meeting thereof; held on the 8th day of May, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ARNE SIMONSEN, CMC
CITY CLERK OF THE CITY OF ANTIOCH

ATTACHMENT "B"



CITY OF ANTIOCH
CONTRA COSTA COUNTY, CALIFORNIA

CONSOLIDATED ENGINEER'S REPORT
FOR THE
CITY OF ANTIOCH
STREET LIGHT AND LANDSCAPE MAINTENANCE
DISTRICT NUMBERS 1, 2A, 4, 5, 9, AND 10
AND THE
LEVY OF THE ANNUAL ASSESSMENT
FOR THE 2018/19 FISCAL YEAR

City of Antioch

May 8, 2018

Prepared by
City of Antioch
Assistant City Engineer II
Lynne B. Filson, P.E.
Philip Hoffmeister, Administrative Analyst II

STREET LIGHT AND LANDSCAPE MAINTENANCE DISTRICT
NUMBERS 1, 2A, 4, 5, 9, AND 10
(Pursuant to the Landscaping and Lighting Act of 1972 and Proposition 218)

The undersigned respectfully submits the enclosed Engineer's Report as directed by the City Council.

Dated May 2, 2018



By Lynne B. Filson
Lynne B. Filson, P.E.
License Expires 12/31/18

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment and Assessment Diagram thereto attached, was filed with me on the ____ day of _____, 2018.

Arne Simonsen, CMC, City Clerk
City of Antioch
Contra Costa County, California

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment and Assessment Diagram thereto attached, was approved and confirmed by the City Council of the City of Antioch, California on the ____ day of _____, 2018.

Arne Simonsen, CMC, City Clerk
City of Antioch
Contra Costa County, California

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment and Assessment Diagram thereto attached, was filed with the County Auditor of the County of Contra Costa, California on the ____ day of _____, 2018.

Arne Simonsen, CMC, City Clerk
City of Antioch
Contra Costa County, California

By _____

Date _____

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I. INTRODUCTION

A. Preamble

In March 2001, Council considered a "reorganized" Street Light and Landscape Maintenance District (SLLMD) that would have created a single citywide District, subdivided into multiple benefit zones. In accordance with Proposition 218, ballots were sent to property owners for their approval/disapproval of that reorganized district. The result of that election was a majority "No" vote defeating the proposal. At its meeting on June 26, 2001, Council voted to approve the "Existing Light and Landscape Maintenance District", and that assessments could be levied only up to the "base assessments" for each parcel as recorded in Fiscal Year (FY) 2000-2001, (Resolution 2001/63). Since June 2001, new districts and zones have been formed that established a base rate plus an inflationary adjustment equal to the San Francisco Consumer Price Index (CPI) increase for the preceding twelve-month period.

As indicated in previous Engineer's Reports, most districts and zones did not collect sufficient assessments to finance estimated maintenance costs. Shortfalls were covered by contributions by the City General Fund. In FY 2003-04 Staff presented Council options for increasing assessments to their maximum base rates to reduce those shortfalls. In June 2003, Council decided to increase assessments to their respective maximum base assessments over a 3-year period. The final increment was approved by Council for FY 2005-06; however, some shortfalls remain. Those shortfalls continue to be shown as paid by a contribution from the General Fund.

This Annual Consolidated Street Light and Landscape Maintenance Districts Engineer's Report continues with Council direction and presents maintenance costs for the existing lighting and landscaping districts and zones and assessments.

B. Enabling Legislation

Prior to November 1996, the City of Antioch Street Light and Landscape Maintenance Districts were governed only by the Landscaping and Lighting Act of 1972 (Streets and Highways Code Section 22500, and following), which allows a municipality or other local public agency to establish a special assessment district to raise funds for installing, maintaining and servicing public lighting, landscaping, park and recreational facilities. The revenue to pay for these improvements came from special assessments levied on the land benefiting from the improvements. The local legislative body set the assessment each year after receiving an Engineer's Report and holding a public hearing. The assessments were collected as a separately stated item on the county tax bill.

During that period, the City Council took five basic steps to levy the assessment:

- Adopt a Resolution Directing Filing of Annual Engineer's Report
- Preliminarily Approve the Engineer's Report
- Adopt a Resolution of Intention to Order Improvements
- Conduct a Public Hearing

- Adopt a Resolution Confirming the Diagram and Assessment and Levying the Annual Assessment

A certified copy of the Engineer's Report and a computer data tape containing the assessment roll were then submitted to the Contra Costa County Auditor for collection of the approved assessments.

With the passage of Proposition 218 in November of 1996, additional actions were required to impose new, or increase existing, assessments. Proposition 218 also exempted "Any assessment imposed pursuant to a petition signed by persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed." For the City of Antioch, the City Attorney has determined that the base amount of assessment that was in effect at the time a new development petitioned for annexation into the district is excluded from the provisions of Proposition 218.

C. Consolidated Engineer's Report

This Consolidated Engineer's Report recommends an assessment for parcels within each of the six Districts in the City of Antioch that are subject to an assessment, up to the base amount. The recommended assessments are based on estimates of the benefits to be received by each assessable parcel for District landscaping and recreational improvements. The benefit estimates are used to apportion costs to each assessable parcel, up to the maximum amount each parcel may be assessed without exceeding the base amount.

The 1972 Act does not specify a method or formula for apportioning costs. The assessment may be apportioned by any formula or method that fairly distributes the costs among all assessable lots or parcels.

This report summarizes the proposed assessment methods and the resulting assessments recommended. The report includes the following:

- Assessment Diagram
- Description of Improvements
- Estimate of Operation and Maintenance Costs for FY 2018/2019
- Description of Assessment Methodology
- Summary of Recommended Assessments
- Assessment Roll

II. ASSESSMENT DIAGRAM

A. Assessment Districts

This Consolidated Engineer's Report covers each of the six Street Lighting and Landscape Maintenance Districts within the City of Antioch. Collectively, these six Districts encompass the entire area of the City that benefits from the improvements to be maintained. The Number and common name of each District is listed below:

**TABLE 1
DISTRICT NUMBERS AND COMMON NAMES**

District Number	Common Name
1	Hillcrest Avenue
2A	Antioch or City-wide
4	Downtown
5	Almondridge
9	Lone Tree Way
10	East Lone Tree Way

District boundaries are depicted on the Assessment Diagram on file with the City of Antioch. The Assessment Diagram shows District boundaries, benefit zone boundaries, and City streets. For a description of lines and dimensions of each lot or parcel within the District, the reader is referred to the Assessor's parcel maps on file at the County Assessor's office. The Assessor's parcel maps are incorporated by reference into the Assessment Diagram. The Assessor's parcel number is adopted as the distinctive designation of each lot or parcel.

B. Zone Boundaries

The Districts are subdivided into one or more benefit zones. These benefit zones indicate areas within which parcels of similar use receive approximately equivalent benefits from District improvements. The dividing lines between benefit zones coincide with major arterial streets or other major facilities (i.e. canal, freeway). Refer to the Assessment Diagram for a description of the zone boundaries.

III. DESCRIPTION OF IMPROVEMENTS

This Section describes the public improvements to be installed, operated, serviced and maintained by the District.

District improvements are generally described as operating, servicing, maintaining, repairing and replacing the following: public landscaping, including improvements for standard City of Antioch cul-de-sacs; public medians, rights-of-way and park sites; weed abatement for publicly owned open space parcels.

PARKS: The cost of contract maintenance and/or City work for maintenance of the neighborhood and community parks listed in Table 2. Park improvements to be maintained include, but are not limited to, tot lots, picnic facilities, landscaping and lighting, and the cost of utilities serving the park.

LOCAL LANDSCAPING: Includes the costs of pruning, irrigation, maintenance planting, debris removal and clean up along the City's trails, cul-de-sac bulbs, and local and collector streets. It also includes both contract and City work associated with weed abatement and the maintenance of firebreaks. Localized

landscaping improvements including planters, trees in the public right-of-way, sound walls and entry signs are also maintained under this class of improvement.

MAJOR MEDIAN AND ROADSIDE LANDSCAPING: Includes the costs of pruning, irrigation, maintenance planting, debris removal and clean up along the City's arterial roadway system. Roadways included in this system are A Street, Buchanan Road, Contra Loma Boulevard, Dallas Ranch Road, Davison Drive, Deer Valley Road, Delta Fair Boulevard, East Eighteenth Street, Hillcrest Avenue, James Donlon Boulevard, L Street, Laurel Avenue, Lone Tree Way, Prewett Ranch Road, Somersville Road, West Fourth Street, West Tenth Street, and Wilbur Avenue.

PROGRAM ADMINISTRATION: Includes the costs of acquiring and maintaining equipment necessary to operate the program and conduct maintenance activities and the work of management staff that provide program oversight, scheduling, budgeting and coordination for special work groups.

**TABLE 2
NEIGHBORHOOD AND COMMUNITY PARKS**

District Number	Common Name
1-1	Hillcrest Park
	Nelson Ranch Park
1-2	Country Manor Park
	Deerfield Park
	Knoll Park
	Prewett Community Park
1-4	Meadow Creek Park
2A-1	Contra Loma Estates Park
	Fairview Park
	Prosserville Park
2A-2	City Park
2A-3	Jacobsen Park
	Meadowbrook Park
2A-4	Harbour Park
	Mountaire Park
2A-5	Chichibu Park
2A-6	Canal Park
	Gentrytown Park
	Mira Vista Park
	Village East Park
2A-7	Marchetti Park
2A-8	Antioch Community Park
	Mira Vista Hills Park
2A-9	Eagleridge Park

2A-10	Markley Creek Park
4-1	--
5-1	Almondridge Park
9-1	Williamson Ranch Park
	Chaparral Park
9-2	Diablo West Park
9-3	Hansen Park
	Dallas Ranch Park
9-4	Heidorn Park
10	--

IV. COST ESTIMATES

Cost estimates for operating, maintaining, servicing, installing, repairing, replacing and upgrading lighting, landscaping, parks and recreational improvements are provided by the City of Antioch. Tables 3 through 22 present cost estimates for each benefit area.

Table 3
COST ESTIMATE -- 2018/2019
District 1, Zone 1 -- Hillcrest Avenue District

The following schedule shows the allocation of costs to be spread to this District/Zone (254-4541)

	Base Rate Benefit Units 1,681		
	Total Cost	District Need	Assessments Applied
MAINTENANCE AND SERVICES:			
Parks	\$157,389	\$157,389	\$0
Arterial Medians and Roadside	\$32,472	\$32,472	\$0
Local Landscaping, Trails, Open Space	\$226,908	\$64,955	\$161,953
Administration	\$113,110	\$0	\$113,110
SUBTOTAL:	\$529,879	\$254,816	\$275,063
535 Parcels Assessed at \$216 per unit =			\$115,560
413 Parcels Assessed at \$190 per unit =			\$78,470
283 Parcels Assessed at \$165 per unit =			\$46,695
207 Parcels Assessed at \$94 per unit =			\$19,458
131 Parcels Assessed at \$64 per unit =			\$8,384
112 Parcels Assessed at \$58 per unit =			\$6,496
TOTAL ASSESSED:			\$275,063
Ending FY17/18 Fund Balance (Estimated):			\$177,457
GENERAL FUND PORTION OF MAINTENANCE COST:			\$77,359

District/Zone Benefits:

Parks: Hillcrest, Nelson Ranch

Arterial Landscaping: Hillcrest Avenue

Roadway Landscaping: Larkspur Drive, Wild Horse Road and cul-de-sac bulbs

Miscellaneous: Open space and trails

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Table 3A
 District 1, Zone 1
 Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
1-1	California Terrace	7222	123	165	165	165
1-1	Hillcrest Subd Un 1	5653	221	190	190	190
1-1	Hillcrest Subd Un 2	6067	83	190	190	190
1-1	Hillcrest Subd Un 3	6068	61	190	190	190
1-1	Nelson Ranch I	6893	102	216	216	216
1-1	Nelson Ranch II	8850	128	216	216	216
1-1	Nelson Ranch III	8851	138	216	216	216
1-1	Northwood Downs 1	6429	81	58	58	58
1-1	Northwood Downs 2	6564	31	58	58	58
1-1	Northwood Downs 3	6565	76	64	64	64
1-1	Ridgeview Un 1	6262	48	190	190	190
1-1	Ridgeview Un 2	6264	55	64	64	64
1-1	Viera Ranch 1-1	6855	172	94	94	94
1-1	Viera Ranch 1-2	7180	116	165	165	165
1-1	Viera Ranch 1-3	7181	69	216	216	216
1-1	Viera Ranch 2-1	6925	44	165	165	165
1-1	Viera Ranch 2-2	7219	49	216	216	216
1-1	Viera Ranch 2-3	7220	49	216	216	216
1-1	Viera Ranch 3	6943	35	94	94	94
Total:			1,681			275,063

Note: Values in the "FY 18-19 Assessment" column are for the forthcoming Fiscal Year. Assessments for the previous year (FY 17-18) are included for comparison.

Table 4
COST ESTIMATE -- 2018/2019
District 1, Zone 2 -- Hillcrest Avenue District

The following schedule shows the allocation of costs to be spread to this District/Zone (254-4542)

	Base Rate Benefit Units 3,237		
	Total Cost	District Need	Assessments Applied
MAINTENANCE AND SERVICES:			
Parks	\$216,598	\$216,598	\$0
Arterial Medians and Roadside	\$104,654	\$28,500	\$76,154
Local Landscaping, Trails, Open Space	\$208,899	\$0	\$208,899
Administration	\$78,173	\$0	\$78,173
SUBTOTAL:	\$608,324	\$245,098	\$363,226

882	Parcels Assessed at	\$216.00	per unit =	\$190,512
88	Parcels Assessed at	\$158.00	per unit =	\$13,904
1290	Parcels Assessed at	\$82.00	per unit =	\$105,780
53	Parcels Assessed at	\$76.00	per unit =	\$4,028
184	Parcels Assessed at	\$69.00	per unit =	\$12,696
52	Parcels Assessed at	\$56.00	per unit =	\$2,912
64	Parcels Assessed at	\$151.20	per unit =	\$9,676
458	Parcels Assessed at	\$42.00	per unit =	\$19,236
166	Parcels Assessed at	\$27.00	per unit =	\$4,482

TOTAL ASSESSED: \$363,226

Ending FY17/18 Fund Balance (Estimated): \$92,704

GENERAL FUND PORTION OF MAINTENANCE COST: \$152,394

District/Zone Benefits:

- Parks: Country Manor, Deerfield Mini, Knoll, Prewett Water Park
- Arterial Landscaping: Hillcrest Avenue, Lone Tree Way and Deer Valley Road
- Roadway Landscaping: Via Dora, Country Hills, Asilomar Drive and cul-de-sac bulbs
- Miscellaneous: open space and trails

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Table 4A
District 1, Zone 2
Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
1-2	Bear Ridge Un 1	7145	93	216	216.00	216.00
1-2	Bear Ridge Un 2	7251	79	216	216.00	216.00
1-2	Country Hills	6800	243	82	82.00	82.00
1-2	Country Manor Un 1	5891	69	69	69.00	69.00
1-2	Country Manor Condos	6657	233	82	82.00	82.00
1-2	Country Manor Un 2	6178	54	69	69.00	69.00
1-2	Country Manor Un 3	6179	61	69	69.00	69.00
1-2	Country Manor Un 4	6180	71	82	82.00	82.00
1-2	Country Manor Un 5	6181	18	82	82.00	82.00
1-2	Country Manor Un 6	6256	19	82	82.00	82.00
1-2	Country Manor Un 7R	6653	101	82	82.00	82.00
1-2	Deer Park Un 1	6899	204	42	42	42.00
1-2	Deer Park Un 4	7569	38	216	216.00	216.00
1-2	Deer Park Un 5	7847	38	216	216.00	216.00
1-2	Deer Park Un 6	7848	34	216	216.00	216.00
1-2	Deer Park Un 7	7281	35	216	216.00	216.00
1-2	Deerfield Un 1	6732	113	27	27	27.00
1-2	Deerfield Un 2	6733	53	27	27	27.00
1-2	Deerfield Un 3	6818	138	82	82.00	82.00
1-2	Deerfield Un 4	6817	150	82	82.00	82.00
1-2	Deerfield Un 5	6908	32	42	42	42.00
1-2	Deerfield Un 6	7283	53	76	76.00	76.00
1-2	Deerfield Un 7	7281	67	216	216.00	216.00
1-2	Deerfield Un 8	7286	60	216	216.00	216.00
1-2	Deerfield Un 9	7284	47	158	158.00	158.00
1-2	Deerfield Un 10	7285	52	56	56	56.00
1-2	Deerfield Un 11	7282	71	216	216.00	216.00
1-2	Hillcrest View Apts	-	64	151.20	151.20	151.20
1-2	Ho Property Un 1	7973	41	158	158.00	158.00
1-2	Ho Property Un 2	7974	65	216	216.00	216.00
1-2	Ho Property Un 8	8230	79	216	216.00	216.00
1-2	Ho Property Un 9	8231	80	216	216.00	216.00
1-2	Ho Property Un 10	8232	54	216	216.00	216.00
1-2	Parkside Un 1	6975	158	82	82.00	82.00
1-2	Parkside Un 2	7104	101	42	42	42.00
1-2	Shelbourne Un 1	7019	121	42	42	42.00
1-2	Shelbourne Un 2	7218	89	216	216.00	216.00
1-2	Sterling Gate Un 1	6616	76	82	82.00	82.00
1-2	Sterling Gate Un 2	6928	83	82	82.00	82.00

Total: 3237 363,226.80

B12

Table 5
COST ESTIMATE -- 2018/2019
District 1, Zone 4 -- Hillcrest Avenue District

The following schedule shows the allocation of costs to be spread to this District/Zone (254-4544)

	Base Rate Benefit Units 1,607		
	Total Cost	District Need	Assessments Applied
MAINTENANCE AND SERVICES:			
Parks	\$39,507	\$39,507	\$0
Arterial Medians and Roadside	\$35,406	\$35,406	\$0
Local Landscaping, Trails, Open Space	\$153,012	\$58,902	\$94,110
Administration	\$91,711	\$0	\$91,711
SUBTOTAL:	\$319,636	\$133,815	\$185,821
			\$185,821
			\$64,748
GENERAL FUND PORTION OF MAINTENANCE COST:			\$69,067

District/Zone Benefits:

Parks: Meadow Creek Estates

Arterial Landscaping: Hillcrest Avenue and Lone Tree Way

Roadway Landscaping: Laurel Road, Country Hills Drive and cul-de-sac bulbs

Miscellaneous: Open space and trails

B13

Table 5A
 District 1, Zone 4
 Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
1-4	Canada Hills Un 1	6898	147	23	23	23
1-4	Canada Hills Un 2	7130	99	23	23	23
1-4	Canada Hills Un 3	7341	111	38	38	38
1-4	Canada Hills Un 4	7458	47	193	193	193
1-4	Canada Hills Un 5	7761	40	193	193	193
1-4	Canada Hills Un 6	7460	81	193	193	193
1-4	Canada Hills Un 7	7459	122	193	193	193
1-4	Hidden Glen Un1	6909	89	23	23	23
1-4	Hidden Glen Un 2	7505	81	216	216	216
1-4	Hidden Glen Un 3	8387	75	216	216	216
1-4	Hidden Glen Un 4	8388	126	216	216	216
1-4	Meadow Crk Est. 1	6930	117	23	23	23
1-4	Meadow Crk Est. 2	7123	114	38	38	38
1-4	Meadow Crk Est. 3	7124	117	44	44	44
1-4	Meadow Crk Est. 4	7125	119	167	167	167
1-4	Meadow Crk Est. 5	7867	60	193	193	193
1-4	Viera Ranch 2-2	7219	18	216	216	216
1-4	Viera Ranch 2-3	7220	44	216	216	216

Total: 1,607 185,821

B14

Table 6
COST ESTIMATE -- 2018/2019
District 2A, Zone 1 -- Citywide District

The following schedule shows the allocation of costs to be spread to this District/Zone (256-4561)

		Base Rate Benefit Units	
		0	
MAINTENANCE AND SERVICES:	Total Cost	District Need	Assessments Applied
Parks	\$78,450	\$78,450	\$0
Arterial Medians and Roadside	\$35,015	\$35,015	\$0
Local Landscaping, Trails, Open Space	\$0	\$0	\$0
Administration	\$0	\$0	\$0
SUBTOTAL:	\$113,465	\$113,465	\$0
TOTAL ASSESSED:			\$0
Ending FY17/18 Fund Balance (Estimated):			\$0
GENERAL FUND PORTION OF MAINTENANCE COST:			\$113,465

District/Zone Benefits:

Parks: Contra Loma, Fairview, Prosserville

Arterial Somersville Road, L Street, Fourth Street, West Tenth Street

Roadway Landscaping: Sycamore Drive, G Street and cul-de-sac bulbs

Miscellaneous: open space and trails

Table 7
COST ESTIMATE -- 2018/2019
District 2A, Zone 2 -- Citywide District

The following schedule shows the allocation of costs to be spread to this District/Zone (256-4562)

		Base Rate Benefit Units	
		0	
MAINTENANCE AND SERVICES:	Total Cost	District Need	Assessed
Parks	\$37,127	\$37,127	\$0
Arterial Medians and Roadside	\$7,238	\$7,238	\$0
Local Landscaping, Trails, Open Space	\$0	\$0	\$0
Administration	\$0	\$0	\$0
SUBTOTAL:	\$44,365	\$44,365	\$0
TOTAL ASSESSED:			\$0
Ending FY17/18 Fund Balance (Estimated):			\$0
GENERAL FUND PORTION OF MAINTENANCE COST:			\$44,365

District/Zone Benefits:

Parks: City Park

Arterial: A Street

Roadway Landscaping: Merrill Drive, G Street and Cavallo Road roadside and cul-de-sac bulbs

Miscellaneous: open space and trails

Table 8
COST ESTIMATE -- 2018/2019
District 2A, Zone 3 -- Citywide District

The following schedule shows the allocation of costs to be spread to this District/Zone (256-4563)

		Base Rate Benefit Units							
		230							
MAINTENANCE AND SERVICES:	Total Cost	District Need	Assessments Applied						
Parks	\$45,453	\$45,453	\$0						
Arterial Medians and Roadside	\$18,975	\$18,975	\$0						
Local Landscaping, Trails, Open Space	\$20,526	\$20,005	\$521						
Administration	\$13,975	\$0	\$13,975						
SUBTOTAL:	\$98,929	\$84,433	\$14,496						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">188 Parcels Assessed at \$66.00 per unit =</td> <td style="text-align: right; padding: 2px;">\$12,408</td> </tr> <tr> <td style="padding: 2px;">36 Parcels Assessed at \$22 per unit =</td> <td style="text-align: right; padding: 2px;">\$792</td> </tr> <tr> <td style="padding: 2px;">6 Parcels Assessed at \$216 per unit =</td> <td style="text-align: right; padding: 2px;">\$1,296</td> </tr> </table>			188 Parcels Assessed at \$66.00 per unit =	\$12,408	36 Parcels Assessed at \$22 per unit =	\$792	6 Parcels Assessed at \$216 per unit =	\$1,296	
188 Parcels Assessed at \$66.00 per unit =	\$12,408								
36 Parcels Assessed at \$22 per unit =	\$792								
6 Parcels Assessed at \$216 per unit =	\$1,296								
TOTAL ASSESSED:			\$14,496						
Ending FY17/18 Fund Balance (Estimated):			\$30,001						
GENERAL FUND PORTION OF MAINTENANCE COST:			\$54,432						

District/Zone Benefits:

- Parks: Jacobsen, Meadowbrook
- Arterial: East 18th Street and Wilbur Avenue
- Roadway Landscaping: Cavallo Road and cul-de-sac bulbs
- Miscellaneous: open space and trails

Table 8A
District 2A, Zone 3
Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
2A-3	Lakeshore Apt.	6770	188	66	66	66
2A-3	Terrace Gardens	5582	36	22	22	22
2A-3	Bermuda Way	8848	6	216	216	216

Total: 230 14,496

B18

Table 9
COST ESTIMATE -- 2018/2019
District 2A, Zone 4 -- Citywide District

The following schedule shows the allocation of costs to be spread to this District/Zone (256-4564)

		Base Rate Benefit Units 337	
	Total Cost	District Need	Assessments Applied
MAINTENANCE AND SERVICES:			
Parks	\$92,309	\$92,309	\$0
Arterial Medians and Roadside	\$46,556	\$46,556	\$0
Local Landscaping, Trails, Open Space	\$19,955	\$11,406	\$8,549
Administration	\$4,367	\$0	\$4,367
SUBTOTAL:	\$163,187	\$150,271	\$12,916
			\$12,916
171 Parcels Assessed at \$60 per unit =			\$10,260
166 Parcels Assessed at \$16 per unit =			\$2,656
TOTAL ASSESSED:			\$12,916
Ending FY17/18 Fund Balance (Estimated):			\$14,898
GENERAL FUND PORTION OF MAINTENANCE COST:			\$135,373

District/Zone Benefits:

- Parks: Harbour, Mountaire
- Arterial: Lone Tree Way, Davison Drive and Hillcrest Avenue
- Roadway Landscaping: Cul-de-sac bulbs
- Miscellaneous: open space and trails

B19

Table 9A
 District 2A, Zone 4
 Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
2A-4	Hillcrest Estates	5494	54	60	60	60
2A-4	Hillcrest Estates Un 2	6184	53	60	60	60
2A-4	Brookside Estates	7155	166	16	16	16
2A-4	Shelbourne Un 3	7294	64	60	60	60
Total:			337			12,916

Table 10
COST ESTIMATE -- 2018/2019
District 2A, Zone 5 -- Citywide District

The following schedule shows the allocation of costs to be spread to this District/Zone (256-4565)

		Base Rate Benefit Units 13	
	Total Cost	District Need	Assessments Applied
MAINTENANCE AND SERVICES:			
Parks	\$49,815	\$49,815	\$0
Arterial Medians and Roadside	\$48,708	\$48,708	\$0
Local Landscaping, Trails, Open Space	\$40,225	\$40,225	\$0
Administration	\$20,526	\$19,034	\$1,492
SUBTOTAL:	\$159,274	\$157,782	\$1,492
			\$556
			\$936
TOTAL ASSESSED:			\$1,492
Ending FY17/18 Fund Balance (Estimated):			\$28,542
GENERAL FUND PORTION OF MAINTENANCE COST:			\$129,240

District/Zone Benefits:

Parks: Chichibu

Arterial: Lone Tree Way, James Donlon Boulevard, Contra Loma Boulevard

Roadway Landscaping: Cul-de-sac bulbs

Miscellaneous: open space and trails

B21

Table 10A
 District 2A, Zone 5
 Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
2A-5	Wilhelm Sub'd	7121	4	139	139	139
2A-5	Wilhelm Sub'd	7412	9	104	104	104
Total:			13			1,492

B22

Table 11
COST ESTIMATE -- 2018/2019
District 2A, Zone 6 -- Citywide District

The following schedule shows the allocation of costs to be spread to this District/Zone (256-4566)

		Base Rate Benefit Units 274	
	Total Cost	District Need	Assessments Applied
MAINTENANCE AND SERVICES:			
Parks	\$198,188	\$198,188	\$0
Arterial Medians and Roadside	\$59,076	\$59,076	\$0
Local Landscaping, Trails, Open Space	\$61,915	\$39,884	\$22,031
Administration	\$6,551	\$0	\$6,551
SUBTOTAL:	\$325,730	\$297,148	\$28,582
			\$28,582
148 Parcels Assessed at \$139 per unit =			\$20,572
18 Parcels Assessed at \$103 per unit =			\$1,854
108 Parcels Assessed at \$57 per unit =			\$6,156
TOTAL ASSESSED:			\$28,582
Ending FY17/18 Fund Balance (Estimated):			\$36,185
GENERAL FUND PORTION OF MAINTENANCE COST:			\$260,963

District/Zone Benefits:

Parks: Canal, Gentrytown, Mira Vista, Village East

Arterial: Somersville Road, Buchanan Road, James Donlon Boulevard, Contra Loma Boulevard

Roadway Landscaping: Putnam Street, Johnson Drive and Cul-de-sac bulbs

Miscellaneous: open space and trails

Table 11A
 District 2A, Zone 6
 Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
2A-6	California Gables	7105	148	139	139	139
2A-6	Centennial Park	6812	108	57	57	57
2A-6	Mira Vista Un 11	7034	18	103	103	103

Total: 274 28,582

B24

Table 12
COST ESTIMATE -- 2018/2019
District 2A, Zone 7 -- Citywide District

The following schedule shows the allocation of costs to be spread to this District/Zone (256-4567)

		Base Rate Benefit Units	
		0	
MAINTENANCE AND SERVICES:	Total Cost	District Need	Assements Applied
Parks	\$35,598	\$35,598	\$0
Arterial Medians and Roadside	\$19,366	\$19,366	\$0
Local Landscaping, Trails, Open Space	\$0	\$0	\$0
Administration	\$0	\$0	\$0
SUBTOTAL:	\$54,964	\$54,964	\$0
TOTAL ASSESSED:			\$0
Ending FY17/18 Fund Balance (Estimated):			\$0
GENERAL FUND PORTION OF MAINTENANCE COST:			\$54,964

District/Zone Benefits:

Parks: Marchetti

Arterial: Somersville Road, Delta Fair Boulevard

Roadway Landscaping: None

Miscellaneous: open space and trails

Table 13
COST ESTIMATE -- 2018/2019
District 2A, Zone 8 -- Citywide District

The following schedule shows the allocation of costs to be spread to this District/Zone (256-4568)

	Base Rate Benefit Units 426		
	Total Cost	District Need	Assessments Applied
MAINTENANCE AND SERVICES:			
Parks	\$266,943	\$266,943	\$0
Arterial Medians and Roadside	\$35,211	\$35,211	\$0
Local Landscaping, Trails, Open Space	\$49,408	\$7,396	\$42,012
Administration	\$32,754	\$0	\$32,754
SUBTOTAL:	\$384,316	\$309,550	\$74,766
261 Parcels Assessed at \$216.00 per unit =			\$56,376
120 Parcels Assessed at \$129 per unit =			\$15,480
5 Parcels Assessed at \$118 per unit =			\$590
40 Parcels Assessed at \$58 per unit =			\$2,320
TOTAL ASSESSED:			\$74,766
Ending FY17/18 Fund Balance (Estimated):			\$42,628
GENERAL FUND PORTION OF MAINTENANCE COST:			\$266,922

District/Zone Benefits:

- Parks: Mira Vista Hills, Antioch Community Park
- Arterial: James Donlon Boulevard
- Roadway Landscaping: Cul-de-sac bulbs
- Miscellaneous: open space and trails

Table 13A
 District 2A, Zone 8
 Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
2A-8	Mira Vista Hills	4420	5	118	118	118
2A-8	Mira Vista Hills, Un 10	6472	78	129	129	129
2A-8	Mira Vista Hills, Un 12	6744	40	58	58	58
2A-8	Mira Vista Hills, Un 13	6708	95	216	216	216
2A-8	Mira Vista Hills, Un 14	6824	42	129	129	129
2A-8	Mira Vista Hills, Un 15	6920	79	216	216	216
2A-8	Mira Vista Hills, Un 16	6921	87	216	216	216

Total: 426 74,766.00

B27

Table 14
COST ESTIMATE -- 2018/2019
District 2A, Zone 9 -- Citywide District

The following schedule shows the allocation of costs to be spread to this District/Zone (256-4569)

		Base Rate Benefit Units 1,379																																					
	Total Cost	District Need	Assessments Applied																																				
MAINTENANCE AND SERVICES:																																							
Parks	\$37,971	\$37,971	\$0																																				
Arterial Medians and Roadside	\$63,575	\$63,575	\$0																																				
Local Landscaping, Trails, Open Space	\$95,840	\$10,418	\$85,422																																				
Administration	\$30,570	\$0	\$30,570																																				
SUBTOTAL:	\$227,956	\$111,964	\$115,992																																				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 10%; text-align: center;">68</td> <td style="width: 30%;">Parcels Assessed at</td> <td style="width: 10%; text-align: right;">\$144</td> <td style="width: 10%;">per unit =</td> <td style="width: 30%;"></td> <td style="width: 10%; text-align: right;">\$9,792</td> </tr> <tr> <td style="text-align: center;">174</td> <td>Parcels Assessed at</td> <td style="text-align: right;">\$135</td> <td>per unit =</td> <td></td> <td style="text-align: right;">\$23,490</td> </tr> <tr> <td style="text-align: center;">442</td> <td>Parcels Assessed at</td> <td style="text-align: right;">\$108</td> <td>per unit =</td> <td></td> <td style="text-align: right;">\$47,736</td> </tr> <tr> <td style="text-align: center;">122</td> <td>Parcels Assessed at</td> <td style="text-align: right;">\$107</td> <td>per unit =</td> <td></td> <td style="text-align: right;">\$13,054</td> </tr> <tr> <td style="text-align: center;">34</td> <td>Parcels Assessed at</td> <td style="text-align: right;">\$74</td> <td>per unit =</td> <td></td> <td style="text-align: right;">\$2,516</td> </tr> <tr> <td style="text-align: center;">539</td> <td>Parcels Assessed at</td> <td style="text-align: right;">\$36</td> <td>per unit =</td> <td></td> <td style="text-align: right;">\$19,404</td> </tr> </tbody> </table>				68	Parcels Assessed at	\$144	per unit =		\$9,792	174	Parcels Assessed at	\$135	per unit =		\$23,490	442	Parcels Assessed at	\$108	per unit =		\$47,736	122	Parcels Assessed at	\$107	per unit =		\$13,054	34	Parcels Assessed at	\$74	per unit =		\$2,516	539	Parcels Assessed at	\$36	per unit =		\$19,404
68	Parcels Assessed at	\$144	per unit =		\$9,792																																		
174	Parcels Assessed at	\$135	per unit =		\$23,490																																		
442	Parcels Assessed at	\$108	per unit =		\$47,736																																		
122	Parcels Assessed at	\$107	per unit =		\$13,054																																		
34	Parcels Assessed at	\$74	per unit =		\$2,516																																		
539	Parcels Assessed at	\$36	per unit =		\$19,404																																		
TOTAL ASSESSED:					\$115,992																																		
Ending FY17/18 Fund Balance (Estimated):					\$81,710																																		
GENERAL FUND PORTION OF MAINTENANCE COST:					\$30,254																																		

District/Zone Benefits:

Parks: Eaglesridge

Arterial: Lone Tree Way, Deer Valley Road

Roadway Landscaping: Ridgerock Drive, Asilomar, Country Hills Drive and cul-de-sac bulbs

Miscellaneous: Open space and trails

Table 14A
 District 2A, Zone 9
 Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Assmnt	FY 17-18 Assmnt	FY18-19 Assessment
2A-9	Eagles Ridge Un 1	5614	116	36	36	36
2A-9	Eagles Ridge Un 2	6162	151	36	36	36
2A-9	Eagles Ridge Un 3	6163	122	36	36	36
2A-9	Eagles Ridge Un 4	6164	150	36	36	36
2A-9	Deer Park Un 2	7290	68	144	144	144
2A-9	Deer Park Un 3	7291	94	135	135	135
2A-9	Lone Tree Est. Un 1	7079	122	107	107	107
2A-9	Lone Tree Est. Un 1A	7880	5	108	108	108
2A-9	Lone Tree Est. Un 2	7691	80	135	135	135
2A-9	Lone Tree Est. Un 3	7900	75	108	108	108
2A-9	Lone Tree Est. Un 4	8020	46	108	108	108
2A-9	Lone Tree Est. Un 5	8120	62	108	108	108
2A-9	Lone Tree Est. Un 6	8366	99	108	108	108
2A-9	Ho Sub'd, Un 3	7999	34	74	74	74
2A-9	Ho Sub'd, Un 4	8025	47	108	108	108
2A-9	Ho Sub'd, Un 5	8045	61	108	108	108
2A-9	Ho Sub'd, Un 6	8102	47	108	108	108
Total:			1,379			115,992

Table 15
 COST ESTIMATE -- 2018/2019
 District 2A, Zone 10 -- Citywide District

The following schedule shows the allocation of costs to be spread to this District/Zone (256-4572)

		Base Rate Benefit Units	
		286 Residential 4 Commercial	
MAINTENANCE AND SERVICES:	Total Cost	District Need	Assessments Applied
Parks	\$35,180	\$35,180	\$0
Arterial Medians and Roadside	\$16,627	\$16,350	\$277
Local Landscaping, Trails, Open Space	\$121,880	\$0	\$121,880
Channel Maintenance	\$10,000	\$0	\$10,000
Administration	\$6,463	\$0	\$6,463
SUBTOTAL:	\$190,150	\$51,530	\$138,620
286 Parcels Assessed at \$478.00 per unit =			\$136,708
1 Commercial Parcel Assessed at \$478.00 per benefit unit =			\$1,912
TOTAL ASSESSED:			\$138,620
Ending FY17/18 Fund Balance (Estimated):			\$146,185
GENERAL FUND PORTION OF MAINTENANCE COST:			\$0

District/Zone Benefits:

- Parks: Markley Creek
- Arterial: James Donlan, Somersville
- Roadway Landscaping: cul-de-sac bulbs

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Table 15A
 District 2A, Zone 10
 Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assesment
2A-10	Black Diamond Ranch Un 1	7487	58	652.47	609.08	478.00
2A-10	Black Diamond Ranch Un 2	8585	117	652.47	609.08	478.00
2A-10	Black Diamond Ranch Un 3	8586	111	652.47	609.08	478.00
2A-10	Commerical Parcel	-	4	652.47	609.08	478.00
Total:			290			138,620

Table 16
COST ESTIMATE -- 2018/2019
District 4, Zone 1 -- Downtown District

The following schedule shows the allocation of costs to be spread to this District/Zone (252-4521)

	Base Rate Benefit Units		
	0		
	Total Cost	District Need	Assessments Applied
MAINTENANCE AND SERVICES:			
Parks	\$0	\$0	\$0
Arterial Medians and Roadside	\$0	\$0	\$0
Local Landscaping, Trails, Open Space	\$81,354	\$81,354	\$0
Administration	\$349	\$349	\$0
SUBTOTAL:	\$81,703	\$81,703	\$0
TOTAL ASSESSED:			\$0
Ending FY17/18 Fund Balance (Estimated):			\$25,812
GENERAL FUND PORTION OF MAINTENANCE COST:			\$55,891
<i>District/Zone Benefits:</i>			
Roadway Landscaping: Waldie Plaza, Rivertown Promenade, public parking lots, A Street extension, train station			

Table 17
COST ESTIMATE -- 2018/2019
District 5, Zone 1 -- Almondridge District

The following schedule shows the allocation of costs to be spread to this District/Zone (253-4531)

		Base Rate Benefit Units 560	
		District Need	Assessments Applied
MAINTENANCE AND SERVICES:			
Parks	\$71,679	\$19,154	\$52,525
Arterial Medians and Roadside	\$0	\$0	\$0
Local Landscaping, Trails, Open Space	\$40,661	\$0	\$40,661
Administration	\$8,734	\$0	\$8,734
SUBTOTAL:	\$121,074	\$19,154	\$101,920
560 Parcels Assessed at \$182.00 per unit =			\$101,920
TOTAL ASSESSED:			\$101,920
Ending FY17/18 Fund Balance (Estimated):			\$79,332
GENERAL FUND PORTION OF MAINTENANCE COST:			\$0

District/Zone Benefits:

Parks: Almondridge

Arterial: None

Roadway Landscaping: Viera Avenue, Willow Avenue and cul-de-sac bulbs

Miscellaneous: open space and trails

Table 17A
 District 5, Zone 1
 Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
5-1	Almondridge West	6621	25	190	190	182.00
5-1	Almondridge Un 1	6109	93	190	190	182.00
5-1	Almondridge Un 2	6454	35	190	190	182.00
5-1	Almondridge Un 3	6788	50	190	190	182.00
5-1	Almondridge Un 4	6869	52	190	190	182.00
5-1	Almondridge Un 5	7190	96	190	190	182.00
5-1	Almondridge Un 6	7411	48	190	190	182.00
5-1	Almondridge Un 9	7673	35	190	190	182.00
5-1	Almondridge Un 11	7901	25	190	190	182.00
5-1	Almondridge Un 12	8065	4	190	190	182.00
5-1	Oakley Knolls	8501	16	216	216	182.00
5-1	Almondridge East	8880	81	216	216	182.00

Total:

560

101,920

B34

Table 18
COST ESTIMATE -- 2018/2019
District 9, Zone 1 -- Lone Tree District

The following schedule shows the allocation of costs to be spread to this District/Zone (251-4511)

		Base Rate Benefit Units 1,200	
	Total Cost	District Need	Assessments Applied
MAINTENANCE AND SERVICES:			
Parks	\$78,384	\$78,384	\$0
Arterial Medians and Roadside	\$38,927	\$26,892	\$12,035
Local Landscaping, Trails, Open Space	\$116,051	\$0	\$116,051
Administration	\$19,914	\$0	\$19,914
SUBTOTAL:	\$253,276	\$105,276	\$148,000
			\$80,500
			\$67,500
TOTAL ASSESSED:			\$148,000
Ending FY17/18 Fund Balance (Estimated):			\$45,186
GENERAL FUND PORTION OF MAINTENANCE COST:			\$60,090

District/Zone Benefits:

Parks: Chapparal, Williamson Ranch

Arterial: Hillcrest Avenue, Lone Tree Way, Deer Valley Road, Prewett Ranch

Roadway Landscaping: Lone Tree Way, Deer Valley Road, Dallas Ranch Road, Prewett Ranch Road

Miscellaneous: open space and trails

B35

Table 18A
 District 9, Zone 1
 Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
9-1	Diablo East Un 1	7121	177	108	108	108
9-1	Diablo East Un 2	7400	44	108	108	108
9-1	Diablo East Un 3	7401	21	140	140	140
9-1	Diablo East Un 4	8038	39	140	140	140
9-1	Diablo East Un 5	8052	39	140	140	140
9-1	Diablo East Un 6	8079	34	140	140	140
9-1	Diablo East Un 7	8122	52	140	140	140
9-1	Diablo East Un 8	8164	77	140	140	140
9-1	Diablo East Un 9	8191	71	140	140	140
9-1	Williamson Ranch 1	7114	20	108	108	108
9-1	Williamson Ranch 2	7258	166	108	108	108
9-1	Williamson Ranch 3	7587	86	108	108	108
9-1	Williamson Ranch 4	7606	93	108	108	108
9-1	Williamson Ranch 5	7618	39	108	108	108
9-1	Williamson Ranch 6	7619	75	140	140	140
9-1	Williamson Ranch 7	7620	82	140	140	140
9-1	Williamson Ranch 8	7826	85	140	140	140
Total:			1,200			148,000

B36

Table 19
COST ESTIMATE -- 2018/2019
District 9, Zone 2 -- Lone Tree Way District

The following schedule shows the allocation of costs to be spread to this District/Zone (251-4512)

		Base Rate Benefit Units 2,024																																				
	Total Cost	District Need	Assessments Applied																																			
MAINTENANCE AND SERVICES:																																						
Parks	\$28,286	\$28,286	\$0																																			
Medians and Roadside	\$46,556	\$46,556	\$0																																			
Local Landscaping, Trails, Open Space	\$169,581	\$62,471	\$107,110																																			
Administration	\$90,052	\$0	\$90,052																																			
SUBTOTAL:	\$334,475	\$137,313	\$197,162																																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 10%; text-align: center;">229</td> <td style="width: 30%;">Parcels Assessed at</td> <td style="width: 15%; text-align: right;">\$216.00</td> <td style="width: 20%;">per unit =</td> <td style="width: 25%; text-align: right;">\$49,464</td> </tr> <tr> <td style="text-align: center;">1149</td> <td>Parcels Assessed at</td> <td style="text-align: right;">\$93.00</td> <td>per unit =</td> <td style="text-align: right;">\$106,857</td> </tr> <tr> <td style="text-align: center;">29</td> <td>Parcels Assessed at</td> <td style="text-align: right;">\$88.00</td> <td>per unit =</td> <td style="text-align: right;">\$2,552</td> </tr> <tr> <td style="text-align: center;">45</td> <td>Parcels Assessed at</td> <td style="text-align: right;">\$83.00</td> <td>per unit =</td> <td style="text-align: right;">\$3,735</td> </tr> <tr> <td style="text-align: center;">38</td> <td>Parcels Assessed at</td> <td style="text-align: right;">\$216.00</td> <td>per unit =</td> <td style="text-align: right;">\$8,208</td> </tr> <tr> <td style="text-align: center;">460</td> <td>Parcels Assessed at</td> <td style="text-align: right;">\$51.00</td> <td>per unit =</td> <td style="text-align: right;">\$23,460</td> </tr> <tr> <td style="text-align: center;">74</td> <td>Parcels Assessed at</td> <td style="text-align: right;">\$39.00</td> <td>per unit =</td> <td style="text-align: right;">\$2,886</td> </tr> </tbody> </table>				229	Parcels Assessed at	\$216.00	per unit =	\$49,464	1149	Parcels Assessed at	\$93.00	per unit =	\$106,857	29	Parcels Assessed at	\$88.00	per unit =	\$2,552	45	Parcels Assessed at	\$83.00	per unit =	\$3,735	38	Parcels Assessed at	\$216.00	per unit =	\$8,208	460	Parcels Assessed at	\$51.00	per unit =	\$23,460	74	Parcels Assessed at	\$39.00	per unit =	\$2,886
229	Parcels Assessed at	\$216.00	per unit =	\$49,464																																		
1149	Parcels Assessed at	\$93.00	per unit =	\$106,857																																		
29	Parcels Assessed at	\$88.00	per unit =	\$2,552																																		
45	Parcels Assessed at	\$83.00	per unit =	\$3,735																																		
38	Parcels Assessed at	\$216.00	per unit =	\$8,208																																		
460	Parcels Assessed at	\$51.00	per unit =	\$23,460																																		
74	Parcels Assessed at	\$39.00	per unit =	\$2,886																																		
TOTAL ASSESSED:				\$197,162																																		
Ending FY17/18 Fund Balance (Estimated):				\$85,813																																		
GENERAL FUND PORTION OF MAINTENANCE COST:				\$51,500																																		

District/Zone Benefits:

Parks: Diablo West

Arterial: Lone Tree Way, Deer Valley Road, Dallas Ranch Road, Prewett Ranch Road

Roadway Landscaping: Lone Tree Way, Deer Valley Road, Dallas Ranch Road, Prewett Ranch Road

Miscellaneous: open space and trails

Table 19A
 District 9, Zone 2
 Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
9-2	Black Dia. Knolls 1	7201	29	51	51	51
9-2	Black Dia. Knolls 2	7498	45	51	51	51
9-2	Black Dia. Knolls 3	7554	28	51	51	51
9-2	Black Dia. Knolls 4	7592	36	51	51	51
9-2	Black Dia. Knolls 5	7499	64	51	51	51
9-2	Black Dia. Knolls 6	7593	24	51	51	51
9-2	Black Dia. Knolls 7	7594	31	93	93	93
9-2	Black Dia. Knolls 8	7825	26	83	83	83
9-2	Black Dia. Knolls 9	8008	19	83	83	83
9-2	Black Dia. Knolls 10	7824	29	88	88	88
9-2	Black Dia. Knolls 11	7500	48	93	93	93
9-2	Black Dia. Knolls 12	7823	26	93	93	93
9-2	Black Dia. Knolls 13	7822	32	93	93	93
9-2	Black Dia. Knolls 14	8110	43	93	93	93
9-2	Black Dia. Knolls 15	8181	53	93	93	93
9-2	Black Dia. Knolls 16	8182	42	93	93	93
9-2	Black Dia. Knolls 17	8183	45	93	93	93
9-2	Black Dia. Knolls 18	8324	56	93	93	93
9-2	Black Dia. Knolls 19	8325	89	93	93	93
9-2	Black Dia. Knolls 20	8326	64	93	93	93
9-2	Black Dia. Knolls 21	8466	49	216	216	216
9-2	Black Dia. Knolls 22	8467	64	216	216	216
9-2	Black Dia. Knolls 23	8525	27	216	216	216
9-2	Black Dia. Knolls 24	8526	89	216	216	216
9-2	Black Dia. Knolls 25	8528	38	216	216	216
9-2	Diablo West Un 1	7128	74	39	39	39
9-2	Diablo West Un 2	7469	119	51	51	51
9-2	Diablo West Un 3	7616	115	51	51	51
9-2	Diablo West Un 4	8243	71	93	93	93
9-2	Diablo West Un 5	8244	56	93	93	93
9-2	Diablo West Un 6	8245	81	93	93	93
9-2	Diablo West Un 7	8312	99	93	93	93
9-2	Diablo West Un 8	8313	46	93	93	93
9-2	Diablo West Un 9	8314	106	93	93	93
9-2	Lone Tree Glen	7275	161	93	93	93

Total:

2,024

197,162

Table 20
COST ESTIMATE -- 2018/2019
District 9, Zone 3 -- Lone Tree Way District

The following schedule shows the allocation of costs to be spread to this District/Zone (251-4513)

		Base Rate Benefit Units 1,953	
		District Need	Assessments Applied
MAINTENANCE AND SERVICES:			
Parks	\$90,586	\$90,586	\$0
Arterial Medians and Roadside	\$25,430	\$25,430	\$0
Local Landscaping, Trails, Open Space	\$136,700	\$1,213	\$135,487
Administration	\$80,182	\$0	\$80,182
SUBTOTAL:	\$332,898	\$117,229	\$215,669
129	Parcels Assessed at \$216.00 per unit =		\$27,864
860	Parcels Assessed at \$139.00 per unit =		\$119,540
519	Parcels Assessed at \$95.00 per unit =		\$49,305
120	Parcels Assessed at \$93.00 per unit =		\$11,160
25	Parcels Assessed at \$216.00 per unit =		\$5,400
300	Parcels Assessed at \$8.00 per unit =		\$2,400
TOTAL ASSESSED:			\$215,669
Ending FY17/18 Fund Balance (Estimated):			\$131,621
GENERAL FUND PORTION OF MAINTENANCE COST:			\$0

District/Zone Benefits:

Parks: Hansen and Dallas Ranch Park

Arterial: Lone Tree Way, Dallas Ranch Road

Roadway Landscaping: Prewett Ranch Road, Golf Course Road, Frederickson Lane and cul-de-sac bulbs

Miscellaneous: Open space and trails

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Table 20A
District 9, Zone 3
Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
9-3	Black Dia. Est. Un 1	7515	31	95	95	95
9-3	Black Dia. Est. Un 2	7644	41	139	139	139
9-3	Black Dia. Est. Un 3	8064	54	139	139	139
9-3	Black Dia. Est. Un 4	8194	64	139	139	139
9-3	Black Dia. Est. Un 5	8076	55	139	139	139
9-3	Black Dia. Est. Un 6	8317	56	139	139	139
9-3	Black Dia. Est. Un 7	8318	73	139	139	139
9-3	Black Dia. Est. Un 8	8319	47	216	216	216
9-3	Black Dia. Est. Un 9	8320	49	216	216	216
9-3	Black Dia. Est. Un 10	8472	33	216	216	216
9-3	Black Dia. Est. Un 11	8567	25	216	216	216
9-3	Dallas Ranch Un 1	7380	58	95	95	95
9-3	Dallas Ranch Un 2	7859	50	95	95	95
9-3	Dallas Ranch Un 3	7860	34	95	95	95
9-3	Dallas Ranch Un 4	7198	138	95	95	95
9-3	Dallas Ranch Un 5	7376	122	95	95	95
9-3	Dallas Ranch Un 6	7966	45	95	95	95
9-3	Dallas Ranch Un 7	7377	187	139	139	139
9-3	Dallas Ranch Un 8	7378	54	139	139	139
9-3	Dallas Ranch Un 9	8107	34	139	139	139
9-3	Dallas Ranch Un 10	8108	63	139	139	139
9-3	Dallas Ranch Un 11	8109	120	93	93	93
9-3	Diamond Ridge Un 1	7317	179	8	8	8
9-3	Diamond Ridge Un 2	7536	86	8	8	8
9-3	Diamond Ridge Un 3	7537	41	95	95	95
9-3	Diamond Ridge Un 4	7627	35	8	8	8
9-3	Sandhill I	8247	75	139	139	139
9-3	Sandhill II	8410	104	139	139	139

Total: 1,953 215,669

Table 21
COST ESTIMATE -- 2018/2019
District 9, Zone 4 -- Lone Tree Way District

The following schedule shows the allocation of costs to be spread to this District/Zone (251-4514)

		Base Rate Benefit Units 435	
		District Need	Assessments Applied
MAINTENANCE AND SERVICES:		Total Cost	
Parks		\$24,335	\$0
Arterial Medians and Roadside		\$14,476	\$0
Local Landscaping, Trails, Open Space		\$72,212	\$53,416
Administration		\$22,709	\$22,709
SUBTOTAL:		\$133,732	\$76,125
435 Parcels Assessed at \$175.00 per unit =			\$76,125
TOTAL ASSESSED:			\$76,125
Ending FY17/18 Fund Balance (Estimated):			\$57,055
GENERAL FUND PORTION OF MAINTENANCE COST:			\$552

District/Zone Benefits:

- Park: Heidorn
- Arterial: Lone Tree Way, Hillcrest Avenue
- Roadway Landscaping: Vista Grande Drive and cul-de-sac bulbs
- Miscellaneous: Open space and trails

B41

Table 21A
 District 9, Zone 4
 Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
9-4	Meadow Crk. Village 1	7862	55	216	175	175
9-4	Meadow Crk. Village 2	7947	77	216	175	175
9-4	Meadow Crk. Village 3	7967	108	216	175	175
9-4	Meadow Crk. Village 4	7971	98	216	175	175
9-5	Meadow Crk. Village 5	7897	97	216	175	175
Total:			435			76,125

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Table 22
COST ESTIMATE -- 2018/2019
District 10, Zone 1 -- East Lone Tree Way District

The following schedule shows the allocation of costs to be spread to this District/Zone (259-4591)

	Base Rate Benefit Units 660.5		
	Total Cost	District Need	Assessments Applied
MAINTENANCE AND SERVICES:			
Parks	\$0	\$0	\$0
Arterial Medians and Roadside	\$12,519	\$12,519	\$0
Local Landscaping, Trails, Open Space	\$110,068	\$0	\$110,068
Channel Maintenance	\$20,000	\$0	\$20,000
Administration	\$28,387	\$0	\$28,387
SUBTOTAL:	\$170,974	\$12,519	\$158,455

462	Parcels Assessed at	\$204.78	per unit =	\$94,608
152	Multi Family Res	\$117.26	per unit =	\$17,824
12.6	Comm. Parcel	\$82.86	per unit =	\$1,044
33.9	Bus. Park parcel	\$43.86	per unit =	\$1,487

TOTAL ASSESSED:	\$114,963
Ending FY17/18 Fund Balance (Estimated):	\$141,497
GENERAL FUND PORTION OF MAINTENANCE COST:	\$0

District/Zone Benefits:

Park: None

Arterial: Lone Tree Way

Roadway Landscaping: Country Hills Drive, Canada Valley Road, Vista Grande, and cul de sacs

Miscellaneous: Open space and trails

Table 22A
District 10
Base Assessment Allocation

Dist/Zone	Sub'd	Tract	Benefit Units	Base Fee	FY 17-18 Assmnt	FY18-19 Assessment
10-1	Sand Creek Ranch 1	8114	57	523.42	279.00	204.78
10-1	Sand Creek Ranch 2	8958	27	523.42	279.00	204.78
10-1	Sand Creek Ranch 4	8640	97	523.42	279.00	204.78
10-1	Sand Creek Ranch 5	8885	42	523.42	279.00	204.78
10-1	Sand Creek Ranch 6	8886	31	523.42	279.00	204.78
10-1	Sand Creek Ranch 7	8948	52	523.42	279.00	204.78
10-1	Sand Creek Ranch 8	8951	156	523.42	279.00	204.78
10-1	Multi-Family Apts	-	152	365.58	191.48	117.26
10-1	Commercial parcel	-	12.6	303.53	157.08	82.86
10-1	Business Park	-	33.9	236.08	118.10	43.86

Total: 660.5 114,963

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Table 23

Summary of Costs, Benefits and Assessments by Zone -- Fiscal Year 2018/2019

District/ Zone	Benefit Units	Ending Bal FY17/18	Est. Cost of Maintenance	Estimated Assessments	Zone Deficit	Assessment per BU
1-1	1,681	\$177,457	\$529,879	\$275,063	(\$77,359)	\$58 to \$216
1-2	3,237	\$92,704	\$608,324	\$363,226	(\$152,394)	\$27 to \$216
1-4	1,607	\$64,748	\$319,636	\$185,821	(\$69,067)	\$23 to \$216
2A-1	0	\$0	\$113,465	\$0	(\$113,465)	\$0
2A-2	0	\$0	\$44,365	\$0	(\$44,365)	\$0
2A-3	230	\$30,001	\$98,929	\$14,496	(\$54,432)	\$22 to \$216
2A-4	337	\$14,898	\$163,187	\$12,916	(\$135,373)	\$16 to \$60
2A-5	13	\$28,542	\$159,274	\$1,492	(\$129,240)	\$104 to \$139
2A-6	274	\$36,185	\$325,730	\$28,582	(\$260,963)	\$57 to \$139
2A-7	0	\$0	\$54,964	\$0	(\$54,964)	\$0
2A-8	426	\$42,628	\$384,316	\$74,766	(\$266,922)	\$58 to \$216
2A-9	1,379	\$81,710	\$227,956	\$115,992	(\$30,254)	\$36 to \$144
2A-10	290	\$146,185	\$190,150	\$138,620	\$0	\$478
4-1	0	\$25,812	\$81,703	\$0	(\$55,891)	\$0
5-1	560	\$79,332	\$121,074	\$101,920	\$0	\$182
9-1	1,200	\$45,186	\$253,276	\$148,000	(\$60,090)	\$108 to \$140
9-2	2,024	\$85,813	\$334,475	\$197,162	(\$51,500)	\$39 to \$216
9-3	1,953	\$131,621	\$332,898	\$215,669	\$0	\$8 to \$216
9-4	435	\$57,055	\$133,732	\$76,125	(\$552)	\$175
10-1	660.5	\$141,497	\$170,974	\$114,963	\$0	\$43 to \$204
Totals		\$1,281,374	\$4,648,307	\$2,064,813	(\$1,556,831)	

V. ASSESSMENT METHODS

Proposition 218 provides that assessments imposed by petition signed by persons owning all of the parcels subject to assessment are exempt from the requirements of Prop. 218 insofar as the amount of such assessments are not increased over the amount in effect at the time of the petition. These assessments are known as the "base amount" or "base assessments".

A large number of parcels fall within this situation and have base assessments in place. Those parcels are the subjects of this Engineer's Report. The base assessment amounts vary, depending upon when the petition was filed with the City and the scope of improvements in place at the time that were being maintained by assessment. In preparing this Report, the Engineer determined the maximum base assessment that is assessable against each parcel, the improvements that are being maintained within the benefit zone, the cost of maintaining the improvements, and the total amount generated by the relevant base assessments. In instances where the cost of maintaining the improvements is less than the maximum assessable amount, the base assessments were proportionally reduced.

The assessment method suggested was to increase assessments to the maximum base rates over a 3-year period beginning in Fiscal Year 2003-04. The final increment was reached in FY 2005-06. Allocation of assessments has been applied first to administration costs; followed by local landscaping, trails, and open space; and finally arterials medians and roadside landscaping. Park costs continue to be shown; however, they also are shown as being paid by those districts and zones that can afford it. Remaining costs are shown as a contribution from the General Fund.

VI. SUMMARY OF ASSESSMENTS

The methods described in Section V are applied to estimate the benefits received by each assessable parcel, in every District and benefit zone, from the improvements described in this report.

Table 23, Summary of Costs, Benefits and Assessments by Zone, presents a summary of assessments for each District and benefit zone.

VII. ASSESSMENT ROLL

The Assessment Roll is a listing of all assessable parcels of land within the District. Because of its large size, the Assessment Roll is presented under separate cover and is incorporated by reference into this report. The Assessment Roll can be inspected at the office of the City Engineer during regular working hours.

The Assessment Roll lists each parcel in the District by its distinctive designation, the Assessor's Parcel Number, and includes the Assessment amount for each parcel.

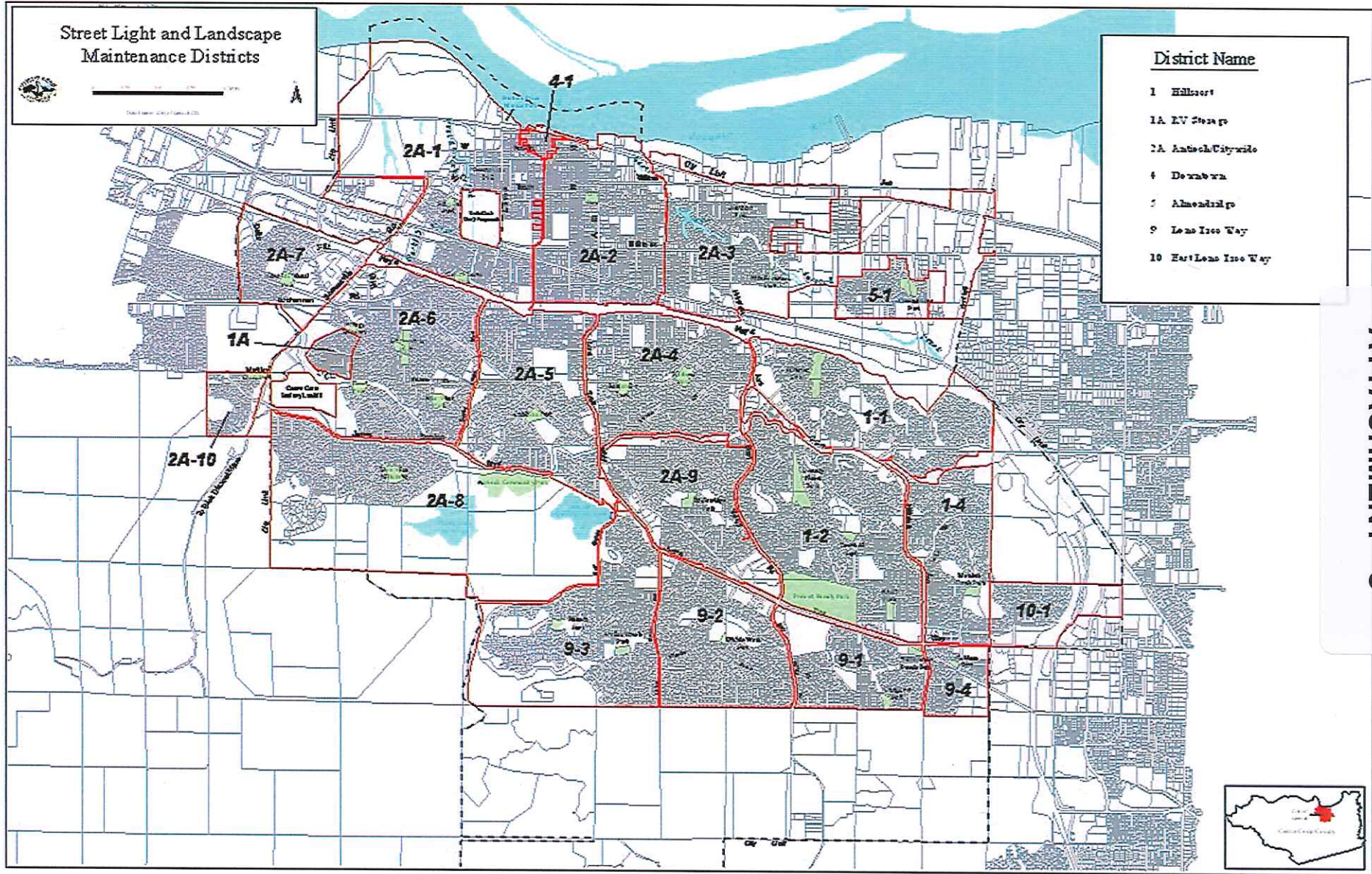
Street Light and Landscape
Maintenance Districts



DATE: 08/11/2014 10:00 AM

District Name

- 1 Hillcrest
- 1A EV Storage
- 2A Antioch Citywide
- 4 DeKalb
- 5 Alameda
- 9 Lenexa Way
- 10 East Lenexa Way



ATTACHMENT "C"





STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of May 8, 2018

TO: Honorable Mayor and Members of the City Council

SUBMITTED BY: Lizeht Zepeda, Economic Development Program Manager *LZ*

APPROVED BY: Ron Bernal, City Manager

SUBJECT: First Amended and Restated Lease Agreement of City-Owned Property (APN 074-080-029) with Mesa Antioch, LLC

RECOMMENDED ACTION

It is recommended that the City Council adopt a resolution authorizing the City Manager to execute a First Amended and Restated Lease Agreement of City-Owned Property (APN 074-080-029) with Mesa Antioch, LLC.

STRATEGIC PURPOSE

The recommended action supports **Strategy G1:** Grow Antioch's Economy through Economic Development Activities and **Strategy G-5:** Create and Implement a Marketing Campaign for Antioch.

FISCAL IMPACT

The first amended and restated lease agreement will now include one side of the billboard to be digital and is projected to increase Mesa's revenue. Current terms were approved on June 24, 2014 and the Billboard Lease (Attachment D) was executed on September 4, 2014. Since the start of the lease terms, Mesa Antioch, LLC (Mesa) has paid the City monthly rent but has not generated enough revenue to pay the City any percentage rent.

Monthly Rent

The City currently receives a monthly minimum rent of \$3,000 per month for the first four years of the 30-year lease. On the fifth anniversary (September 2019) the monthly rent will increase each lease year by the percentage change in Consumer Price Index (CPI) for the prior 12 months, not to exceed 3% for any one year.

Percentage Rent

For percentage rent, after the first year of operations and each year thereafter, the City will be entitled to 25% of the gross revenue generated by the billboard to the extent such revenue exceeds the minimum monthly rent, which it has not to date.

The City also received a one-time payment from Mesa of \$100,000 as a Construction Bonus when the commencement of the Operations Phase was completed. Converting one side to digital is expected to result in an increase of revenue coming back to the City under the percentage rent clause of the agreement.

DISCUSSION

On October 16, 2013, the Planning Commission approved Resolution No. 2013-14 (Attachment C) allowing the construction of the static billboard on the City owned (APN 074-080-029) lot located at 4650 Delta Fair Boulevard (cross street is Century Boulevard) that is visible from State Route 4. On June 24, 2014 the City Council approved a Billboard Lease with the current lease terms and on September 4, 2014 the lease went into effect (Attachment D).

In December 2017, Economic Development staff approached Mesa staff to discuss steps for upgrading the current static billboard to a digital display. Mesa agreed and was interested in moving forward with converting the most popular side of the billboard to digital, which is the west facing display. One key factor that made staff interested in opening up negotiations was the ability to have a community announcement spot on the digital billboard. The new digital display will be similar to the digital billboard in Pittsburg located across Century Boulevard which is also owned and operated by Mesa. In 2013, Pittsburg executed a similar first amended and restated agreement and has seen an increase in advertisement activity and revenue back to the City.

On April 18, 2018, the Planning Commission approved Resolution No. AR-18-04 for the billboard upgrade (Attachment C). The digital display will show advertisements for eight seconds at a time with eight total advertisements running in a rotation. As part of this lease, the City will receive one eight second spot for City community announcements as described in Article 6.3 of the amended lease. At the request of the City Manager or the City Manager's designee, Mesa will make the message center available to the City, on a scheduled basis, for the purpose of displaying the City's community announcements. The City's community announcements must meet Mesa's graphic-arts standards delivered to the City in advance so that messages are "camera ready" at no cost to Mesa or the City. Mesa will display each City message at no cost to the City. City messages will be put in rotation and receive equal distribution throughout the days the messages are in place. The City will receive one spot in the rotation on the digital display face. City agrees that any or all messaging offered to the City will be preempted at any time for life threatening emergency messaging from appropriate Federal, State, or local agencies. Exhibit C of the lease describes the advertisement criteria. The City plans to use this slot for the better promotion of civic purposes and commerce..

Mesa currently pays the City \$36,000 per year (base rent) and paid a \$100,000 fee upon completion of construction in late 2014. \$120,000 in base rent has been paid to date and \$100,000 for the construction bonus totaling \$220,000.

When the west face operates as a LED display, Mesa anticipates - total annual gross revenue for the sign to rise to \$175,000 which would mean the City would receive bonus rent as the percentage rent clause would kick in. Given the increase in gross sales, this would reflect an increase of \$7,750 or a 21% increase in rent to the City. The bonus rent

is paid in the form of a onetime check at the end of the year. As the sign matures, the numbers could increase with a good economy or if we hit a recession the numbers might decrease.

Mesa is in the business of advertising. The static sign has not performed as anticipated, and given its significant setback from State Route 4 has been unable to attract high paying advertisers who have better advertising options in the vicinity. The City anticipates the LED upgrade display will increase advertisers and as stated, the sign will be a significant communications tool for the City as well as local and regional business attraction.

The City of Antioch also leases the site on a seasonal basis to ABC Tree Farms, a pumpkin patch and Christmas tree company which will not be impacted by the operation of the billboard.

ATTACHMENTS

- A. Resolution
- B. First Amended and Restated Lease Agreement
- C. Planning Commission April 18th, 2018 packet
- D. September 4th, 2014 Billboard Lease

RESOLUTION NO. 2018/**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANTIOCH AUTHORIZING THE CITY MANAGER TO EXECUTE A FIRST AMENDED AND RESTATED LEASE AGREEMENT WITH MESA ANTIOCH, LLC.

WHEREAS, the City and Mesa entered into a Billboard Lease Agreement ("Billboard Lease") on September 4, 2014;

WHEREAS, this first amendment and restated lease agreement ("Lease") shall replace the original Billboard Lease Agreement in its entirety;

WHEREAS, Mesa desires to upgrade the Sign that is located on land ("Premises") that is owned by the City of Antioch, Assessor's Parcel Number of 074-080-029 (the "Property"), along State Route 4;

WHEREAS, the Planning Commission approved the upgrade of the west facing section of the existing billboard (visible to drivers traveling east heading into Antioch) at 4650 Delta Fair Boulevard (cross street is Century Boulevard) from a static display to a LED (Light Emitting Diode) digital display ("Sign");

WHEREAS, Mesa is in the business of advertising;

WHEREAS, the Sign will rotate advertising messages for eight seconds at a time with eight total advertisements running in a rotation;

WHEREAS, City and Mesa have agreed that upgrade of the Sign's use is in furtherance of the City's desire to make community announcements and develop the City as an attractive location;

WHEREAS, for the better promotion of civic purposes and commerce, and for and in consideration of the faithful performance of the City and Mesa of the terms, covenants and conditions hereof and of the payments herein provided to be made by Mesa, the City and Mesa hereby agree; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Antioch that authorizes the City Manager to execute the first amendment and restated lease agreement, in a form approved by the City Attorney.

* * * * *

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Antioch at a regular meeting thereof, held on the 8th day of May, 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ARNE SIMONSEN, CMC
CITY CLERK OF THE CITY OF ANTIOCH



**First Amended and Restated Lease Agreement
Billboard Lease**

Between

CITY OF ANTIOCH,
a California Municipal corporation
("City")

And

MESA ANTIOCH, LLC,
a California limited liability company
("Tenant")



BASIC INFORMATION

The following Basic Information provides a brief synopsis of the critical terms of this Lease and a reference for certain specific terms of this Lease. The Basic Information, the Recitals below, and all exhibits attached are incorporated into and made a part of the Lease. If there is any conflict between the Basic Information and terms of the Lease, the terms of the Lease will control.

1. City: CITY OF ANTIOCH, a California Municipal corporation
 P.O. Box 5007
 Antioch, CA 94531

 Notice: City Manager
 Email: rbernal@ci.antioch.ca.us
 Telephone: 925-779-7011
 Facsimile: 925-779-7003

2. Tenant: MESA ANTIOCH, LLC, a California limited liability company
 696 San Ramon Valley Blvd #192
 Danville, CA 94526

 Notice: Mike McCoy
 Email: mmccoy@mesaoutdoor.com
 Telephone: 925-786-6453
 Facsimile: 415-817-9967

3. Effective Date: May 8, 2018

4. City Property. That certain real property owned by City legally described in and depicted on Exhibit A in the City of Antioch, County of Contra Costa, State of California.

5. Premises: That certain portion of the City Property described in and depicted on Exhibit A.

6. Permitted Use: Operation of a digital display on the west face, and static advertising on the remainder of the Premises.

7. Term: 30 years.

8. Monthly Rent: \$3,000/month for the first four years, and upon the fifth anniversary of the Operations Phase, the Monthly Rent will increase each Lease Year by the percentage change in CPI for the prior 12 months not to exceed 3% for any one year, as described in detail in Schedule 1.

9. Percentage Rent: In addition to the Base Rent, Tenant must pay twenty-five percent (25%) of the Gross Revenue of the Billboard to the extent such revenue exceeds the Monthly Rent each Lease Year, as described in detail in Schedule 1.

CITY'S INITIALS _____

TENANT'S INITIALS _____

**First Amended and Restated Lease Agreement
Billboard Lease**

This Billboard Lease ("Lease"), is effective as of _____, 2018, and is between the **City of Antioch**, a California municipal corporation ("City"), and **Mesa Antioch, LLC**, a California limited liability company ("Tenant").

RECITALS

A. City owns that certain parcel of land located in the City of Antioch, County of Contra Costa, State of California, located near State Route 4, as more particularly shown on the attached Exhibit A and incorporated herein by reference (the "City Property").

B. Tenant desires to lease a portion of the City Property as more particularly shown on Exhibit A (the "Premises") for the purposes of constructing and operating a billboard sign.

C. State Route 4 is a heavily traveled route for commuters, tourists and visitors driving through the community daily to reach Bay Area and Central Valley/Sierra Mountain destinations.

D. A freeway sign at this location will provide an opportunity for economic development and a marketing tool to increase awareness about the City of Antioch and will provide promotional and advertising opportunities for local businesses.

E. The Antioch City Council has determined that it is in the best interests of City, and for the common benefit of the citizens residing in City, to enter into this Lease with Tenant for the installation, operation and maintenance of a freeway sign at the Premises.

F. City desires to lease to Tenant, and Tenant desires to lease from City, the Premises, all as further set forth in this Lease.

AGREEMENT

ARTICLE 1 DEFINITIONS.

For purposes of this Lease, unless a different meaning is clearly required, the following terms will have the following meanings and be capitalized throughout this Lease:

1.1 "Anniversary Date" shall mean the annual anniversary of the Commencement Date. For example if the commencement date is May 8, 2018, the Anniversary Dates shall be May 8, 2019, May 1, 2020, etc.

1.2 "Billboard" means the two-sided outdoor-advertising sign that Tenant will install and operate on the Premises in accordance with the criteria set forth in Exhibit B to this Lease.

1.3 "Business Day" means any day City's main offices located at Third & H Streets, Antioch, California, are open to the public.

1.4 "Caltrans" means the California Department of Transportation.

1.5 "Caltrans Permits" means all permits and approvals, if any, that Tenant must obtain from Caltrans to install, operate, and maintain the Billboard in accordance with this Lease.

1.6 "City Permits" means all building permits, conditional use permits, site plan review, architectural review, and other permits, entitlements, and agreements that City, acting in its governmental capacity, must issue or approve for Tenant to install, operate, and maintain the Billboard in accordance with this Lease.

1.7 "Commencement Date" means the date as of which both of the following have occurred: (i) City has finally approved the Plans (defined in Section 7.2), and (ii) Tenant has received all necessary governmental permits and approvals for the Billboard, including the Caltrans Permits and City Permits (as described more fully in Article 7).

1.8 "**Community Announcements**" shall mean messages requested to be displayed by the City Manager, that promote City sponsored or cosponsored events, non-profits, and commercial centers.

1.9 "Effective Date" means the date as of which both City and Tenant have signed this Lease, as indicated by the dates in the signature blocks below.

1.10 "Gross Revenue" means all revenue Tenant collects from the Billboard, less any commissions paid, not to exceed (15%) of such revenue.

1.11 "Hazardous Materials" means any and all pollutants, wastes, flammables, explosives, radioactive materials, hazardous or toxic materials, hazardous or toxic wastes, hazardous or toxic substances, carcinogenic materials or contaminants and all other materials governed, monitored, or regulated by any Federal, State or local Law or regulation, including the Comprehensive Environmental Response, Compensation and Liability Act, the Hazardous Substances Account Act, and/or the Resources Conservation and Recovery Act, together with asbestos, asbestos-containing materials, hydrocarbons, polychlorinated biphenyl ("PCB") or PCB-containing materials, petroleum, gasoline, petroleum products, crude oil or any fraction, product or by product thereof.

1.12 "Hazardous Materials Laws" means all laws, codes, rules, orders, ordinances, directives, regulations, permits, or other requirements of federal, state, county, municipal or governmental authorities having jurisdiction, now in force or which may hereafter be in force concerning the management, use, generation, storage, transportation, presence, discharge or disposal of Hazardous Materials.

1.13 "Lease Year" means one of the consecutive 12-month periods during the Term.

1.14 “Locally-Owned Antioch Businesses” shall mean companies or individuals whose principal place of business lies within the City of Antioch that directly compete with Businesses in the City of Pittsburg. Locally-Owned Antioch Businesses shall not include advertisements that are conducted on a national or regional media campaign or that relate to franchises or brands of a national or regional scope.

1.15 “Message Center” means that portion of the Sign that consists of one (1), LED (Light Emitting Diode) displays that will rotate advertising messages and will have an orientation showing to Highway 4.

1.16 “Off-site Outdoor Advertising” means an advertising sign that directs attention to a business, profession, commodity, service or entertainment which is conducted, sold or offered at a location other than on the same lot or parcel upon which the sign is located.

1.17 “Operational” means the Billboard is capable, legally and functionally, of displaying advertising.

1.18 “Property” shall mean shall mean the parcel along State Highway 4, noted by Assessor’s Parcel Number 074-080-029.

1.19 “Premises” is defined in the Basic Information.

1.20 “Rent” means the Monthly Rent and Percentage Rent described in Schedule 1.

1.21 “Sign” means the two sided advertising sign that MESA will install and operate on the Premises in accordance with the criteria set forth in this Lease, as more particularly described in Exhibit A.

1.22 “Sign Structure” means the portion of the Billboard other than the advertising faces, and it includes all ancillary equipment and utilities installed on the Premises. The Sign Structure is more particularly described in Exhibit B.

1.23 “Term” means the entire time this Lease is in effect. As specified in Article 4, it consists of the Initial Term and any period of holding over.

ARTICLE 2 REPRESENTATIONS AND WARRANTIES OF TENANT

2.1 Corporate Status

Tenant is a limited liability company duly organized, validly existing and in good standing under the laws of the State of California. It is qualified to transact business in the State of California and has the power to own its properties and to carry on its business as now owned and operated and as required by this Lease.

2.2 Authorization

Tenant has the authority to enter into and perform its obligations under this Lease. The managers or directors of Tenant have taken all actions required by law, its articles of incorporation, its bylaws, or otherwise, to authorize the execution of this Lease. The person signing this Lease on behalf of Tenant has authority to do so.

2.3 Lease Will Not Cause Breach

To the best of Tenant's knowledge, after reasonable investigation, neither the execution or delivery of this Lease, nor the performance of this Lease by Tenant: (i) conflicts with, violates, or results in a breach of any applicable law; or (ii) conflicts with, violates or results in a breach of any term or condition of any judgment, order or decree of any court, administrative agency or other governmental authority, or any agreement or instrument to which Tenant is a party or by which Tenant or any of its properties or assets are bound, or constitutes a default thereunder.

2.4 No Litigation

To the best of Tenant's knowledge, after reasonable investigation, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency or instrumentality decided, pending or threatened against Tenant wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would materially adversely affect the performance by Tenant of its obligations hereunder or which, in any way, would adversely affect the validity or enforceability of this Lease or which would have a material adverse effect on the financial condition of Tenant or any surety guaranteeing Tenant's performance under this Lease, which has not been waived by City in writing.

2.5 No Adverse Judicial Decisions

To the best of Tenant's knowledge, after reasonable investigation, there is no judicial decision that affects the validity of this Lease or may subject this Lease to legal challenge.

2.6 Ability to Perform

Tenant possesses the business, professional, and technical expertise to cause the installation, maintenance, and operation of the Billboard in the manner required under this Lease.

The representations and warranties set forth in this Article 2 are made as of the Effective Date.

ARTICLE 3 LEASE OF PREMISES.

City hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from City, upon the covenants, terms, and conditions set forth in this Lease.

ARTICLE 4 TERM.

4.1 Term

The "Initial Term" of this Lease will consist of two phases:

4.1.1 The "Pre-Operations Phase," which will begin on the Effective Date and end on the earlier of (A) the date the Billboard becomes Operational or (B) the 120th day after the Commencement Date.

4.1.2 The "Operations Phase," which will begin when the Pre-Operations Phase ends and will expire 30 years thereafter.

4.2 Expiration of Lease; Holding Over

This Lease will expire automatically at the end of the Initial Term. If Tenant holds over on the Premises after the expiration of the Initial Term with the consent of City, such holding over will be construed to be only a tenancy from month to month, subject to all the covenants, conditions and obligations contained in this Lease that applied at the expiration of the Initial Term.

ARTICLE 5 CONSIDERATION.

As consideration for the rights and benefits it enjoys under this Lease, including the use and occupancy of the Premises during the Term, Tenant must do all of the following:

5.1 Monthly Rent

Each month during the Operations Phase, Tenant must pay City the "Monthly Rent" set forth in Schedule 1 in accordance with the terms set forth in this Section 5.1.

5.1.1 Manner of Payment. Monthly Rent is due and payable in advance on the first day of each calendar month without notice, demand, offset or deduction. Tenant must remit the Monthly Rent to City at the address designated in the Basic Information, or at such other address as City may designate from time to time in writing to Tenant for the payment of Monthly Rent.

(a) Late Charge. If Tenant fails to pay any installment of Monthly Rent within ten (10) calendar days after the same is due and payable, such unpaid amount will be subject to a late payment charge equal to five percent (5%) of the unpaid amount in each instance. The late payment charge has been agreed upon by City and Tenant, after negotiation, as a reasonable estimate of the additional administrative costs and detriment that City will incur as a result of any such failure by Tenant, the actual costs thereof being extremely difficult—if not impossible—to determine. The late payment charge constitutes liquidated damages to compensate City for its damages resulting from such failure to pay, and Tenant must promptly pay such charge to City together with any unpaid interest

(b) Default Interest. If any Monthly Rent is not paid within fifteen (15) calendar days following the due date, such unpaid amount will bear simple interest at the rate of 10% per year or the maximum permitted by law, whichever is lower ("Default Rate") from the due date until paid. However, interest will not be payable on late charges incurred by Tenant, nor on any amounts on which late charges are paid by Tenant to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest will not excuse or cure any default by Tenant.

(c) Application of Payments. All payments received by City from Tenant will be applied to the oldest obligation owed by Tenant to City. No designation

by Tenant, either in a separate writing, on a check or money order, or otherwise will modify this Article 5 or have any force or effect.

5.1.2 Proration for First Monthly Rental Payment. If the Operations Phase begins on a day other than the first day of a month, then the first month's installment of Monthly Rent will be prorated.

5.1.3 Adjustment of Monthly Rent Schedules. Commencing on the fifth anniversary of the Operations Phase and each Lease Year thereafter, the Monthly Rent may increase as provided in Schedule 1.

5.2 Additional Consideration

5.2.1 Construction Bonus. Tenant will pay City a one-time "Construction Bonus" of \$100,000 in accordance with Schedule 1.

5.2.2 Percentage Rent. Tenant must pay City the "Percentage Rent", if any, set forth in Schedule 1 in accordance with the terms set forth in this Section 5.2.2.

(a) Reports. Tenant must furnish to City an annual statement of Gross Revenue within forty-five (45) days after the end of each Lease Year. The statement of Gross Revenue must include a designation of gross advertising revenue actually collected for the Billboard, as well as a designation for all permissible commissions paid in accordance with this Lease. Such statement must be in a form acceptable to City. Each statement must be signed and certified to be correct by a duly authorized officer of Tenant. Tenant must keep and make available at its local office complete and accurate books of account, records, cash receipts and other pertinent data, in accordance with good accounting practices and in a form approved by City, showing the Gross Revenue, including without limitation, accurate records of every sale and other transaction made for any advertising display on the Billboard and any commissions paid by Tenant pursuant to this Lease. Such books of account, records, cash receipts and other pertinent data must be kept for a period of at least five (5) years after the end of each Lease Year. The receipt by City of any statement, or any payment of Percentage Rent (as defined in Schedule 1) for any period, will not bind City as to the correctness of the statement or payment. Additionally, Tenant will create a separate LLC for the Billboard and this Lease and submit its full tax return to the City for the purposes of transparency and accurately determining Percentage Rent in accordance with Schedule 1.

(b) Inspection and Audit. Tenant must maintain and make available at its local office, for City's review and audit, all contracts, leases, invoices, and other records that are relevant to the accurate determination of the Percentage Rent in accordance with Schedule 1. After the Percentage Rent for a Lease Year has been determined in accordance with Schedule 1, Tenant must retain the related records for at least five (5) years. City, at its sole option, will be entitled, at any time and from time to time during the Term, to inspect, examine, copy and audit Tenant's books, records and cash receipts as related to Gross Revenue. The purpose of such examination is to enable City to ascertain, clearly and accurately, Tenant's Gross Revenue and to verify that the form and method of Tenant's record keeping provide adequate and proper

control and check of all such revenues. Tenant must cooperate fully with City and City's agents in making the examination. City, at its option, will also be entitled once during each Lease Year and once after the Expiration Date or other termination of this Lease, to cause an independent audit of such records to be performed by a certified public accountant designated by City, provided such accountant is not paid on a contingency fee basis. The audit will be conducted during usual business hours at Tenant's office. If the audit shows that there is a deficiency in the payment of any Percentage Rent, then Tenant must immediately upon notice pay the deficiency to City, together with interest thereon at the Default Rate, which interest will accrue from the date on which such deficient amount would have been due until such deficiency is paid. City will pay the costs of the audit unless the audit shows that Tenant understated Gross Revenue by more than two percent (2%) in which case Tenant will pay all City's costs of the audit.

ARTICLE 6 USE OF PREMISES.

6.1 Condition of Premises

The Premises and all improvements thereon, are being leased to Tenant in its current, existing, "AS IS" condition. City makes no representations or warranties of any kind, express or implied, written or oral, about any of the following: the physical condition of the Premises; the suitability of the Premises for Tenant's anticipated use; any limitations on Tenant's use of the Premises, including limitations arising from zoning laws, environmental laws, or other laws, regulations, or governmental requirements; the costs of conducting Tenant's business on the Premises; or the condition of the soils or ground waters of the Premises. By taking possession of the Premises, Tenant accepts the Premises "AS IS" and acknowledges that the Premises are satisfactory for Tenant's purposes. Tenant has ascertained the condition of the Premises through its own independent investigation and has relied solely on that independent investigation when entering into this Lease.

6.2 Permitted Uses

Tenant has the exclusive right to display Off-site Outdoor Advertising on the City Property, excluding any on-site outdoor signage advertising activities conducted thereon. City will not authorize any other Off-site Outdoor Advertising on the City Property, excluding any on-site outdoor signage advertising activities conducted thereon. Tenant's right to conduct Off-site Outdoor Advertising on the Premises includes the following:

(a) Installing, operating, maintaining, repairing, improving, repositioning (with City's consent) the Billboard and any utilities installed in connection with the Billboard. In addition to traditional static billboard advertising on the Premises, Tenant will have the option to install and operate a digital message center on the west face of the Sign Structure.

(b) Installing and maintaining utility wires, poles, cables, conduits, and pipes over or under the City Property from the nearest accessible public right-of-way.

(c) All rights of ingress and egress over the City Property that Tenant needs to access the Billboard.

(d) Subject to the criteria set forth in Exhibit C to this Lease, licensing the use of the Billboard, or any portion it, for any lawful purpose related to outdoor advertising.

(e) Removing the Billboard on or from the Premises when this Lease terminates.

Tenant acknowledges and agrees that except as provided in this section, Tenant may not use the Premises, including the City Property, for any other purpose including the collocation of any telecommunications facilities on the Sign Structure.

6.3 City Community Announcement Messages

If Tenant installs a digital message center on the west face of the Sign Structure, City will have the following advertising rights on the message center. At the request of the City Manager or the City Manager's designee, Tenant shall make the message center available to the City, on a scheduled basis, for the purpose of displaying the City's Community Announcements. The City's Community Announcements must meet Tenant's graphic-arts standards delivered to the City in advance so that messages are "camera ready," at no cost to Tenant. Tenant shall display each City message at no cost to the City. These City messages shall be put in rotation and receive equal distribution throughout the days the messages are in place. The City will receive one spot in the rotation on the digital display face. City agrees that any or all messaging offered to the City hereunder shall be preempted at any time for life threatening emergency messaging from appropriate Federal, State, or Local agencies.

6.4 Prohibited Uses

6.4.1 Hazardous Substances. Neither Tenant nor any of Tenant's representatives or agents may use, handle, store, transport, treat, generate, release or dispose of any Hazardous Materials anywhere in, on, under or about the Premises, the Billboard, any portion thereof, or any improvements thereon. Notwithstanding the foregoing, Tenant may use, handle, store, transport, treat, generate, release or dispose of any Hazardous Materials in such limited amounts as are customarily used to install, operate, maintain, repair, improve, reposition, or remove the Billboard in accordance with this Lease, and so long as Tenant is at all times in full compliance with all applicable environmental laws. Tenant must cause any and all Hazardous Materials brought onto, used, generated, handled, treated, stored, released or discharged by Tenant or its authorized representatives on or under the Billboard, the Premises, any portion thereof, or any improvements thereon to be removed therefrom and transported for disposal in accordance with applicable laws, including Hazardous Materials Laws. City will have the right to enter the Premises, any portion thereof, or any improvements thereon from time to time to conduct tests, inspections and surveys concerning Hazardous Materials and to

monitor Tenant's compliance with its obligations concerning Hazardous Materials and Hazard Materials Laws. Tenant must immediately notify City in writing upon its actual knowledge of: (a) any release or discharge of any Hazardous Material by Tenant or its authorized representatives; (b) any voluntary clean-up or removal action instituted or proposed by Tenant, (c) any enforcement, clean-up, removal or other governmental or regulatory action instituted or threatened against Tenant, or (d) any claim made or threatened by any person against Tenant, the Billboard, the Premises, any portion thereof, or any improvements thereon relating to Hazardous Materials or Hazardous Materials Laws. Tenant must also supply to City as promptly as possible, and in any event within five (5) business days after Tenant receives or sends same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Billboard, the Premises, any portion thereof, or any improvements thereon or Tenant's use thereof and concerning Hazardous Materials or Hazardous Materials Laws. In the event Tenant institutes a cleanup or removal action, Tenant must provide copies of all work plans and subsequent reports submitted to the governmental agency with jurisdiction to City in a timely manner. Tenant must indemnify and defend City any claims, causes of action, liabilities, losses, damages, injunctions, suits, fines, penalties, costs or expenses (including attorneys' fees and expenses and consultant fees and expenses) caused or alleged to have been caused by the presence of Hazardous Materials in, on, under, about, or emanating from the Billboard, the Premises, any portion thereof, or any improvements thereon, due to the acts of Tenant or its authorized representatives in accordance with the provisions of Section 11.3.

6.4.2 Unlawful Activities. Tenant may not use or permit the Premises to be used in any way that violates this Lease or any valid and applicable statute, ordinance, regulation, rule, or order of any federal, state, or local governmental entity (including City). Tenant may not maintain or commit, or permit the maintenance or commission of, any public or private nuisance as defined by any law applicable to the Premises on or after the Effective Date. Tenant hereby waives any rights to compensation it may have if a court finds that the Billboard constitutes a public or private nuisance under any valid and applicable federal, state, or local law and for that reason orders Tenant to remove or modify the Billboard.

6.4.3 Encumbrances. Tenant may not encumber the Premises or any part of the Premises or the Billboard or any part of the Billboard, for any purpose, without City's prior written consent, which City may withhold for any reason. Tenant must keep the Premises and the Billboard free of all liens and other encumbrances other than those, if any, to which City consents.

6.5 Unobstructed Use

6.5.1 City may not allow on any City owned property any tree, vegetation, or improvement, nor may City approve on any private property any structure, that materially obstructs the view of the display area of the Billboard from State Route 4 (each an "Obstruction").

6.5.2 If Tenant notifies City in writing that an Obstruction exists, and if City authorized, allowed or actively caused the Obstruction, then City must remove or remedy the Obstruction at its own cost within 15 days after receiving the notice. If the City does not remove such Obstruction within such 15-day period, then Tenant will have the right, in addition to all other remedies granted to Tenant under this Lease, to abate the Monthly Rent payable hereunder from and after such 15-day period until the City removes such Obstruction.

6.5.3 If Tenant notifies City in writing that an Obstruction exists, and if City did not authorize, allow or actively cause the Obstruction, then City may remove or remedy the Obstruction at its own cost within 15 days after receiving the notice. If City does not remove or remedy the Obstruction within the fifteen 15 days, then, at no cost to City, and after coordinating with the appropriate department of City, Tenant may remove any Obstruction that is a tree or vegetation on City property as described in the notice.

6.5.4 Tenant's exercise of its rights under this Section 6.4 are in addition to any other remedies it may have under this Lease.

6.5.5 Tenant acknowledges that as of the Effective Date, the adjacent property to the east of the City Property and Premises is owned by a public agency over which City does not have any land use regulatory control, and, as such, City and Tenant have limited recourse in the event any obstruction of the Billboard is created or maintained on such property.

ARTICLE 7 INSTALLATION AND OPERATION OF BILLBOARD

Tenant must install and operate the Billboard on the Premises in accordance with this Article 7 and consistent with Article 6, all at no cost to City.

7.1 Permitting Costs

Tenant will bear all costs associated with permitting and entitling the Billboard as provided in the City's fee schedule.

7.2 Plans and Specifications

At no cost to City, Tenant must prepare complete plans and specifications for the Billboard, working closely with City to develop plans and specifications that are mutually acceptable (the "Plans"). Tenant must submit the Plans to City for final approval, which City will not withhold unreasonably. The Billboard must be designed to comply with all applicable state, county, and City codes and regulations. At a minimum, the Plans must comply with the criteria set forth in Exhibit B to this Lease.

7.3 Caltrans Permits

Tenant is responsible for insuring that the Billboard complies with all requirements of California's Outdoor Advertising Act and Regulations if Caltrans determines that the

Premises fall within the scope of the Act. In addition, Tenant is responsible for obtaining any and all permits required from Caltrans to install the Billboard on the Premises. As soon as practicable after the Effective Date, Tenant must apply to Caltrans for all necessary Caltrans Permits, if any, and City will cooperate with Tenant in that effort, all at no cost to City. During the Term, Tenant will be the permittee under the Caltrans Permits and must perform all obligations under the Caltrans Permits at no cost to City. Prior to the issuance of City building permits, Tenant must submit evidence reasonably satisfactory to City that it has obtained all necessary permits from Caltrans. Upon termination of this Lease, City will relinquish any interest it may have in the Caltrans Permits and execute any documents needed to confirm that Tenant is the sole owner of the Caltrans Permits.

7.4 City Permits

Prior to starting construction, Tenant must apply for all necessary building and electrical permits for the Billboard. City will diligently process Tenant's applications for all City Permits. This Lease does not commit City in advance to approve City Permits; and this Lease does not constrain City's discretion, acting as a government, with respect to City Permits specifically or to the Billboard generally, and nothing contained herein will be construed to mean that City is agreeing or has agreed to exercise its discretionary authority in support of any approvals or entitlements that may be required to construct the Billboard.

7.5 Installation

Tenant must begin installing the Billboard as soon as practicable after the Commencement Date and must diligently pursue installation to completion without unnecessary interruption so that the Billboard is Operational by the 120th day after the Commencement Date. Tenant will be excused, however, for any delays in beginning or completing installation that are caused by a Force Majeure Event, as defined in Section 13.5. Tenant must use reasonable diligence to avoid such delays and to resume work as promptly as possible after such a delay.

7.6 Ownership

Tenant will at all times own the Billboard. Upon the expiration or other termination of this Lease for any reason, Tenant must remove the Billboard in accordance with Section 7.13.

7.7 Security Fencing/Bollards

Before beginning installation of the Billboard, Tenant must enclose with a temporary security fence the portion of the Premises Tenant needs to install, operate, maintain, and repair the Billboard. If required by City in connection with the permitting of the Billboard, Tenant must maintain the temporary security fence until Tenant replaces it with permanent bollards around the base of the Sign Structure to protect the Billboard from damage. Tenant must install and maintain the temporary fence and the permanent bollards at no cost to City and must consult with City on the location and design of each. Tenant must install the permanent bollards at the beginning of the Operations Phase and maintain those bollards until the end of the Term.

7.8 Maintenance

At no cost to City, Tenant must maintain and repair the Billboard and Tenant's other improvements in good condition and repair, reasonable wear and tear excepted. Tenant's maintenance obligation under this Section 7.8 includes the obligation to remove promptly any graffiti from the Billboard. In no event will Tenant be required to maintain any portion of the City Property, exclusive of Tenant's improvements thereon. City is not obligated to maintain or repair the Billboard or any of Tenant's improvements, but will, at its sole cost, maintain the City Property in good condition. If, however, Tenant does not maintain the Billboard in accordance with this Lease, then City may notify Tenant in accordance with Section 13.1 that City will perform the maintenance described in the notice if Tenant does not do so within 10 Business Days. If Tenant does not perform the needed maintenance within the 10 Business Days after the notice is given, then City may perform the maintenance described in the notice, and Tenant must reimburse City's costs.

7.9 Insured Damage or Destruction

7.9.1 Restoration. This Lease will continue in full effect if the Billboard is damaged or destroyed in whole or part by any cause covered by the fire-and-casualty insurance Tenant is required to maintain under Section 12.1(c). No loss or damage by fire or any other cause resulting in either partial or total destruction of the Billboard, or any portion thereof, will (except as otherwise provided in Section 7.10, below) operate to terminate this Lease or to relieve or discharge Tenant from the payment of any Monthly Rent, or other amounts payable hereunder, as and when they become due and payable, or from the performance and observance of any of the agreements, covenants and conditions herein contained to be performed and observed by Tenant. Tenant covenants to repair, reconstruct, and/or replace or cause to be repaired, reconstructed and/or replaced the Billboard, or any portion thereof, including any personal property owned by Tenant and used or intended to be used in connection with the Premises, so damaged or destroyed. Tenant also covenants that all insurance proceeds will be applied to the repair, reconstruction and/or replacement described herein, subject to the following:

(a) Tenant must repair or replace the Billboard at no cost to City using the insurance proceeds Tenant receives or is entitled to receive under the fire-and-casualty policy. Tenant must promptly apply for, and diligently pursue the issuance of, any permits or approvals it needs to repair or replace the Billboard. Within 30 days after obtaining the necessary permits and approvals and applicable insurance proceeds, Tenant must begin work to repair or replace the Billboard. Tenant must complete the work within 120 days after the work begins and must pay any costs that exceed the available insurance proceeds.

(b) Tenant may elect not to repair or replace the Billboard if:

(i) the cost to repair or replace it exceeds fifty percent (50%) of its full replacement cost immediately before it is damaged or destroyed, and the damage or destruction occurs during the last two years of the Initial Term; or

(ii) Tenant is unable, after using good faith efforts, but without having to resort to litigation, to obtain all permits, including, without limitation, the City Permits.

(c) If Tenant elects, under this Section 7.9, not to repair or replace the Billboard, then Tenant must:

(i) notify City in writing of its election;

(ii) use the insurance proceeds Tenant receives for the damage or destruction to remove the Billboard and restore the Premises in accordance with Section 7.13.

Except as otherwise permitted by this Section 7.9.1, Tenant's failure to make such full repair, restoration and replacement under any conditions in which it was elected or required so to do will constitute a default by Tenant under this Lease.

7.9.2 Procedures for Repair and Restoration. In the event of any damage or destruction, Tenant must promptly give City written notice of such damage or destruction and the date on which such damage or destruction occurred. Tenant must promptly make proof of loss and must proceed promptly to collect, or cause to be collected, all valid claims which Tenant may have against insurers or others based upon any such damage or destruction. Except as otherwise provided above, amounts received on account of any losses pursuant to insurance policies must be used and expended for the purpose of fully repairing or reconstructing the portions of the Billboard which has been destroyed or damaged.

7.10 Uninsured Damage or Destruction

This Lease will continue in full effect if the Billboard is damaged or destroyed in whole or part by any cause not fully covered by the fire-and-casualty insurance Tenant maintains, subject to the following:

7.10.1 The Monthly Rent thereafter due under this Lease will abate from the date of the casualty until Tenant has completed the repair or replacement of the Billboard.

7.10.2 Tenant may repair or replace the Billboard at no cost to the City. If Tenant elects to repair the casualty, Tenant must promptly apply for, and diligently pursue the issuance of, any permits or approvals it needs to repair or replace the Billboard. Within 30 days after obtaining the necessary permits and approvals, Tenant must begin work to repair or replace the Billboard and diligently pursue the completion thereof. If Tenant elects to not repair or restore the Billboard, Tenant must notify the City in writing of its election, in which event this Lease will terminate the day the City receives written notice of such election; and then Tenant must remove the Billboard and restore the Premises in accordance with Section 7.13.

7.11 Utilities

At no cost to City, Tenant must provide and pay for all utility connections, utility equipment, and utility service required to install, operate, maintain, repair, improve, or reposition the Billboard throughout the Term. Tenant must coordinate with City and the applicable utility companies for utility tie-ins and electrical power sources that Tenant may need to operate the Billboard. When purchasing electricity needed to operate the Billboard, Tenant must participate in the "Green Option" program offered by Pacific Gas & Electric ("PG&E"), so that 100% of the Billboard's electrical needs come from renewable resources. If PG&E discontinues the Green Option program, then Tenant must participate in any comparable program that PG&E then offers. Alternatively, Tenant may contract with a solar company to develop a solar energy plan to offset a significant portion (i.e., 50% or more) of the energy required to operate the Billboard.

7.12 Advertising Rights

During the Term, Tenant will have the exclusive right to enter into agreements for advertising on the Billboard. In operating the Billboard, Tenant must conform to all valid and applicable laws and regulations, including laws and regulations pertaining to outdoor advertising, including the advertising criteria set forth in Exhibit C.

Tenant must, within 48 hours after written demand from City, at Tenant's risk and expense, remove any advertising material or message that does not comply with the advertising criteria set forth in Exhibit C, and which is not being disputed by Tenant. If Tenant fails to promptly cause the removal of such advertising, City may (but is not required to), without further process of law, cause the removal of the advertising. Tenant must reimburse City's costs of such actions upon demand and will bear the risk of any damage to the Billboard resulting from such actions. City may exercise such remedies without prejudice to any other remedies it may be entitled to exercise under this Lease, at law or in equity.

Tenant agrees to ensure that businesses or organizations located within the City or residents of the City will be able to purchase advertising on the Billboard in such manner and at such rates as offered to businesses, organizations or persons located or residing outside of the City and that it will not permit any exclusivity contracts or arrangements with advertisers that would violate this covenant.

7.13 Removal of Billboard

Within 120 days after the Term ends, whether the Term expires as scheduled or is terminated early for any reason, Tenant must remove the Billboard from the Premises and must restore the Premises to their pre-lease condition, all at no cost to City. Tenant may leave the footing for the Billboard pole in place at the expiration or termination of the Lease, provided that Tenant pays City \$30,000, which the parties agree represents a reasonable contribution towards the cost of removing such footing as part of any future development of the City Property.

7.14 Compliance with Law

During the Term and while removing the Billboard after the Term in accordance with Section 7.13, Tenant, at no cost to City, must comply with all valid and applicable statutes, ordinances, regulations, rules, and orders that concern Tenant's use and

occupancy of the Premises and the Billboard and are enacted or issued by any federal, state, or local governmental entity with jurisdiction over the Premises or the Billboard (including City) whether enacted or issued before, on, or after the Effective Date.

ARTICLE 8 EVENTS OF DEFAULT; EARLY TERMINATION.

8.1 Defaults by Tenant

Tenant will be in default under this Lease upon occurrence of any of the following:

8.1.1 Tenant is at any time be in default in the payment of Rent or any other monetary sum called for by this Lease for more than 10 days following written notice from City to Tenant; or

8.1.2 Tenant is at any time be in default in the keeping and performing of any of its other covenants or agreements herein contained, and should such other default continue for 30 days after written notice thereof from City to Tenant specifying the particulars of such default, or if such other default is of a nature that curing such default will take more than 30 days Tenant has failed to commence such cure within such 30 day period and to thereafter diligently pursue completion of such cure; or

8.1.3 Tenant violates Section 13.2 of this Lease; or

8.1.4 The Billboard is not Operational by the 365th day after the Commencement Date.

8.2 City's Remedies for Default by Tenant

Upon the occurrence of any such default, in addition to any and all other rights or remedies of City hereunder, or by law or in equity provided, City will have the sole option to exercise the following rights and remedies:

8.2.1 Without prejudice to its other remedies at law or in equity, City may terminate this Lease, at any time and in its sole discretion, effective 30 days after City gives Tenant written notice of termination.

8.2.2 City will have the remedy described in California Civil Code section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has right to sublet or assign, subject only to reasonable limitations), as amended from time to time, and successor statutes thereto.

8.3 City Damages

Should City elect to terminate this Lease, City will be entitled to recover from Tenant, as damages:

8.3.1 The worth at the time of the award of the unpaid Rent that had been earned at the time of termination of this Lease;

8.3.2 The worth at the time of the award of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

8.3.3 The worth at the time of the award of the amount by which the unpaid Rent for the balance of the Term of this Lease after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

8.3.4 Any other amount (and court costs) necessary to compensate City for all detriment proximately caused by Tenant's default, including costs of alterations and improvements in connection with reletting.

8.4 City Remedies Cumulative

Each right and remedy of City provided for herein or now or hereafter existing at law or in equity, by statute or otherwise will be cumulative and will not preclude City from exercising any other rights or remedies provided for in this Lease or now or hereafter existing at Law or in equity, by statute or otherwise. No payment by Tenant of a lesser amount than the Rent nor any endorsement on any check or letter accompanying any check or payment of Rent will be deemed an accord and satisfaction of full payment of Rent; and City may accept such payment without prejudice to City's right to recover the balance of such Rent or to pursue other remedies.

8.5 Default by City

City will not be in default under this Lease unless City fails to perform obligations required of City within 30 days after written notice is delivered by Tenant to City specifying the obligation which City has failed to perform; provided, however, that if the nature of City's obligation is such that more than 30 days are required for performance, then City will not be in default if City commences performance within such 30-day period and thereafter diligently prosecutes the same to completion. All obligations of City hereunder will be construed as covenants, not conditions.

8.6 Tenant's Remedies for Default by City

If the City is in default under this Lease beyond any applicable cure period, Tenant's exclusive remedies will be an action for specific performance or injunctive relief, or if such remedies cannot make Tenant whole, then an action or claim for actual damages may be brought; provided, however, that Tenant expressly waives the right to any cause of action or claim for consequential, economic, or incidental damages, including lost profits, as well as any cause of action or claim for exemplary or punitive damages. Tenant also waives the benefit of any laws granting it the right to perform any City obligation or the right to place a lien upon the property of City and/or upon Rent due City, or withhold Rent on account of any City default. Notwithstanding the foregoing, in the event that the remedies of injunctive relief or specific performance are not adequate and Tenant is entitled to monetary damages, then in no event will City's monetary liability to Tenant with respect to a default or breach of this Agreement (excluding any

award of attorney fees and costs) exceed the amount established below as the parties agree to place a cap on any claim for monetary damages. The cap will be based on the total actual costs incurred by Tenant associated with the permitting and construction of the Billboard as of the date it becomes Operational (collectively, the "Construction Cost Amount"). The Construction Cost Amount will be amortized over a 10-year period on each anniversary of the Operations Phase; provided, however that the Construction Cost Amount will never be reduced by amortization below \$100,000. By way of example, if the Construction Cost Amount is \$200,000, and a breach occurs following the third anniversary of the Operations Phase, then any monetary damage claim by Tenant would be capped at \$140,000 (\$200,000 - \$60,000 [3 years of amortized costs] = \$140,000). The cap on monetary damages and the limitations on remedies set forth above are solely for the benefit of City and will not apply to any private entity that is City's successor-in-interest to ownership of the Premises and landlord under this Lease. In the event of such a transfer in interest to a private entity, then Tenant will have the right to seek all remedies that may be available to Tenant at law or in equity without any limitation.

8.7 Tenant's Early Termination Rights

Tenant may terminate this Lease effective 30 days after Tenant gives the City written notice of termination, if any of the following circumstances occur:

8.7.1 The view of the Billboard's display area from the portion of State Route 4 adjacent to the Premises is materially obstructed, and Tenant did not cause the obstruction.

8.7.2 Tenant cannot safely use the Premises to install, operate, maintain, repair, or improve the Billboard because of a non-remediable condition, and Tenant did not cause the condition.

8.7.3 There is a material diversion of traffic from, or a material reduction or change in the directional flow of traffic on, the portion of State Route 4 adjacent to the Premises, and the diversion or disruption continues uninterrupted for at least 24 consecutive months. Or, if the Billboard becomes uneconomical, as determined by Tenant in its sole discretion, to operate.

8.7.4 Through no fault of its own, Tenant cannot obtain or maintain the governmental permits required to install, operate, maintain, repair, or improve the Billboard, including the Caltrans Permits and the City Permits or there is a legal challenge to such permits and approvals and Tenant elects not to defend such challenge beyond its obligation to indemnify City pursuant to Section 11.4.

8.7.5 Use of the Billboard for its intended purpose is prevented or limited by law, or Tenant is required by any court or other governmental entity, for reasons other than eminent domain, to remove the Billboard from the Premises.

8.7.6 Tenant is unable to obtain or maintain any utilities required to operate the Billboard through no fault of its own.

8.7.7 The City is in default under Section 8.5.

8.8 Tenant's Right To Renegotiation

If any of the circumstances identified in Section 8.7 occurs, then, at its discretion and in lieu of termination, Tenant may request that the City negotiate on reducing Monthly Rent to an amount that reasonably reflects the diminished value of the Billboard to Tenant, and on receiving the request the City will negotiate in good faith with Tenant. The City is not required, however, to agree on a reduction in Monthly Rent.

ARTICLE 9 TAXES

Tenant is responsible for and must pay or otherwise discharge, without abatement or deduction, all taxes levied on, or related to, Tenant's outdoor-advertising activities on the Premises. This obligation includes payment of any of the following:

9.1 Possessory Interest Taxes

This Lease creates a possessory property interest in Tenant. Tenant acknowledges and agrees that Tenant's leasehold and/or other property interests may be subject to property taxation, and Tenant to the payment of property taxes levied on such interest. Such taxes are referred to herein as "Possessory Interest Taxes," and must be paid by Tenant during the term of this Lease.

9.2 Sales Taxes

The sale of advertising space on the Billboard may be subject to sales or similar tax. Tenant acknowledges and agrees that such activities may subject Tenant to the payment of sales taxes levied on such interest, and Tenant agrees that all such sales taxes must be paid by Tenant (or Tenant's customers) during the term of this Lease.

9.3 Personal Property Taxes

Tenant must pay before delinquency all taxes, assessments, license fees and other charges levied and assessed against Tenant or City with respect to any real-property tax allocated to the Billboard and/or personal-property tax levied on Tenant's personal property on the Premises ("Personal Property Taxes"), which may become payable during the Term or are attributable to Tenant's use or occupancy of the Premises. On demand by City, Tenant must furnish City with satisfactory evidence of these payments. Notwithstanding the foregoing, Tenant will have the right to contest the imposition or collection of any such Personal Property Taxes, which Tenant reasonably believes, was improperly assessed or calculated.

9.4 Other Taxes

In addition to the taxes set forth in Sections 9.1 – 9.3, Tenant must pay before delinquency all other taxes, impositions, general or special assessment, surcharge, fee, levy, penalty, bond, or similar charge is levied on any business conducted on the Premises or any portion thereof), general and special taxes including gross receipts tax, excise tax levied by any Taxing Authority (defined below), or any improvements, any portion thereof, or any improvements thereon by any authority having the power to tax,

including any federal, state or county government or any political subdivision thereof ("Taxing Authority"). In the event any Personal Property Taxes, and other taxes, as described in this Article 9 or any other costs to be borne by or due from Tenant are not assessed or charged against the Premises separately from other City-owned property, City will reasonably allocate such on a pro-rata basis.

9.5 Tenant's Tax Liability Prorated

Tenant's liability to pay any taxes and new assessments will be prorated on the basis of a 365-day year to account for any fractional portion of a fiscal tax year included in the Term at its inception and expiration or other termination in accordance with this Lease.

ARTICLE 10 EMINENT DOMAIN

10.1 Definitions

For the purposes of this Article 10, the following definitions will apply:

(a) "Condemning Entity" means any entity that by law may exercise the power of eminent domain to acquire possession of, and title to, any of the following: the Billboard, the entire Premises, or an Essential Part of the Premises.

(b) "Essential Part of the Premises" means any portion of the Premises that is reasonably necessary for installing, operating, maintaining, repairing, or improving the Billboard in accordance with this Lease.

10.2 Termination Events

This Lease will terminate if a Condemning Entity acquires the Billboard, the entire Premises, or an Essential Part of the Premises:

- (a) by using the power of eminent domain; or
- (b) through negotiations under the threat of using the power of eminent domain.

10.3 Termination Date; Rent Refund; Caltrans Permits

Termination under this Article 10 will occur on the date the Condemning Entity obtains possession of, or title to, the Billboard, the entire Premises, or the Essential Part of the Premises, whichever occurs first. Within 15 Business Days after the termination date, City will:

(a) refund to Tenant any pre-paid Monthly Rent for the unexpired portion of the Term; and

(b) relinquish any interest it may have in the Caltrans Permits and execute any documents needed to confirm that Tenant is the sole owner of the Caltrans Permits.

10.4 Compensation

If termination occurs under this Article 10, then Tenant and City may each independently seek to recover from the Condemning Entity all compensation and other remedies provided by law for the interests taken from them. But City may not seek or recover compensation for Tenant's lost interests, and Tenant may not seek or recover compensation for City's lost interests. Without limiting the preceding, Tenant may seek to recover some or all of the following from the Condemning Entity:

- (a) compensation for its lost advertising income, for the value of the Billboard, for lost goodwill, and for its interest in this Lease; and
- (b) financial assistance for relocating the Billboard.

ARTICLE 11 INDEMNIFICATION

11.1 Definitions

For the purposes of this Article 11, the following definitions will apply:

11.1.1 "Person" is to be interpreted broadly and includes Tenant and Tenant's directors, officers, employees, contractors, and agents; and City and City's elected officials, officers, employees, contractors, and agents.

11.1.2 "Liabilities" means all liabilities, claims, demands, damages, and costs (including reasonable attorneys' fees and litigation costs through final resolution on appeal) that arise directly or indirectly from Tenant's possession or use of the Premises.

11.1.3 "Occurrence" means (A) the death of, or injury to, any Person; and (B) damage to, or destruction of, any real property, personal property (including intellectual property), or the environment (broadly interpreted to include the air, soil, soil vapor, surface water, groundwater, flora, and fauna on or about the Premises).

11.2 General Indemnity

Except to the extent claims are caused by the sole negligence or willful misconduct of the City and its employees, agents, and representatives and not waived by Tenant pursuant to Section 11.6 below, Tenant must indemnify, protect, defend, and hold harmless City and its elected officials, officers, employees, volunteers, lenders, agents, and representatives and each of their successors and assigns from and against any and all claims, judgments, causes of action, damages, penalties, costs, liabilities, and expenses, including all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon, arising at any time during or after the Term as a result (directly or indirectly) of or in connection with (a) any Tenant default under this Lease (including in the performance or non-performance of any obligation on Tenant's part to be performed under the terms of this Lease); (b) Tenant's performance of the installation of the Billboard (including design, development, and construction); (c) Tenant's or Tenant's representatives or agents use of the City Property, the Billboard, any portion thereof, or any improvements thereon, the conduct of Tenant's business or any activity, work or thing done, permitted or

suffered by Tenant or its representatives or agents in or about the City Property or any portion thereof, or any improvements thereon, except that with regard to the presence of Hazardous Materials, the Premises or any improvements thereon, Tenant will not be responsible for conditions that may have existed prior to the Effective Date or were not caused by Tenant or its authorized representatives; and (d) any act, error or omission of Tenant or its representatives or agents in or about the Premises, any portion thereof, or any improvements thereon (collectively, "Indemnification"). Tenant must provide such Indemnification by and through counsel reasonably approved by City. Without limiting the foregoing, Tenant's obligation under this section includes Liabilities arising from any of the following:

(a) Any Occurrence that is caused by, or related in any way to, a verbal or nonverbal display on the Billboard.

(b) Tenant's failure to perform any provision of this Lease due to no fault of City, to comply with any requirement of law applicable to Tenant, or to fulfill any requirement imposed by any governmental entity (including City when acting as a government) on Tenant or on Tenant's use of the Premises.

(c) Any claim that Tenant's policies with respect to the allocation of advertising time violate any person's or persons' First Amendment rights.

Tenant agrees that its obligation under this Section 11.2, includes the reasonable costs of attorney fees incurred by City's City Attorney office to monitor and consult with Tenant regarding the defense of any such Liabilities, including providing direction with regard to strategy, preparation of pleadings, settlement discussions, and attendance at court hearings, mediations, or other litigation related appearances. City will use its best efforts to avoid duplicative attorney work or appearances in order to keep litigation costs to a reasonable minimum. Tenant further acknowledges and agrees that settlement of any Liabilities requires the consent of City. City agrees that its consent will not be unreasonably withheld provided that Tenant is financially able (based on demonstrated assets) to fulfill its obligation to indemnify City for the costs of any such settlement as required under this Lease.

Except to the extent claims are caused by the negligence or willful misconduct of Tenant or its employees, agents or authorized representatives or not waived pursuant to Section 11.6 below, the City must indemnify, protect, defend, and hold harmless Tenant and its employees, agents, and authorized representatives and each of their successors and assigns from and against any and all claims, judgments, causes of action, damages, penalties, costs, liabilities, and expenses, including all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon, arising at any time during or after the Term as a result (directly or indirectly) of or in connection with (a) the City's or City's representatives or agents use of the Premises, the conduct of City's business or any activity, work or thing done, permitted or suffered by City or its representatives or agents in or about the City Property or any portion thereof; and (b) any act, error or omission of the City or its representatives or agents in or about the City Property, any portion thereof, or any improvements thereon.

11.3 Hazardous Materials

Except with regard to the presence of Hazardous Materials on the Premises prior to the Effective Date, Tenant must indemnify, defend and hold City harmless from any claims, causes of action, liabilities, losses, damages, injunctions, suits, fines, penalties, costs or expenses (including attorneys' fees and expenses and consultant fees and expenses) caused or alleged to have been caused by Tenant's use, storage, handling, treatment, generation, presence, discharge or release of Hazardous Materials in violation of Tenant's obligations under this Lease, whether such claims, causes of action or liabilities are first asserted during the Term or thereafter, and including claims made against City with respect to bodily injury, death or property damage sustained by third parties caused or alleged to have been caused by Tenant's use, storage, handling, treatment, generation, presence, discharge or release of Hazardous Materials.

The City must indemnify, defend and hold Tenant harmless from any claims, causes of action, liabilities, losses, damages, injunctions, suits, fines, penalties, costs or expenses (including attorneys' fees and expenses and consultant fees and expenses) caused or alleged to have been caused by the City's use, storage, handling, treatment, generation, presence, discharge or release of Hazardous Materials on the Premises, whether such claims, causes of action or liabilities are first asserted during the Term or thereafter, and including claims made against Tenant with respect to bodily injury, death or property damage sustained by third parties caused or alleged to have been caused by the City's use, storage, handling, treatment, generation, presence, discharge or release of Hazardous Materials.

11.4 Legal Challenges

Tenant must indemnify, defend (with attorneys reasonably approved by City), protect, and hold harmless City and City's elected officials, officers, and employees in any litigation brought to challenge the award or validity of this Lease, the validity of City Permits or the Caltrans Permits, or the validity of City ordinances that authorize the installation and operation of the Billboard on the Premises. Tenant's obligation to indemnify under this section includes liability for attorneys' fees awarded to a party who successfully challenges the validity of this Lease, of City Permits or the Caltrans Permits, or of any authorizing ordinance. Tenant agrees that its obligation under this Section 11.4, includes the reasonable costs of attorney fees incurred by City's City Attorney office to monitor and consult with Tenant regarding the defense of any such Liabilities, including providing direction with regard to strategy, preparation of pleadings, settlement discussions, and attendance at court hearings, mediations, or other litigation related appearances. City will use its best efforts to avoid duplicative attorney work or appearances in order to keep litigation costs to a reasonable minimum. Tenant further acknowledges and agrees that settlement of any Liabilities requires the consent of City. City agrees that its consent will not be unreasonably withheld provided that Tenant is financially able (based on demonstrated assets including insurance) to fulfill its obligation to indemnify City for the costs of any such settlement as required under this Lease.

11.5 Not a Construction Contract

This Lease is not intended nor will it be construed to be a construction contract. To the extent this Lease is construed by a court of law to be a construction contract, all indemnity obligations construed to be related to construction contracts will be read as if including the carve out "except to the extent claims are caused by the sole or active negligence or willful misconduct of the indemnified party."

11.6 Exemption of City from Liability

Tenant, as a material part of the consideration to City, hereby assumes all risk of damage to its property (including any personal property and the Billboard), and injury to or death of Tenant's employees, agents or contractors in, upon or about the Billboard or the Premises, any portion thereof, or any improvements thereon, arising from any cause, and Tenant hereby waives all claims in respect thereof against City, except to the extent such claims are caused by City's sole negligence or willful misconduct. Tenant hereby agrees that City will not be liable for injury to Tenant's business or any loss of income therefrom or for damage to its personal property, or injury to or death of Tenant, its representatives, or agents, whether such damage or injury is caused by fire, electricity, gas, water or rain, or from the breakage, leakage or other defects of wires, or lighting fixtures, or from any other cause, whether such damage or injury results from conditions arising within or about the Billboard or the Premises, any portion thereof, or any improvements thereon or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible to Tenant, except damage or injury caused solely by City's sole negligence or willful misconduct. City will not be liable for any damages arising from any act or neglect of any other tenant or occupant, if any, of the Premises, any portion thereof, or any improvements thereon not owned by the City, or Landlord's failure to enforce the terms of any agreements with parties other than Tenant.

11.7 Survival

Each party's obligations under this Article 11 will survive expiration or termination of this Lease.

ARTICLE 12 INSURANCE

12.1 Types of Policies

During the Term and during Tenant's removal of the Billboard in accordance with Section 7.13, at no cost to City, Tenant must procure and maintain the following forms and amounts of insurance covering Tenant's possession and use of the Premises ("Tenant's Insurance"). Such insurance must be primary to and not contributing with any other insurance, self-insurance or joint self-insurance maintained by City, and must name the City as an additional insured.

(a) Commercial General Liability Insurance. A policy of commercial general liability insurance (occurrence form) having a combined single limit of not less than Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) annual aggregate, providing coverage for, among other things, blanket contractual liability (including Tenant's indemnification obligations under this Lease), premises liability, products and completed operations liability, owner's protective

coverage, broad form property damage, and bodily injury (including wrongful death) and advertising injury coverage. If necessary, Tenant must provide for restoration of the aggregate limit.

(b) Workers' Compensation and Employer's Liability Insurance. Workers' compensation insurance, if required by law, which complies with all applicable state statutes and regulatory requirements, and employer's liability insurance coverage in statutory amounts. Tenant must also require any contractor utilized to perform any services or work at the Premises pursuant to this Lease to maintain such workers' compensation insurance and provide proof of such insurance prior to commencing any services or work at the Premises.

(c) Premises Insurance. Property insurance, including fire and extended coverage, sprinkler leakage, vandalism and malicious mischief coverage, insuring the Billboard for its full replacement value against damage or destruction by fire or by any of the perils commonly covered under the standard extended-coverage endorsement to fire-insurance policies issued on real property in Contra Costa County. In addition, during installation of the Billboard, the policy must include coverage for course of construction, vandalism, and malicious mischief and must insure the Billboard and all materials delivered to the Premises for their full insurable value. All insurance proceeds that become payable under this policy while this Lease is in effect will be paid to Tenant in trust and applied by Tenant to the cost of repairing and restoring the Billboard as required by, and except as otherwise provided in, Section 7.9.

(d) Other Insurance. Any other form or forms of insurance as City may reasonably require from time to time, in form, amounts and for insurance risks against which a prudent tenant would protect itself, but only to the extent such risks and amounts are available in the insurance market at commercially reasonable costs.

12.2 Insurer Qualifications

Tenant's Insurance must be written by companies licensed to do business in California and having a "General Policyholders Rating" of at least A-/ VII (or such higher rating as may be required by a lender having a lien on the Tenant's leasehold interest) as set forth in the most current issue of "Best's Insurance Guide."

12.3 Certificates of Insurance

Tenant must deliver to City certificates of insurance for Tenant's Insurance, in the form of the ACORD standard certificate of insurance, prior to the Commencement Date. Tenant must, at least 30 days prior to expiration of the policy, furnish City with certificates of renewal or "binders" thereof. Each certificate must, if standard insurance industry practice, expressly provide that such policies must not be cancelable or otherwise subject to modification except after 30 days' prior written notice to the parties named as additional insureds as required in this Lease. If Tenant fails to maintain any insurance required in this Lease, Tenant must be liable for all losses and costs resulting from such failure.

12.4 Notice

Each of the policies must endeavor to require the insurer to give City at least 30 days' advance written notice before the policy is cancelled or materially changed.

12.5 Other Requirements

The general-liability policy must:

(a) name City and City's elected officials, officers, employees, and agents as additional insureds, which endorsement must be on form CG 20 11 01 96;

(b) provide that Tenant's insurance coverage is primary insurance with respect to City and City's elected officials, officers, employees, and agents to the extent they are additional insureds;

(c) any umbrella liability policy or excess liability policy must provide that if the underlying aggregate is exhausted, the excess coverage will drop down as primary insurance. The limits of Tenant's Insurance will not limit Tenant's liability under this Lease;

(d) provide that Tenant's insurance applies separately to each insured against whom a claim is made or a suit brought, except with respect to the applicable policy limits;

(e) provide that City's insurance and self-insurance are in excess of Tenant's insurance and will not contribute with it;

(f) waive any right to recover against City for claims for damages to Tenant's personal property to the extent covered (or required by this Lease to be covered) by Tenant's Insurance. This provision is intended to waive fully, and for the benefit of City, any rights and/or claims which might give rise to a right of subrogation in favor of any insurance carrier. The coverage obtained by Tenant pursuant to this Lease must include a waiver of subrogation endorsement attached to the certificate of insurance.

12.6 Notification of Incidents

Tenant must notify City within 24 hours after the occurrence of any accident or incident on or about the Billboard, the Premises, any portion thereof, or any improvements thereon of which Tenant has knowledge and which could give rise to a claim against City, City's insurance, Tenant, or Tenant's Insurance, except that Tenant will not be obligated to give City notice of any accident or incident which could give rise to a claim under Tenant's workers' compensation insurance. Tenant's notice must be accompanied by a copy of any report(s) relating to the accident or incident.

12.7 No Limit on Indemnification

Nothing in this Article 12 limits Tenant's obligations under Article 11.

ARTICLE 13 MISCELLANEOUS

13.1 Notices

Any notice or other communication to be given under this Lease must be in writing and will be considered properly given and effective only when addressed to the persons identified below and (i) mailed postage prepaid by certified or registered mail, return receipt requested, or (ii) delivered by personal or courier delivery, or (iii) sent by facsimile (immediately followed by one of the preceding methods). Notices or communications will be deemed served upon the earlier of receipt or three (3) days after the date of mailing. A party may change its address for these purposes by giving written notice of the change to the other party in the manner provided in this Section 13.1.

If to City:

City Manager
City of Antioch
P.O. Box 5007
Antioch, CA 94531

Facsimile: 925-779-7003

If to Tenant:

Mike McCoy
Mesa Outdoor, LLC
582 Market Street, Suite 1508
San Francisco, CA 94104

Facsimile: 415-817-9967

13.2 Assignments and Subleases

Neither party may assign or otherwise transfer this Lease or any interest herein, and this Lease is not assignable by operation of law, without the other party's prior written consent, which the other party will not unreasonably withhold. An assignment or transfer of this Lease does not occur, for purposes of this section, if Tenant (a) merges with another company, reorganizes its stock, undergoes a similar corporate restructuring, (b) sells any of its assets or stock, or (d) assigns this Lease to a subsidiary or affiliate of Tenant. Notwithstanding the foregoing, so long as City owns the Premises, Tenant may not assign this Lease without the prior written consent of City, which consent may not be unreasonably withheld, conditioned or delayed; provided, however, that such proposed assignee has experience in the outdoor advertising industry comparable to that of Tenant. City must respond in writing within 30 days of receipt of any request by Tenant for an assignment of this Lease. Any assignee of this Lease approved by City must provide City with an assignment and assumption of this Lease in a form reasonably acceptable to City's City Attorney prior to the effective date of such assignment. Tenant may not sublease the Premises or any part of the Premises, or the Billboard or any part of the Billboard, without City's prior written consent, which City may withhold or condition in its reasonable discretion. Upon the assignment of this Lease in accordance with this Section 13.2, Tenant will be forever released of all obligations accruing after the date of the transfer. Any assignment, transfer, or sublease made contrary to this section will be null and void.

13.3 Successors and Assigns

Subject to the restrictions set forth herein, each of the terms, covenants and conditions of this Lease will extend to and be binding on and will inure to the benefit of not only City and Tenant, but to each of their respective heirs, administrators, executors, successors and assigns. Whenever in this Lease reference is made to either City or Tenant, the reference will be deemed to include, wherever applicable, the heirs,

administrators, executors, successors and assigns of such parties, the same as if in every case expressed.

13.4 City's Right to Enter and Inspect the Premises

City and its authorized representatives will have the right to enter upon and inspect the Premises at any time to determine Tenant's compliance with this Lease.

13.5 Force Majeure

13.5.1 "Force Majeure Event" means a cause of delay that is not the fault of the party who is required to perform under this Lease and is beyond that party's reasonable control, including the elements (including floods, earthquakes, windstorms, and unusually severe weather), fire, energy shortages or rationing, riots, acts of terrorism, war or war-defense conditions, acts of any public enemy, epidemics, the actions or inactions of any governmental entity (excluding City) or that entity's agents, litigation, labor shortages (including shortages caused by strikes or walkouts), and materials shortages.

13.5.2 Except as otherwise expressly provided in this Lease, if the performance of any act required by this Lease to be performed by either City or Tenant is prevented or delayed because of a Force Majeure Event, then the time for performance will be extended for a period equivalent to the period of delay, and performance of the act during the period of delay will be excused. An extension of time for any such Force Majeure Event will be for the period of the enforced delay and will commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause. Times of performance under this Lease may also be extended in writing by the mutual agreement of City and Tenant.

13.5.3 This Section 13.5 does not excuse (A) Tenant's obligation to pay Monthly Rent when due and payable; or (B) either party's obligation to perform an act when performance is rendered difficult or impossible solely because of that party's financial condition. Tenant expressly agrees that adverse changes in economic conditions, either of Tenant specifically or the economy generally, changes in market conditions or demand, and/or Tenant's inability to sell advertising time on the Billboard or other lack of funding, or to complete the installation of the Billboard will not constitute grounds of enforced delay pursuant to this Section 13.5. Tenant expressly assumes the risk of such adverse economic or market changes and/or financial inability, whether or not foreseeable as of the Commencement Date.

13.6 Waiver of Breach

A party's failure to insist on strict performance of this Lease or to exercise any right or remedy upon the other party's breach of this Lease will not constitute a waiver of the performance, right, or remedy. A party's waiver of the other party's breach of any provision in this Lease will not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provision. A waiver is binding only if set forth in writing and signed by the waiving party.

13.7 Relationship of the Parties

This Lease does not create any relationship or association between City and Tenant other than that of landlord and tenant, and it is expressly understood and agreed that City does not in any way nor for any purpose become a partner of Tenant or a joint venturer with Tenant in the conduct of Tenant's business or otherwise; nor does this Lease does create between City and Tenant the relationship of principal and agent.

13.8 Attorney's Fees

In the event that any action is brought by either party as against the other party for the enforcement or declaration of any right or remedy in or under this Lease or for the breach of any covenant or condition of this Lease, the prevailing party will be entitled to recover, and the other party agrees to pay, all fees and costs to be fixed by the court including, but not limited to, attorneys' fees.

13.9 Severability

If any term, provision, condition or covenant of this Lease or its application to any party or circumstances is held, to any extent, invalid or unenforceable, the remainder of this Lease, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, will not be affected, and will be valid and enforceable to the fullest extent permitted by Law.

13.10 Memorandum of Lease

City will record with the County Recorder's Office a memorandum of this Lease in the form attached as Exhibit D promptly after the execution of this Lease.

13.11 Further Assurances

Each party will execute all additional documents or instruments and take all necessary action that either party reasonably considers necessary to carry out the proper purposes of this Lease, including any revisions to this Agreement necessary to address compliance with the California Subdivision Map Act with respect to preserving and protecting Tenant's interest in the Premises.

13.12 Estoppel Certificates

Either party must, from time to time during the Term upon not less than 20 days' prior written notice from the other party, execute, acknowledge and deliver to the other party, or such persons or entities designated by such other party, a statement in writing certifying: (a) the Commencement Date and Expiration Date of this Lease, (b) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the Lease is in full force and effect as modified and stating the modifications), (c) that there are no defaults under this Lease (or if so, specifying the same), (d) the dates, if any, to which the Monthly Rent has been paid, and (e) any other information that may be reasonably required by any such persons or entities. Any such certificate delivered pursuant to the provisions hereof may be relied upon by the other party or any

prospective purchaser or encumbrancer of its estate. The City Manager will be authorized to execute, acknowledge and deliver any such certificate on behalf of City.

13.13 Time of Essence

Time is expressly made of the essence with respect to the performance by the parties of each and every obligation and condition of this Lease.

13.14 Interpretation

This Lease is to be interpreted and applied in accordance with California law without regard to conflict-of-laws principles, except that the rule of interpretation in California Civil Code section 1654 will not apply. Schedule 1 and Exhibits A, B, C, and D are expressly incorporated into and form a part of this Lease. This Lease will be interpreted as though prepared jointly by both parties

13.15 Integration and Modification

This Lease constitutes the entire agreement between the parties and there are no conditions, representations or agreements regarding the matters covered by this Lease which are not expressed herein. It supersedes all prior or contemporaneous agreements, representations, and negotiations (written, oral, express, or implied) and may be modified only by another written agreement signed by both parties. City and Tenant agree to mutually consider reasonable requests for amendments to this Lease that may be made by either of them, provided such requests are consistent with this Lease and would not materially alter the basic business terms included in this Lease. No amendment will be effective unless in writing and signed by both parties.

13.16 Quiet Possession

So long as Tenant is not in default under this Lease and is paying the Rent and performing all of the covenants and conditions of this Lease, Tenant must quietly have, hold and enjoy the Premises during the Term without interruption or disturbance from City or any other persons claiming by, through or under City.

13.17 Surrender

Upon the expiration or other termination of the Term of this Lease, and notwithstanding anything herein contained to the contrary, Tenant must surrender to Premises, all portions thereof, and all improvements thereon, in good condition and repair, reasonable wear and tear excepted, and remove the Billboard in accordance with the provisions of Section 7.13.

13.18 Nonliability

No member, official or employee of City will be personally liable to Tenant, or any successor in interest, in the event of any default or breach by City or for any amount which may become due to Tenant or its successors, or on any obligations under the terms of this Lease. Tenant hereby waives and releases any claim it may have against the members, officials or employees of City with respect to any default or breach by City

or for any amount which may become due to Tenant or its successors, or on any obligations under the terms of this Lease.

13.19 Applicable Law; Venue

The laws of the State of California, without regard to conflict of law principles, will govern the interpretation and enforcement of this Lease. Any action to enforce or interpret this Lease must be filed in the Superior Court for Contra Costa County, California.

13.20 Commission

Each party represents to the other that it has not been represented by any broker in connection with this Lease, and that no real estate broker's commission, finder's fee or other compensation (individually and collectively, "Commission") is due or payable. Each party agrees to indemnify and hold the other harmless from any claims or liability, including reasonable attorneys' fees, in connection with a claim by any person for a Commission based upon any statement, representation or agreement of the other party.

13.21 Counterparts

The parties agree that this Lease may be executed in counterparts, each of which will be deemed an original, and said counterparts will together constitute one and the same agreement, binding all of the parties, notwithstanding all of the parties are not signatory to the original or the same counterparts.

—THIS SPACE INTENTIONALLY LEFT BLANK—
—SIGNATURES BEGIN ON NEXT PAGE—

IN WITNESS WHEREOF, the parties have executed this Lease as of the Effective Date.

LANDLORD:

CITY OF ANTIOCH, a California municipal corporation

By: _____
Name: Steven Duran
Its: City Manager

ATTEST:

Arne Simonsen, City Clerk

APPROVED AS TO FORM:

Donald M. Davis, Special Counsel
Burke, Williams & Sorensen, LLP

—AND—

TENANT:

MESA ANTIOCH, LLC, a California limited liability company

By: _____
Name:
Its:

By: _____
Name:
Its:

Schedule 1

Monthly Rent/ Percentage Rent/ Construction Bonus

Monthly Rent:

Tenant will pay the City \$3,000 per month as a minimum monthly payment starting on the first day of the Operations Phase. The minimum monthly payment will be fixed until the fifth (5th) anniversary of the commencement of the Operations Phase. Upon the fifth (5th) anniversary of the Operations Phase and annually thereafter (the "Adjustment Date"), the then current Monthly Rent payable by Tenant under this lease will increase by the percentage change in the Consumer Price Index (the "CPI"). The adjustment will be made by multiplying the then current Monthly Rent by a fraction, the numerator of which is the latest available published CPI prior to the Adjustment Date and the denominator of which is the published CPI for the month that is twelve (12) months prior to the published CPI that is used for the numerator (the "Rental Increase"). In no event may the Rental Increase for any one (1) year be greater than three percent (3%).

For purposes of this lease, the CPI will be the Consumer Price Index of the Bureau of Labor Statistics of the United States Department of Labor for All Urban Consumers, San Francisco-Oakland-San Jose, California (1982-84=100), "All Items." If the compilation or publication of the CPI is transferred to any other governmental department or bureau or agency or is discontinued, then the index most nearly the same as the CPI will be used to calculate the annual increases under this Lease.

Percentage Rent:

After the first year of the Operations Phase and each Lease Year thereafter, the City will receive 25% of the Gross Revenue generated by the Billboard, to the extent that 25% of the Gross Revenue exceeds the Monthly Rent payable for the applicable Lease Year ("Percentage Rent"). Any Percentage Rent payable to the City must be paid on or before the 45th day after the end of the applicable Lease Year.

Construction Bonus:

Upon the commencement of the Operations Phase, Tenant will make a one-time payment of \$100,000 to the City.

The Construction Bonus will amortize over a ten-year period. If either party terminates the Lease for any reason prior to the tenth (10th) anniversary of the Operations Phase, the City will refund Tenant's unamortized portion of the Construction Bonus (e.g., if the Lease terminates on the fourth (4th) anniversary of the commencement of the Operations Phase, the City will refund Tenant \$60,000).

Buyout Option:

Tenant agrees the City will have the right, by payment of the Fair Market Value (as defined below), to terminate this Lease on each December 31 of each odd year occurring after the tenth (10th) anniversary of the commencement of the Operations Phase, or such other date as the parties may mutually agree upon, on the following terms and conditions. To exercise the termination right, the City must give Tenant no more than twelve (12) months and no less than nine (9) months' prior written notice of its election to terminate this Lease.

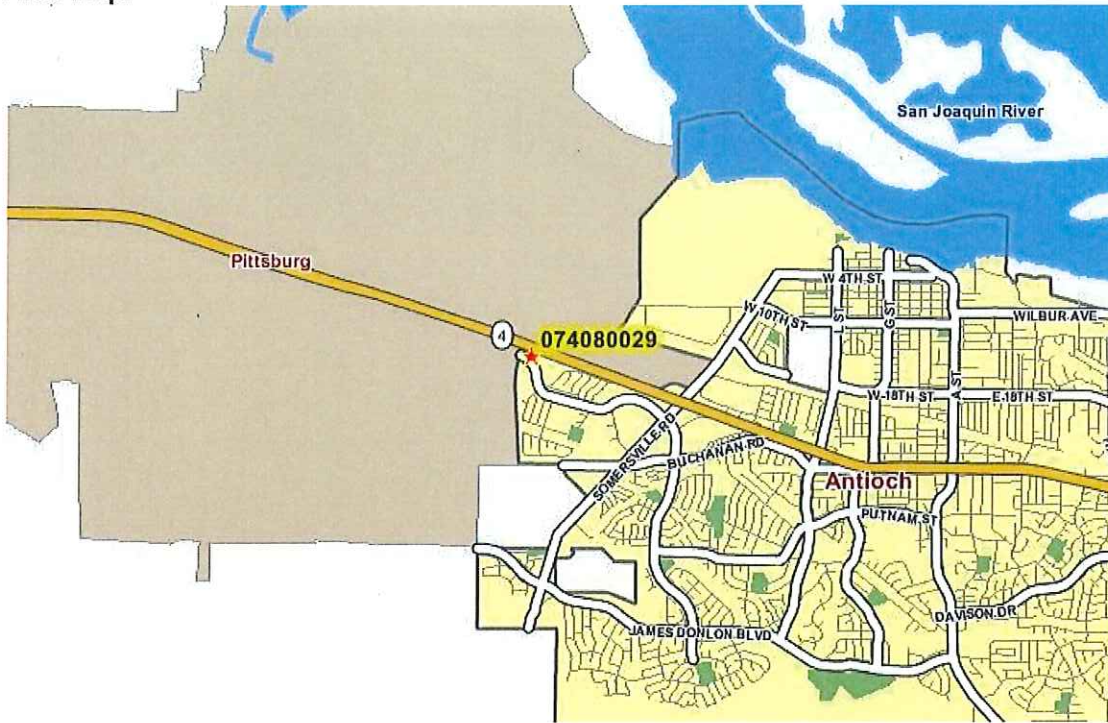
Within thirty (30) days after the City exercises its option to terminate, Tenant will advise the City of its determination of the Fair Market Value for the Billboard and its rights under this Lease. If the City and Tenant cannot agree on the Fair Market Value within thirty (30) days after the date Tenant provides the City with Tenant's determination of the Fair Market Value, then within thirty (30) days after such failure to reach agreement, the City will furnish to Tenant a notice in writing (the "City's Notice") stating what the City perceives to be the Fair Market Value. The City's Notice will be accompanied by a statement from a qualified appraiser, who has at least ten (10) years' experience appraising billboards, stating the appraiser's opinion of Fair Market Value and that it has been determined in accordance with the definition set forth below. If Tenant disagrees with the estimate of Fair Market Value submitted by the City with the City's Notice, then within thirty (30) days after receipt of the City's Notice, Tenant will have the right to submit to the City an appraisal by a qualified real estate appraiser (who has at least ten years of experience and has experience appraising billboards) of Fair Market Value. If the higher estimate is not more than ten percent (10%) greater than the lower estimate, the Fair Market Value will be established as the average of the two appraisals. If not, the two appraisers acting on behalf of Tenant and the City, will, within fifteen (15) days after Tenant's appraisal has been submitted, jointly appoint a third qualified real estate appraiser (the "Referee"). If the two appraisers are unable to agree upon the selection of a Referee, then the Referee will be selected within fifteen (15) days thereafter by an arbitrator pursuant to the rules of the American Arbitration Association. The Referee will, within thirty (30) days after appointment, render a decision, which decision will be strictly limited to choosing one of the two determinations made by the two appraisers chosen by Tenant and the City with respect to Fair Market Value. The decision of the Referee will be binding upon Tenant and the City and will constitute the Fair Market Value. Tenant and the City will each pay for their own appraisal, and the cost of the Referee will be shared equally by Tenant and the City. The Fair Market Value, once determined, will be paid by the City to Tenant on or before the proposed effective termination date of this Lease. If such payment is not made by such date, then this Lease will continue in full force and effect and the City will be deemed to have waived its right to terminate and will have no further right to terminate this Lease without cause.

"Fair Market Value" means the price which Tenant would receive by selling the Billboard and its rights under this Lease, assuming Tenant and any buyer to be prudent persons willing to sell but being under no obligation to do so, giving appropriate consideration to the Gross Revenue (both present and future) received or projected to be received by Tenant for the Billboard, the cost to construct the Billboard, annual operating expenses, the Rent due to City, and the length of this Lease.

The City's right to exercise the option to terminate will be subject to the conditions (all of which conditions are solely for Tenant's benefit and may, in Tenant's sole discretion, be waived) that (i) the Premises will not be owned by the City or any agency thereof following the termination of this Lease, and (ii) the City's successor, if a private entity, must have obtained all plans and approvals from all applicable governmental agencies (with all appeal periods having expired) to construct a development on the Premises.

Exhibit A
APN# 074-080-029 – City Property Description

Area Map:



Site Map: Final location of Billboard and Premises to be determined between City and Mesa.



General Description of the Premises:

The leased Premises for the Billboard will be limited to the area within the City Property of an isosceles triangle, the equal sides of which will be determined by drawing perpendicular (as to each exterior face of the Billboard) lines three feet from the exterior side of each Billboard face as constructed, with the southerly ends of such lines extending three feet past the southern end of each Billboard face as constructed, for a total area of approximately 1200 square feet. Until the Billboard is constructed and a more precise description is prepared, the parties acknowledge that the general location of the Premises will be approximately within the shaded area shown on the above site map.

The Billboard support pole will be entirely enclosed within the concrete footing. At ground level, the concrete footing will be a circle approximately six feet in diameter, extending down in a column approximately 26 feet deep. The concrete footing will have an approximate ground level area of 28.3 square feet. The concrete footing will be installed approximately 215 feet east of the western line of the City Property, and 25 feet south of the curved northern City Property line.

The Premises include the right of reasonable ingress and egress over the City Property to access the Billboard for all permitted construction, operation, maintenance and removal purposes.

Exhibit B
Billboard Description

The proposed Billboard will have the standard outdoor advertising "bulletin" dimensions preferred by advertisers and typically used on freeways. The two advertising faces will each measure 14' high by 48' wide, and will be set at a "V" angle for easier reading from the road. The top of the sign will be positioned approximately 30-40 feet above grade level on Highway 4. Final dimensions, height, and design are subject to change based on a planning review by the City of Antioch.

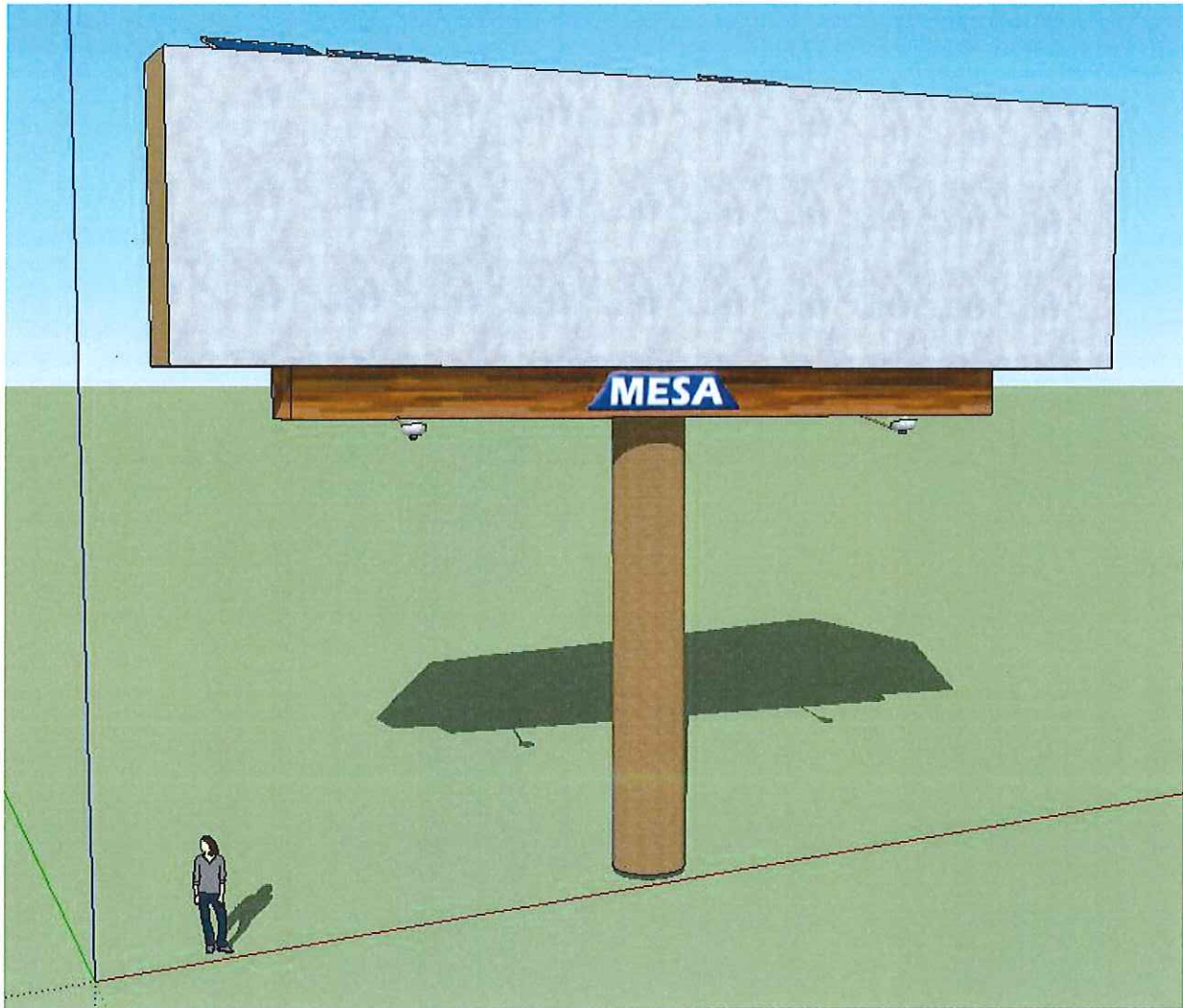


Exhibit C
Advertising Criteria

13.22 The purpose of the Billboard is to generate revenue and the display of advertising. The City will have advertising rights on the west face of the billboard, as described in Article 6.3 City Community Announcement Messages.

All other advertising to be displayed on the Billboard must be strictly "commercial advertising." As used in this Lease, "commercial advertising" means advertising for a commercial or industry business, product, good, service, or other commercial or industrial activity for a commercial or industrial purpose.

In addition to the general limitation on Billboard advertising to commercial advertising, with one City slot for community announcements on the west face of the billboard. Tenant may not display any message that:

1. is false, misleading, or deceptive;
2. promotes the sale or use of tobacco products, alcoholic beverages, or medical and or commercial marijuana, whether directly or indirectly;
3. depicts violence or anti-social behavior or relates to illegal activity, unless such depictions clearly promote a movie, video game, television show or other entertainment media;
4. contains "obscene matter," as that term is defined in California or federal law, or promotes any "adult entertainment business" or any products sold at an "adult boutique" as such terms are defined in the Antioch Municipal Code;
5. contains any "political advertising," which means advertising that promotes or opposes any candidate for public office or promotes or opposes a ballot measure, referendum, bond issue, or any federal, state or local legislation, regulation, or other discretionary action;
6. holds a person or group of persons up to public ridicule, derision, or embarrassment, or defames a person or group of persons;
7. contains language that is obscene, vulgar, profane, or scatological, or that presents a clear-and-present danger of causing riot, disorder, or other imminent threat to public safety, peace, or order;
8. that promotes any product, service or activity this illegal under federal, state, or local law.

**STAFF REPORT TO THE PLANNING COMMISSION
FOR CONSIDERATION AT THE MEETING OF APRIL 18, 2018**

Prepared by: Kevin Scudero, Associate Planner *KS*
Reviewed by: Alexis Morris, Planning Manager *AM*
Date: April 13, 2018
Subject: AR-18-04 – Mesa Billboard Digital Display Upgrade

RECOMMENDATION

Staff recommends that the Planning Commission **APPROVE AR-18-04** for the upgrade of the west facing section of the existing billboard at Delta Fair Boulevard and Century Boulevard from a static display to a digital display.

REQUEST

Mesa Outdoor is requesting design review approval to upgrade the west facing portion of their existing billboard from a static display to a digital display. The project site is located on the northeast corner of Delta Fair Boulevard and Century Boulevard (Attachment "A") (APN 074-080-029).

ENVIRONMENTAL

The proposed project is considered exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines section 15301-Existing Facilities.

ANALYSIS

Issue #1: Project Overview

On October 16, 2013, the Planning Commission approved Resolution No. 2013-14 (Attachment C) allowing the construction of the billboard that is currently at the site. The site is owned by the City of Antioch and leased to Mesa Billboard for the operation of their billboard. The City of Antioch also leases the site on a seasonal basis to a pumpkin patch and Christmas tree farm which are not impacted by the operation of the billboard.

The applicant's original proposal showed a static display on all sides of the billboard and the use permit required that any modification to the proposed project be brought back to the Planning Commission for review and approval. Therefore, the applicant has

requested design review approval from the Planning Commission to convert the west facing portion of the billboard from a static to digital display.

The addition of the digital display will not increase the height or footprint of the existing billboard. The new digital display will basically be identical to the digital billboard nearby in Pittsburg located across Century Boulevard which is also owned and operated by Mesa Billboard. The digital display will show the advertisements for eight seconds at a time with eight total advertisements running in a rotation. The applicant has obtained all of the necessary Cal-Trans permits (Attachment E) for the operation of a digital billboard at this site.

Issue #2: General Plan, Zoning and Land Use

The site has a zoning designation of High Density Residential (R-35), which allows for billboards with the approval of a use permit. As discussed above, the use permit for this billboard was approved by the Planning Commission in 2013.

The surrounding land use and zoning designations are:

North:	State Route 4
South:	Vacant Land and Contra Costa County offices / Mixed Commercial/Residential (MCR), High Density Residential (R-35)
East:	Vacant Land, Solar Farm / Regional Commercial (C-3)
West:	Vacant Land and the City of Pittsburg /Regional Commercial (C-3)

Issue #3: Lighting

The proposed digital upgrade will not significantly change the current lighting dispersion on the property. The current static billboard is illuminated with flood lights that disperse light at the same intensity regardless of how dark it is outside. The new digital display will sense how dark the surroundings are and dim the display to an appropriate level. The digital display will be an LED sign, which the applicant claims is an advantage in an urban setting because LED signs are highly directional and can be directed more precisely to the intended audience. The applicant has submitted a detailed lighting study (Attachment B) that details the intensity of the light and how it will be dispersed from the billboard.

ATTACHMENTS

- A: Vicinity Map
- B: Lighting Study
- C: Planning Commission Resolution No. 2013-14
- D: Project Description
- E: Cal-Trans Permit

**CITY OF ANTIOCH PLANNING COMMISSION
RESOLUTION NO. 2018-****

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ANTIOCH
APPROVING DESIGN REVIEW FOR THE UPGRADE OF AN EXISTING FREEWAY
BILLBOARD TO A DIGITAL DISPLAY LOCATED ON THE NORTHEAST CORNER
OF DELTA FAIR BOULEVARD AND CENTURY WAY**

WHEREAS, the Planning Commission of the City of Antioch did receive a request from Mesa Outdoor for design review approval to upgrade the existing freeway billboard to a digital display, located on the northeast corner of Delta Fair Boulevard and Century Boulevard (**AR-18-04**) (**APN: 074-080-029**); and,

WHEREAS, this project is exempt from the provisions of CEQA pursuant to CEQA Guideline section 15301- Existing Facilities; and,

WHEREAS, the Planning Commission on October 16, 2013, duly held a public hearing, and approved the project in Planning Commission Resolution No. 2013-14; and

WHEREAS, the Planning Commission on April 18, 2018, duly held a hearing, received and considered evidence, both oral and documentary.

NOW THEREFORE BE IT RESOLVED that the Planning Commission of the City of Antioch does hereby **APPROVE AR-18-04** for the upgrade of the existing billboard at the northwest corner of Delta Fair Boulevard and Century Way from a static display to a digital display, subject to the following conditions:

STANDARD CONDITIONS

1. The City of Antioch Municipal Code shall be complied with.
2. Building permits shall be obtained prior to installation of signage.
3. City staff shall inspect the site for compliance with conditions of approval prior to final inspection.
4. Conditions required by the Planning Commission, which call for a modification or any change to the site plan submitted, shall be corrected on the project plans to show those conditions and all standards and requirements of the City of Antioch prior to any submittal for a building permit. No building permits will be issued unless the site plan meets the requirements stipulated by the Planning Commission and standards of the City.

5. That this approval expires two years from the date of approval (Expires: April 18, 2020), unless a building permit has been issued and construction has diligently commenced thereon and has not expired, or an extension has been approved by the Zoning Administrator. Requests for extensions must be received in writing with the appropriate fees prior to the expiration of this approval. No more than one, one year extension shall be granted.
6. The sign shall not encroach into the City's public right-of-way and shall not be placed within any easements.
7. The applicant shall defend, indemnify and hold harmless the City in any action brought by a third party to challenge the land use entitlement.
8. No permits or approvals, whether discretionary or mandatory, shall be considered if the applicant is not current on fees, reimbursement payments and any other payments that are due.

PROJECT SPECIFIC CONDITIONS

9. All conditions contained in Planning Commission Resolution No. 2013-14 are still applicable to the site unless modified herein.
10. The west facing portion of the billboard shall be allowed to have a digital display as described in the applicants project description submitted to the City of Antioch on January 26, 2018.
11. Any future modifications to the billboard display shall be subject to the review and approval of the Zoning Administrator.

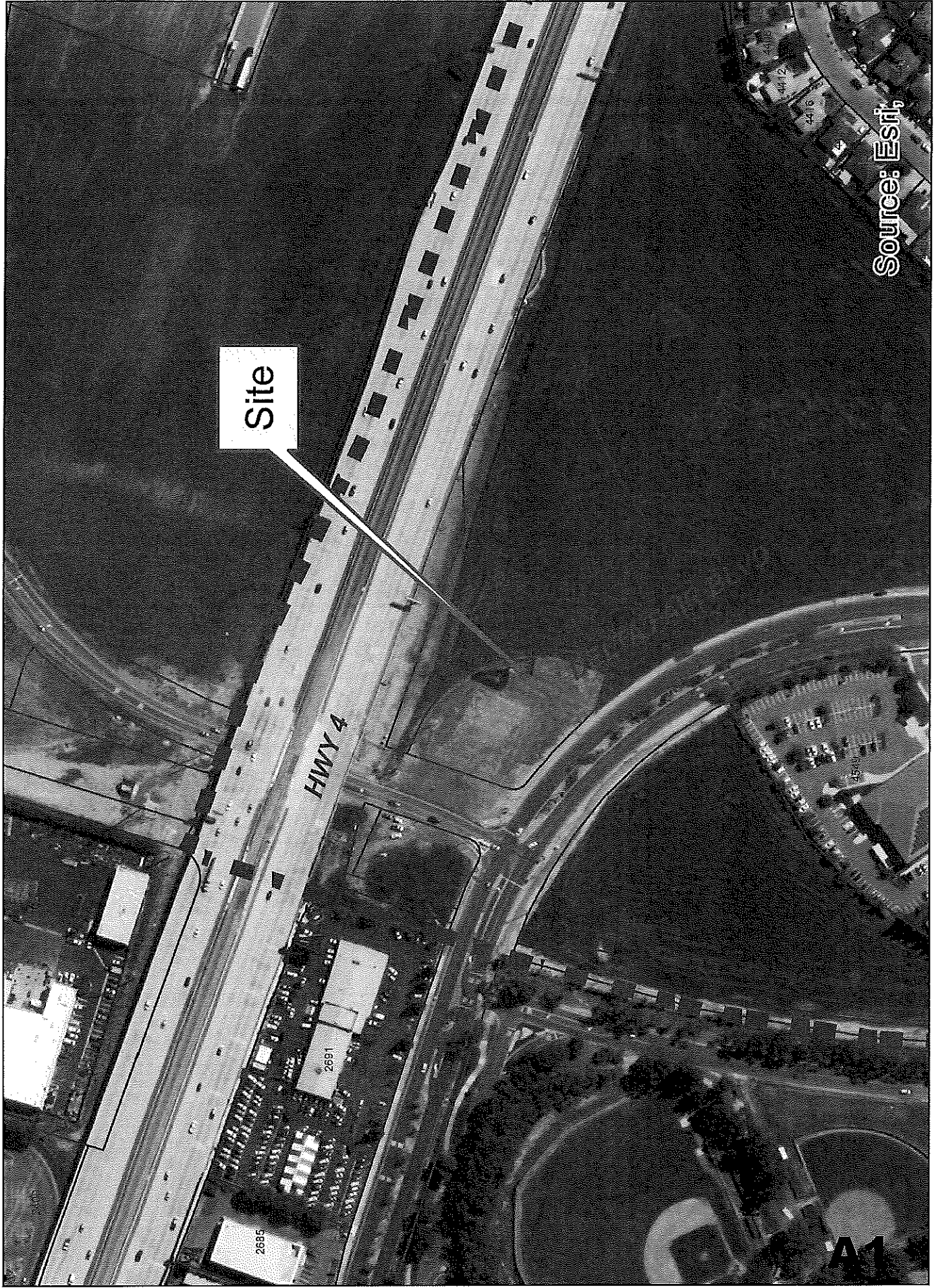
* * * * *

I HEREBY CERTIFY the foregoing resolution was duly adopted by the Planning Commission of the City of Antioch, County of Contra Costa, State of California, at a regular meeting of said Planning Commission held on the 18th of April, 2018.

AYES:
NOES:
ABSTAIN:
ABSENT:

Forrest Ebbs
Secretary to the Planning Commission

ATTACHMENT "A"



Source: Esri

City of Antioch GIS



Vicinity Map

ATTACHMENT "B"

January 19, 2018

Background on Optical Measurements and Calculations

Watchfire Signs has manufactured outdoor electric signs since 1932 and led signs since 1996. We have more than 50,000 led signs in operation worldwide.

Incandescent signs were commonly measured using illuminance measurements, partly because the light bulb is ideally a point source of light, illuminating equally in all directions, and illuminance meters are commonly available and inexpensive. Foot-candle measurements are made at a defined distance from the sign and the magnitude depends on the physical size of the sign.

LED signs are highly directional however, which is an advantage in an urban setting since the light can be directed more precisely to the intended audience. Luminance measurements have been used to specify LED signs by the industry. The candela per square meter (NITs) unit allows a specification that does not depend on size or viewing distance.

The study done on the sign adjacent to a residential area used actual lab measurements made on modules using an illuminance meter. These measurements and extrapolations are then scaled up to the size of the sign and the distance corrections are made using the inverse square law.

Watchfire adopted brightness standards set forth by both the ISA (International sign Association) and OAAA (Outdoor Advertising Association of America). The standards used are based on the studies of Dr. Lewin and the IESNA (Illuminating Engineering Society of North America).

Below is a list of some of the measurement equipment used by Watchfire engineers.

Equipment used by Watchfire engineers to make lighting measurements:

Foot-candles/Lux - Minolta Illuminance Meter T-10

NITs/candela/sq. m – Minolta Luminance Meter LS-100

Sign Calibration – Minolta CS-1000 Spectra radiometer

SIGN LIGHTING STUDY

Sign Details

Size: 14x48 Digital Billboard

Location: 4650 Delta Fair Blvd, Antioch, CA 94509

Light measurements are completed in foot-candles. A foot-candle is the amount of light produced by a single candle when measured from 1 foot away. For reference, a 100-watt light bulb produces 137 foot-candles at 1 foot away, .0548 foot-candles at 50 feet and .0137 foot-candles at 100 feet.

The table represents the total increase in ambient light produced by the sign under normal or typical operation at night. The ambient light increases will be less than shown in the chart since they fail to consider any objects blocking the line of site to the sign. Obstructions such as trees would further reduce real world overall ambient light increases. In addition to obstructions any existing light within the viewing cone will further diminish any light increase.

	<i>0 degrees</i>	<i>20 degrees</i>	<i>40 degrees</i>	<i>60 degrees</i>	<i>90 degrees</i>
<i>100'</i>	<i>0.6814</i>	<i>0.5621</i>	<i>0.3795</i>	<i>0.1717</i>	<i>0.0341</i>
<i>200'</i>	<i>0.1703</i>	<i>0.1405</i>	<i>0.0949</i>	<i>0.0429</i>	<i>0.0085</i>
<i>300'</i>	<i>0.0757</i>	<i>0.0625</i>	<i>0.0422</i>	<i>0.0191</i>	<i>0.0038</i>
<i>400'</i>	<i>0.0426</i>	<i>0.0351</i>	<i>0.0237</i>	<i>0.0107</i>	<i>0.0021</i>
<i>500'</i>	<i>0.0273</i>	<i>0.0225</i>	<i>0.0152</i>	<i>0.0069</i>	<i>0.0014</i>

Light values in foot-candles at night under typical operation



Conclusion

Given the above comparisons and measurements, the area will see an almost undetectable difference in ambient light after installation of a billboard. Ambient light levels are more heavily impacted by street, building, and landscape lights than the increases produced by a billboard.

Ray Digby

office 800-637-2645 x3006 Fax 217-442-1020

ray.digby@watchfiresigns.com

ATTACHMENT “C”

**CITY OF ANTIOCH PLANNING COMMISSION
RESOLUTION NO. 2013-14**

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ANTIOCH
APPROVING A USE PERMIT FOR A FREEWAY BILLBOARD LOCATED ON THE
NORTHEAST CORNER OF DELTA FAIR BOULEVARD AND CENTURY WAY**

WHEREAS, the Planning Commission of the City of Antioch did receive a request from Mesa Outdoor for a use permit for a freeway billboard, located on the northeast corner of Delta Fair Boulevard and Century Way (**UP-13-07**) (**APN: 074-080-029**); and,

WHEREAS, this project is exempt from the provisions of CEQA pursuant to CEQA Guideline section 15303; and,

WHEREAS, the Planning Commission duly gave notice of public hearing as required by law; and,

WHEREAS, the Planning Commission on October 16, 2013, duly held a hearing, received and considered evidence, both oral and documentary.

NOW THEREFORE BE IT RESOLVED, that the Planning Commission makes the following required findings for approval of a Use Permit:

1. The granting of such use permit will not be detrimental to the public health or welfare or injurious to the property or improvements in such zone or vicinity.

The proposed project will not be detrimental to the public health or welfare or injurious to the property or improvements. The billboard will not have any impacts to the public because the lighting will not produce any glare and the sign is designed in an aesthetically pleasing manner.

2. The use applied at the location indicated is properly one for which a use permit is authorized.

The zoning designation for the project site is commercial and surrounding area is developed with commercial uses and State Route 4. Billboards require a use permit within the Regional Commercial (C-3) zone.

3. That the site for the proposed use is adequate in size and shape to accommodate such use, and all yards, fences, parking, loading, landscaping, and other features required, to other uses in the neighborhood.

The site is currently a vacant parcel. The site is adequate in size and shape to accommodate both the existing seasonal businesses as well as all aspects associated with the use. All yards, fences, parking, loading, landscaping and other required features, as conditioned, meet the requirements of the zoning code standards and are comparable to the surrounding uses in the area.

4. That the site abuts streets and highways adequate in width and pavement type to carry the kind of traffic generated by the proposed use.

The project site is bounded by Delta Fair Boulevard and Century Way. Both streets are adequate for the minimal traffic associated with the proposed use.

5. That the granting of such use permit will not adversely affect the comprehensive General Plan.

The General Plan designation is Office within the Western Gateway Focus Area. The proposed commercial use is consistent with the designation and with the surrounding uses and will not adversely affect the comprehensive General Plan.

NOW THEREFORE BE IT RESOLVED that the Planning Commission of the City of Antioch does hereby **APPROVE UP-13-07** approving a freeway billboard on the northwest corner of Delta Fair Boulevard and Century Way, subject to the following conditions:

STANDARD CONDITIONS

1. The City of Antioch Municipal Code shall be complied with.
2. Building permits shall be obtained prior to installation of signage.
3. City staff shall inspect the site for compliance with conditions of approval prior to final inspection.

4. Conditions required by the Planning Commission, which call for a modification or any change to the site plan submitted, shall be corrected to show those conditions and all standards and requirements of the City of Antioch prior to any submittal for a building permit. No building permits will be issued unless the site plan meets the requirements stipulated by the Planning Commission and standards of the City.
5. That this approval expires two years from the date of approval (Expires: October 16, 2015), unless a building permit has been issued and construction has diligently commenced thereon and has not expired, or an extension has been approved by the Zoning Administrator. Requests for extensions must be received in writing with the appropriate fees prior to the expiration of this approval. No more than one, one year extension shall be granted.
6. Any deviation from the proposed project will be brought back to the Planning Commission for review and approval.
7. The sign shall not encroach into the City's public right-of-way and shall be placed outside of any easements.
8. The applicant shall defend, indemnify and hold harmless the City in any action brought by a third party to challenge the land use entitlement.
9. No permits or approvals, whether discretionary or mandatory, shall be considered if the applicant is not current on fees, reimbursement payments and any other payments that are due.

PROJECT SPECIFIC CONDITIONS

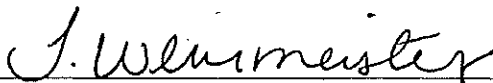
10. The maximum height of the billboard from finished grade shall be 50 feet.
11. The color of the light fixtures shall match the color of the billboard structure.
12. The solar equipment and the interior of the billboard structure shall be screened from public view, subject to staff review and approval.
13. The sign shall be kept clean and free of dirt. The sign shall be painted every seven years or when the sign has visible signs of wear and tear, whichever comes first.
14. Graffiti shall be removed within 10 days and shall be repainted to match the color of the billboard structure.

15. The billboard structure shall be painted a darker color to blend into the background, subject to staff review and approval.

* * * * *

I HEREBY CERTIFY the foregoing resolution was duly adopted by the Planning Commission of the City of Antioch, County of Contra Costa, State of California, at a regular meeting of said Planning Commission held on the 16th of October, 2013.

AYES: Hinojosa, Motts, Baatrup, Miller and Pinto
NOES: None
ABSTAIN: None
ABSENT: Westerman

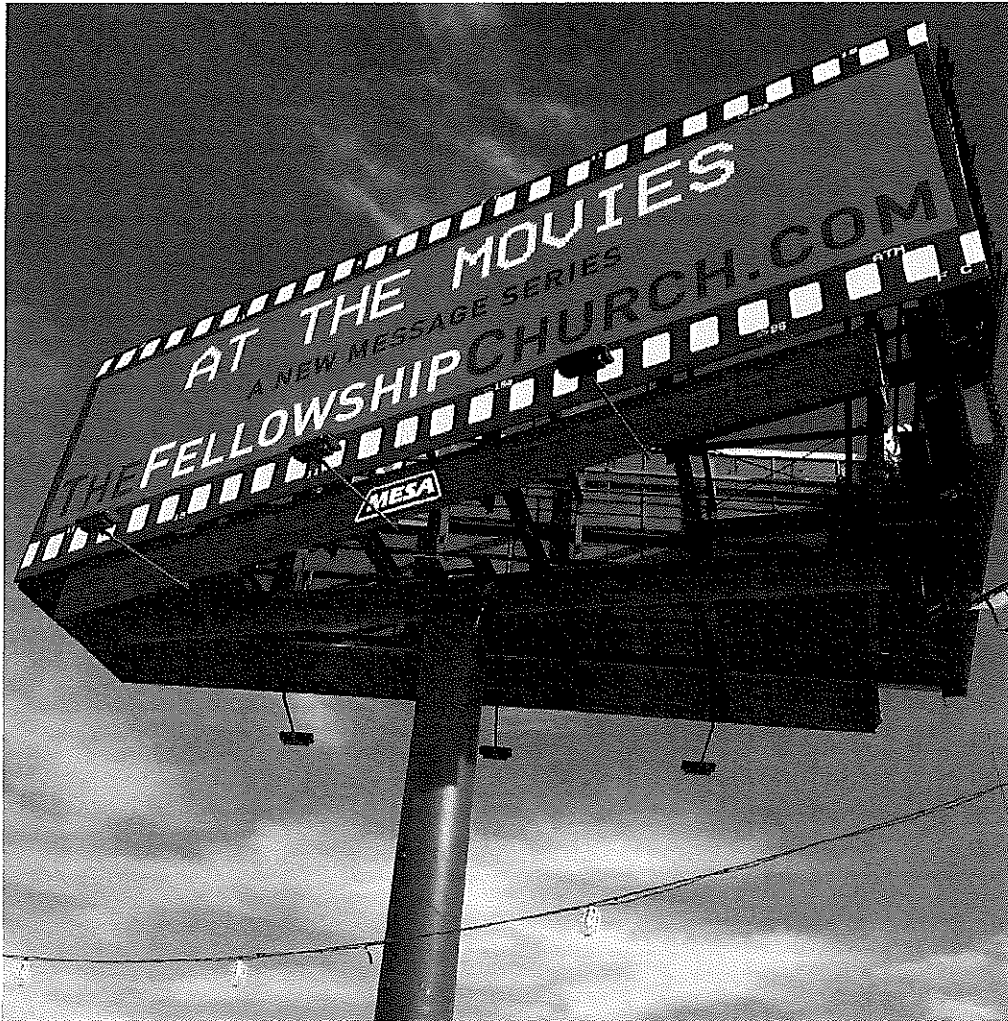


Tina Wehrmeister
Secretary to the Planning Commission

ATTACHMENT “D”



Digital Display Upgrade



4650 Delta Fair Blvd
Antioch, CA 94509
APN: 074-080-029



Contact Information

Applicant:

Mesa Antioch, LLC
696 San Ramon Valley Blvd #192
Danville, CA 94526
mmccoy@mesaoutdoor.com
rlewis@mesaoutdoor.com
(925) 386-6372

Property Owner:

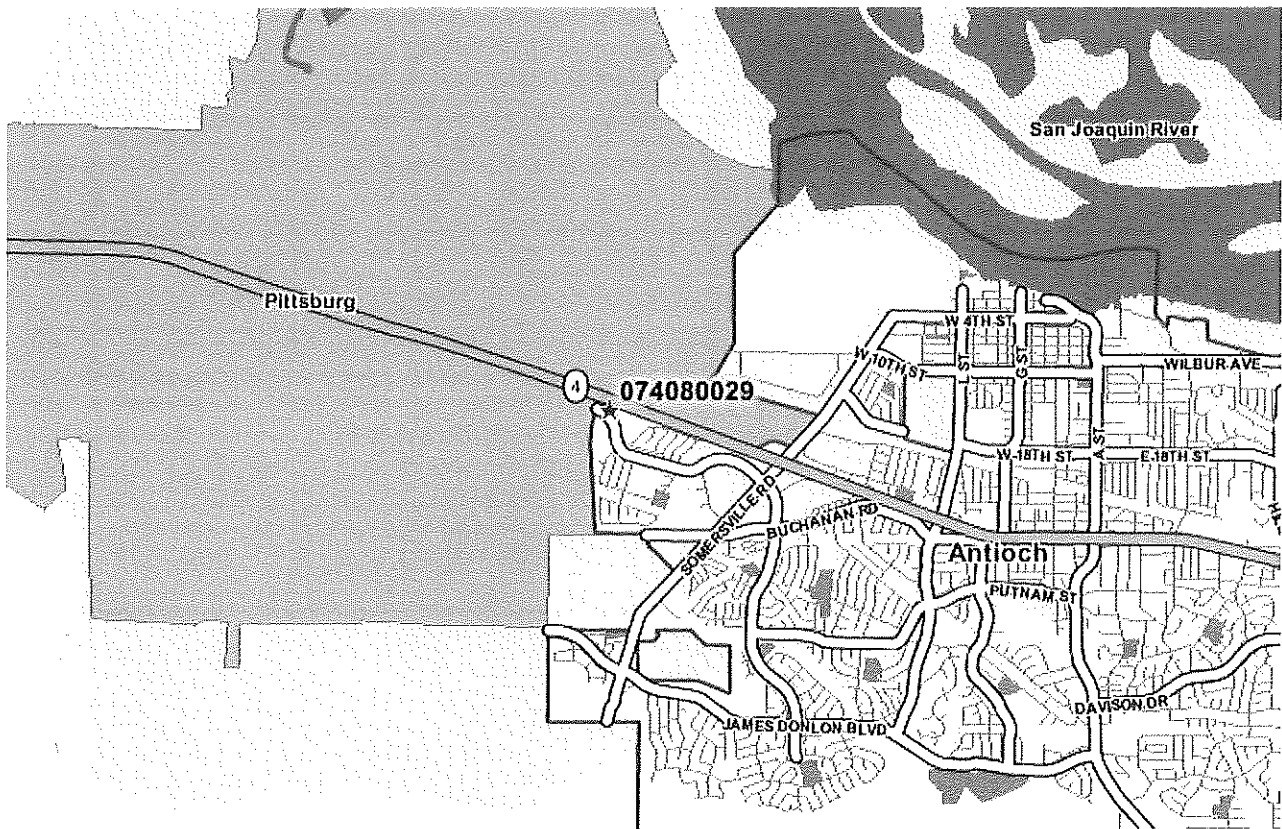
City of Antioch
Third and H Street
Antioch, CA 94509
(925) 779-6168



1.0 Project Description

Mesa Outdoor proposes to upgrade the west face of its existing billboard located on city owned property into a digital display. No changes in the structure height, dimensions or character/appearance are necessary. This project does not interfere with any existing signs, or require the elimination, modification, or reclassification of any buildings, trees, or structures. This project will not have a significant impact on the environment or the residents of the city. The sign is currently permitted by Caltrans to operate as a digital display (OF04-0034, OF04-0035).

2.0 Property Location Map – 4650 Delta Fair Blvd. | Antioch, CA 94509



2.1 Property Description

The property is located in a Commercial area on the south side of Highway 4 bordering the City of Pittsburg. Surrounding uses are predominantly commercial. The property is currently used seasonally for pumpkin patch sales and Christmas tree lot sales. The property is undeveloped and currently zoned Commercial.

2.2 Property Satellite Image



Google Earth 3/2017



3.0 Visual Impacts & Mitigations

Great care was taken in the selection of the property and design of site location to minimize impacts on the scenic view sheds of Antioch. Our proposed property is located outside of Caltrans designated "Scenic Highway" and "Landscaped Freeway" sections of the City. The property is located in a Commercial/Industrial area amongst view sheds that have already been developed into uses including shopping centers, auto dealers and industrial facilities.

3.1 Lighting Impacts

The proposed digital upgrade will not significantly change the current lighting dispersion on the property. There are no residents or businesses located to the west of the sign within 500 feet, and due to the zoning of the surrounding properties there will never be residents located within 500 feet of the sign. See **Lighting Study**.

3.2 Graffiti Control

The sign is not accessible without a lift truck. We have not experienced any issues with graffiti and we do not expect graffiti to be an issue going forward. We will vigilantly monitor graffiti on the sign and swap out impacted vinyls and paint over any graffiti that occurs on the structure.

3.3 Existing Business Impact

The sign will not impact the existing pumpkin patch and Christmas tree lot as the sign will be located behind the sales area that customers use.

4.0 Structure Description

The structure consists of two 14' x 48' advertising display faces, supported by a center-mounted 33' column and an overall height of 50' with a 30-degree V. These design specifications provide a desirable aspect ratio for freeway viewing. The size and design are customized to fit the property and serve the traveling public. The structure is composed of steel. The structure is cemented underground to provide a secure foundation and minimize the structure's footprint. All structural calculations will be signed and sealed by a registered professional engineer. The structure and installation will comply with all applicable building and electrical codes.

5.0 Digital Equipment

We are proposing to install a 14'x48' Watchfire digital display with high definition 19mm pixel spacing. Watchfire is a US-based company that is considered the gold standard in digital displays. The display's color uniformity, brightness, and clarity will be guaranteed for ten years. The digital equipment will be basically identical to the equipment used on the neighboring digital display in Pittsburg, CA.

6.0 Roadside Photograph



January 23, 2018

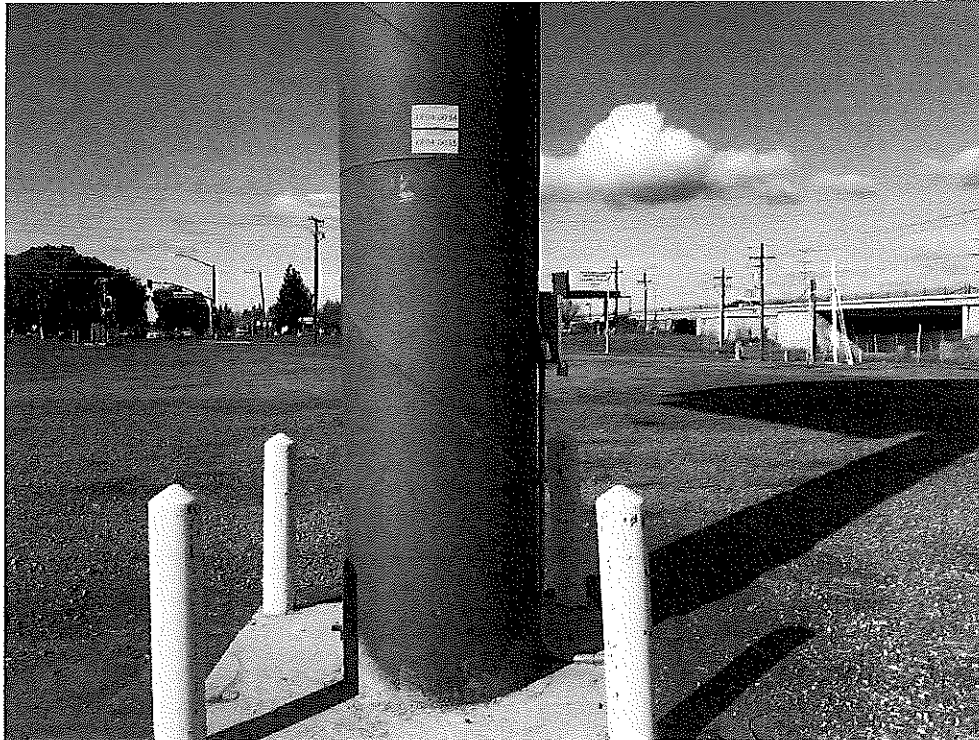
7.0 Site Photographs



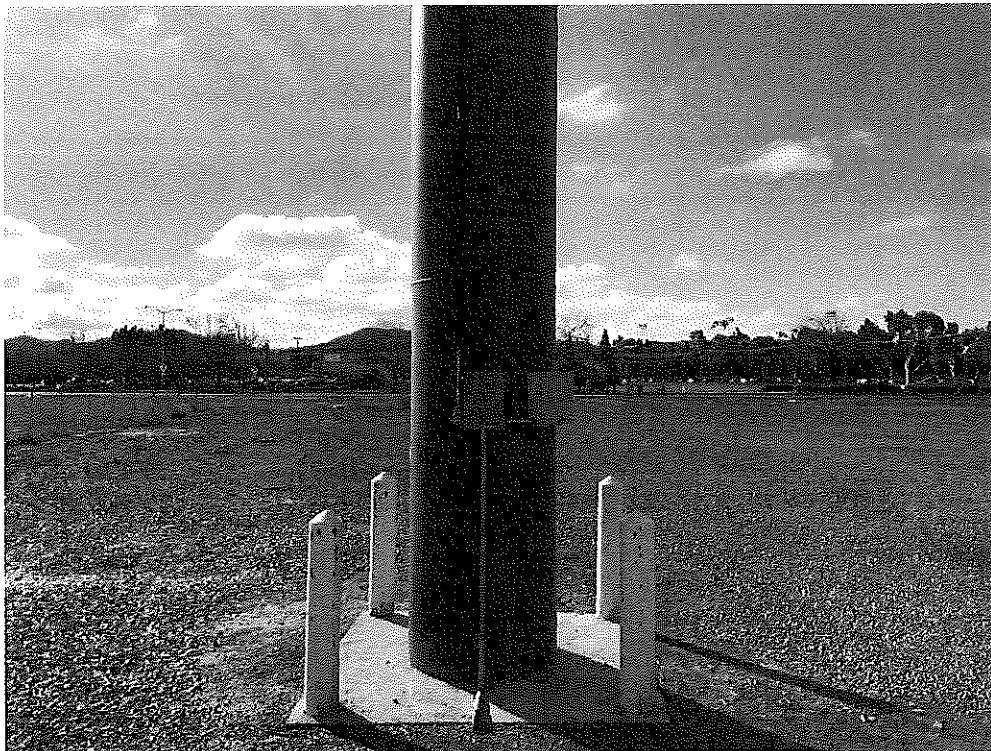
Facing East, January 23, 2018



Facing North, January 23, 2018



Facing West, January 23, 2018



Facing South, January 23, 2018



Facing East towards the West face that will be upgraded, January 23, 2018

ATTACHMENT “E”

IMPORTANT INFORMATION - PLEASE READ CAREFULLY

Pursuant to the terms of Chapter 32, Status of 1939 and as amended, permission is granted to place and maintain an advertising display in its approved physical location as shown in the official records of the Department. Permit renewal is subject to the laws and implementing regulations of the California State Outdoor Advertising Act. This permit does not authorize placement or maintenance of a display prohibited by law or by an ordinance of any city, county or city and county. The permit owner is responsible for permit renewal on or before the expiration date. Immediately notify the Department to correct your mailing address, transfer ownership of this permit or cancel this permit. Include your permit number and mail notices to:

Department of Transportation, Office of Outdoor Advertising, P.O. Box 942874, MS-369, Sacramento, CA

Permit
OF04-0034

Expiration Date
12/31/2018

District	County	Route	Post Mile or County Road	Property Owner
4	CC	4	25.04 R	City of Antioch
Permit Owner Name			Date Granted	Owner Display #
Mesa Outdoor LLC 696 San Ramon Valley Blvd #192 Danville, CA 94526			04/06/2012	



Notice Failure to maintain a current permit may result in a violation notice, penalty and removal of display at permittee's expense. The permit entitles the holder to play the permitted display for the term of this permit provided all fees or pro rata fees are timely received.

IMPORTANT INFORMATION - PLEASE READ CAREFULLY

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Department of Transportation, Office of Outdoor Advertising, P.O. Box 942874, MS-369, Sacramento, CA

Permit
OF04-0035

Expiration Date
12/31/2018

District	County	Route	Post Mile or County Road	Property Owner
4	CC	4	25.04 R	City of Antioch
Permit Owner Name			Date Granted	Owner Display #
Mesa Outdoor LLC 696 San Ramon Valley Blvd #192 Danville, CA 94526			04/06/2012	



Notice Failure to maintain a current permit may result in a violation notice, penalty and removal of display at permittee's expense. The permit entitles the holder to play the permitted display for the term of this permit provided all fees or pro rata fees are timely received.



BILLBOARD LEASE

between

**CITY OF ANTIOCH,
a California Municipal corporation
("City")**

and

**MESA ANTIOCH, LLC
a California limited liability company
("Tenant")**

BASIC INFORMATION


The following Basic Information provides a brief synopsis of the critical terms of this Lease and a reference for certain specific terms of this Lease. The Basic Information, the Recitals below, and all exhibits attached are incorporated into and made a part of the Lease. If there is any conflict between the Basic Information and terms of the Lease, the terms of the Lease will control.

- 1. City: CITY OF ANTIOCH, a California Municipal corporation
P.O. Box 5007
Antioch, CA 94531

Notice: City Manager
Email: sduran@ci.antioch.ca.us
Telephone: 925-779-7011
Facsimile: 925-779-7003
- 2. Tenant: MESA ANTIOCH, LLC, a California limited liability company
660 4th Street #211
San Francisco, CA 94107

Notice: Mike McCoy
Email: mmccoy@mesaoutdoor.com
Telephone: 925-786-6453
Facsimile: 415-817-9967
- 3. Effective Date: September 4, 2014
- 4. City Property. That certain real property owned by City legally described in and depicted on Exhibit A in the City of Antioch, County of Contra Costa, State of California.
- 5. Premises: That certain portion of the City Property described in and depicted on Exhibit A.
- 6. Permitted Use: Operation of one two-sided billboard to display outdoor advertising on the Premises.
- 7. Term: 30 years.
- 8. Monthly Rent: \$3,000/month for the first four years, and upon the fifth anniversary of the Operations Phase, the Monthly Rent will increase each Lease Year by the percentage change in CPI for the prior 12 months not to exceed 3% for any one year, as described in detail in Schedule 1.
- 9. Percentage Rent: In addition to the Base Rent, Tenant must pay twenty-five percent (25%) of the Gross Revenue of the Billboard to the extent such revenue exceeds the Monthly Rent each Lease Year, as described in detail in Schedule 1.

CITY'S INITIALS 

TENANT'S INITIALS 

Billboard Lease

This Billboard Lease ("Lease"), is effective as of 9/4, 2014, and is between the **City of Antioch**, a California municipal corporation ("City"), and **Mesa Antioch, LLC**, a California limited liability company ("Tenant").

RECITALS

A. City owns that certain parcel of land located in the City of Antioch, County of Contra Costa, State of California, located near State Route 4, as more particularly shown on the attached Exhibit A and incorporated herein by reference (the "City Property").

B. Tenant desires to lease a portion of the City Property as more particularly shown on Exhibit A (the "Premises") for the purposes of constructing and operating a billboard sign.

C. State Route 4 is a heavily traveled route for commuters, tourists and visitors driving through the community daily to reach Bay Area and Central Valley/Sierra Mountain destinations.

D. A freeway sign at this location will provide an opportunity for economic development and a marketing tool to increase awareness about the City of Antioch and will provide promotional and advertising opportunities for local businesses.

E. The Antioch City Council has determined that it is in the best interests of City, and for the common benefit of the citizens residing in City, to enter into this Lease with Tenant for the installation, operation and maintenance of a freeway sign at the Premises.

F. City desires to lease to Tenant, and Tenant desires to lease from City, the Premises, all as further set forth in this Lease.

AGREEMENT

ARTICLE 1 DEFINITIONS.

For purposes of this Lease, unless a different meaning is clearly required, the following terms will have the following meanings and be capitalized throughout this Lease:

1.1 "Billboard" means the two-sided outdoor-advertising sign that Tenant will install and operate on the Premises in accordance with the criteria set forth in Exhibit B to this Lease.

1.2 "Business Day" means any day City's main offices located at Third & H Streets, Antioch, California, are open to the public.

1.3 "Caltrans" means the California Department of Transportation.

1.4 "Caltrans Permits" means all permits and approvals, if any, that Tenant must obtain from Caltrans to install, operate, and maintain the Billboard in accordance with this Lease.

1.5 "City Permits" means all building permits, conditional use permits, site plan review, architectural review, and other permits, entitlements, and agreements that City, acting in its

governmental capacity, must issue or approve for Tenant to install, operate, and maintain the Billboard in accordance with this Lease.

1.6 "Commencement Date" means the date as of which both of the following have occurred: (i) City has finally approved the Plans (defined in Section 7.2), and (ii) Tenant has received all necessary governmental permits and approvals for the Billboard, including the Caltrans Permits and City Permits (as described more fully in Article 7).

1.7 "Effective Date" means the date as of which both City and Tenant have signed this Lease, as indicated by the dates in the signature blocks below.

1.8 "Gross Revenue" means all revenue Tenant collects from the Billboard, less any commissions paid, not to exceed (15%) of such revenue.

1.9 "Hazardous Materials" means any and all pollutants, wastes, flammables, explosives, radioactive materials, hazardous or toxic materials, hazardous or toxic wastes, hazardous or toxic substances, carcinogenic materials or contaminants and all other materials governed, monitored, or regulated by any Federal, State or local Law or regulation, including the Comprehensive Environmental Response, Compensation and Liability Act, the Hazardous Substances Account Act, and/or the Resources Conservation and Recovery Act, together with asbestos, asbestos-containing materials, hydrocarbons, polychlorinated biphenyl ("PCB") or PCB-containing materials, petroleum, gasoline, petroleum products, crude oil or any fraction, product or by product thereof.

1.10 "Hazardous Materials Laws" means all laws, codes, rules, orders, ordinances, directives, regulations, permits, or other requirements of federal, state, county, municipal or governmental authorities having jurisdiction, now in force or which may hereafter be in force concerning the management, use, generation, storage, transportation, presence, discharge or disposal of Hazardous Materials.

1.11 "Lease Year" means one of the consecutive 12-month periods during the Term.

1.12 "Off-site Outdoor Advertising" means an advertising sign that directs attention to a business, profession, commodity, service or entertainment which is conducted, sold or offered at a location other than on the same lot or parcel upon which the sign is located.

1.13 "Operational" means the Billboard is capable, legally and functionally, of displaying advertising.

1.14 "Premises" is defined in the Basic Information.

1.15 "Rent" means the Monthly Rent and Percentage Rent described in Schedule 1.

1.16 "Sign Structure" means the portion of the Billboard other than the advertising faces, and it includes all ancillary equipment and utilities installed on the Premises. The Sign Structure is more particularly described in Exhibit B.

1.17 "Term" means the entire time this Lease is in effect. As specified in Article 4, it consists of the Initial Term and any period of holding over.

ARTICLE 2 REPRESENTATIONS AND WARRANTIES OF TENANT

2.1 Corporate Status

Tenant is a limited liability company duly organized, validly existing and in good standing under the laws of the State of California. It is qualified to transact business in the State of California and has the power to own its properties and to carry on its business as now owned and operated and as required by this Lease.

2.2 Authorization

Tenant has the authority to enter into and perform its obligations under this Lease. The managers or directors of Tenant have taken all actions required by law, its articles of incorporation, its bylaws, or otherwise, to authorize the execution of this Lease. The person signing this Lease on behalf of Tenant has authority to do so.

2.3 Lease Will Not Cause Breach

To the best of Tenant's knowledge, after reasonable investigation, neither the execution or delivery of this Lease, nor the performance of this Lease by Tenant: (i) conflicts with, violates, or results in a breach of any applicable law; or (ii) conflicts with, violates or results in a breach of any term or condition of any judgment, order or decree of any court, administrative agency or other governmental authority, or any agreement or instrument to which Tenant is a party or by which Tenant or any of its properties or assets are bound, or constitutes a default thereunder.

2.4 No Litigation

To the best of Tenant's knowledge, after reasonable investigation, there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or governmental authority, commission, board, agency or instrumentality decided, pending or threatened against Tenant wherein an unfavorable decision, ruling or finding, in any single case or in the aggregate, would materially adversely affect the performance by Tenant of its obligations hereunder or which, in any way, would adversely affect the validity or enforceability of this Lease or which would have a material adverse effect on the financial condition of Tenant or any surety guaranteeing Tenant's performance under this Lease, which has not been waived by City in writing.

2.5 No Adverse Judicial Decisions

To the best of Tenant's knowledge, after reasonable investigation, there is no judicial decision that affects the validity of this Lease or may subject this Lease to legal challenge.

2.6 Ability to Perform

Tenant possesses the business, professional, and technical expertise to cause the installation, maintenance, and operation of the Billboard in the manner required under this Lease.

The representations and warranties set forth in this Article 2 are made as of the Effective Date.

ARTICLE 3 LEASE OF PREMISES.

City hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from City, upon the covenants, terms, and conditions set forth in this Lease.

ARTICLE 4 TERM.

4.1 Term

The "Initial Term" of this Lease will consist of two phases:

4.1.1 The "Pre-Operations Phase," which will begin on the Effective Date and end on the earlier of (A) the date the Billboard becomes Operational or (B) the 120th day after the Commencement Date.

4.1.2 The "Operations Phase," which will begin when the Pre-Operations Phase ends and will expire 30 years thereafter.

4.2 Expiration of Lease; Holding Over

This Lease will expire automatically at the end of the Initial Term. If Tenant holds over on the Premises after the expiration of the Initial Term with the consent of City, such holding over will be construed to be only a tenancy from month to month, subject to all the covenants, conditions and obligations contained in this Lease that applied at the expiration of the Initial Term.

ARTICLE 5 CONSIDERATION.

As consideration for the rights and benefits it enjoys under this Lease, including the use and occupancy of the Premises during the Term, Tenant must do all of the following:

5.1 Monthly Rent

Each month during the Operations Phase, Tenant must pay City the "Monthly Rent" set forth in Schedule 1 in accordance with the terms set forth in this Section 5.1.

5.1.1 Manner of Payment. Monthly Rent is due and payable in advance on the first day of each calendar month without notice, demand, offset or deduction. Tenant must remit the Monthly Rent to City at the address designated in the Basic Information, or at such other address as City may designate from time to time in writing to Tenant for the payment of Monthly Rent.

(a) Late Charge. If Tenant fails to pay any installment of Monthly Rent within ten (10) calendar days after the same is due and payable, such unpaid amount will be subject to a late payment charge equal to five percent (5%) of the unpaid amount in each instance. The late payment charge has been agreed upon by City and Tenant, after negotiation, as a reasonable estimate of the additional administrative costs and detriment that City will incur as a result of any such failure by Tenant, the actual costs thereof being extremely difficult—if not impossible—to determine. The late payment charge constitutes liquidated damages to compensate City for its damages resulting from such failure to pay, and Tenant must promptly pay such charge to City together with any unpaid interest

(b) Default Interest. If any Monthly Rent is not paid within fifteen (15) calendar days following the due date, such unpaid amount will bear simple interest at the rate of 10% per year or the maximum permitted by law, whichever is lower ("Default Rate") from the due date until paid. However, interest will not be payable on late charges incurred by Tenant, nor on any amounts on which late charges are paid by Tenant to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest will not excuse or cure any default by Tenant.

(c) Application of Payments. All payments received by City from Tenant will be applied to the oldest obligation owed by Tenant to City. No designation by Tenant, either in a separate writing, on a check or money order, or otherwise will modify this Article 5 or have any force or effect.

5.1.2 Proration for First Monthly Rental Payment. If the Operations Phase begins on a day other than the first day of a month, then the first month's installment of Monthly Rent will be prorated.

5.1.3 Adjustment of Monthly Rent Schedules. Commencing on the fifth anniversary of the Operations Phase and each Lease Year thereafter, the Monthly Rent may increase as provided in Schedule 1.

5.2 Additional Consideration

5.2.1 Construction Bonus. Tenant will pay City a one-time "Construction Bonus" of \$100,000 in accordance with Schedule 1.

5.2.2 Percentage Rent. Tenant must pay City the "Percentage Rent", if any, set forth in Schedule 1 in accordance with the terms set forth in this Section 5.2.2.

(a) Reports. Tenant must furnish to City an annual statement of Gross Revenue within forty-five (45) days after the end of each Lease Year. The statement of Gross Revenue must include a designation of gross advertising revenue actually collected for the Billboard, as well as a designation for all permissible commissions paid in accordance with this Lease. Such statement must be in a form acceptable to City. Each statement must be signed and certified to be correct by a duly authorized officer of Tenant. Tenant must keep and make available at its local office complete and accurate books of account, records, cash receipts and other pertinent data, in accordance with good accounting practices and in a form approved by City, showing the Gross Revenue, including without limitation, accurate records of every sale and other transaction made for any advertising display on the Billboard and any commissions paid by Tenant pursuant to this Lease. Such books of account, records, cash receipts and other pertinent data must be kept for a period of at least five (5) years after the end of each Lease Year. The receipt by City of any statement, or any payment of Percentage Rent (as defined in Schedule 1) for any period, will not bind City as to the correctness of the statement or payment. Additionally, Tenant will create a separate LLC for the Billboard and this Lease and submit its full tax return to the City for the purposes of transparency and accurately determining Percentage Rent in accordance with Schedule 1.

(b) Inspection and Audit. Tenant must maintain and make available at its local office, for City's review and audit, all contracts, leases, invoices, and other records that are relevant to the accurate determination of the Percentage Rent in accordance with Schedule 1. After the Percentage Rent for a Lease Year has been determined in accordance with Schedule

1, Tenant must retain the related records for at least five (5) years. City, at its sole option, will be entitled, at any time and from time to time during the Term, to inspect, examine, copy and audit Tenant's books, records and cash receipts as related to Gross Revenue. The purpose of such examination is to enable City to ascertain, clearly and accurately, Tenant's Gross Revenue and to verify that the form and method of Tenant's record keeping provide adequate and proper control and check of all such revenues. Tenant must cooperate fully with City and City's agents in making the examination. City, at its option, will also be entitled once during each Lease Year and once after the Expiration Date or other termination of this Lease, to cause an independent audit of such records to be performed by a certified public accountant designated by City, provided such accountant is not paid on a contingency fee basis. The audit will be conducted during usual business hours at Tenant's office. If the audit shows that there is a deficiency in the payment of any Percentage Rent, then Tenant must immediately upon notice pay the deficiency to City, together with interest thereon at the Default Rate, which interest will accrue from the date on which such deficient amount would have been due until such deficiency is paid. City will pay the costs of the audit unless the audit shows that Tenant understated Gross Revenue by more than two percent (2%) in which case Tenant will pay all City's costs of the audit.

ARTICLE 6 USE OF PREMISES.

6.1 Condition of Premises

The Premises and all improvements thereon, are being leased to Tenant in its current, existing, "AS IS" condition. City makes no representations or warranties of any kind, express or implied, written or oral, about any of the following: the physical condition of the Premises; the suitability of the Premises for Tenant's anticipated use; any limitations on Tenant's use of the Premises, including limitations arising from zoning laws, environmental laws, or other laws, regulations, or governmental requirements; the costs of conducting Tenant's business on the Premises; or the condition of the soils or ground waters of the Premises. By taking possession of the Premises, Tenant accepts the Premises "AS IS" and acknowledges that the Premises are satisfactory for Tenant's purposes. Tenant has ascertained the condition of the Premises through its own independent investigation and has relied solely on that independent investigation when entering into this Lease.

6.2 Permitted Uses

Tenant has the exclusive right to display Off-site Outdoor Advertising on the City Property, excluding any on-site outdoor signage advertising activities conducted thereon. City will not authorize any other Off-site Outdoor Advertising on the City Property, excluding any on-site outdoor signage advertising activities conducted thereon. Tenant's right to conduct Off-site Outdoor Advertising on the Premises includes the following:

- (a) Installing, operating, maintaining, repairing, improving, repositioning (with City's consent) the Billboard and any utilities installed in connection with the Billboard.
- (b) Installing and maintaining utility wires, poles, cables, conduits, and pipes over or under the City Property from the nearest accessible public right-of-way.
- (c) All rights of ingress and egress over the City Property that Tenant needs to access the Billboard.

(d) Subject to the criteria set forth in Exhibit C to this Lease, licensing the use of the Billboard, or any portion it, for any lawful purpose related to outdoor advertising.

(e) Removing the Billboard on or from the Premises when this Lease terminates.

Tenant acknowledges and agrees that except as provided in this section, Tenant may not use the Premises, including the City Property, for any other purpose including the collocation of any telecommunications facilities on the Sign Structure.

6.3 Prohibited Uses

6.3.1 Hazardous Substances. Neither Tenant nor any of Tenant's representatives or agents may use, handle, store, transport, treat, generate, release or dispose of any Hazardous Materials anywhere in, on, under or about the Premises, the Billboard, any portion thereof, or any improvements thereon. Notwithstanding the foregoing, Tenant may use, handle, store, transport, treat, generate, release or dispose of any Hazardous Materials in such limited amounts as are customarily used to install, operate, maintain, repair, improve, reposition, or remove the Billboard in accordance with this Lease, and so long as Tenant is at all times in full compliance with all applicable environmental laws. Tenant must cause any and all Hazardous Materials brought onto, used, generated, handled, treated, stored, released or discharged by Tenant or its authorized representatives on or under the Billboard, the Premises, any portion thereof, or any improvements thereon to be removed therefrom and transported for disposal in accordance with applicable laws, including Hazardous Materials Laws. City will have the right to enter the Premises, any portion thereof, or any improvements thereon from time to time to conduct tests, inspections and surveys concerning Hazardous Materials and to monitor Tenant's compliance with its obligations concerning Hazardous Materials and Hazard Materials Laws. Tenant must immediately notify City in writing upon its actual knowledge of: (a) any release or discharge of any Hazardous Material by Tenant or its authorized representatives; (b) any voluntary clean-up or removal action instituted or proposed by Tenant, (c) any enforcement, clean-up, removal or other governmental or regulatory action instituted or threatened against Tenant, or (d) any claim made or threatened by any person against Tenant, the Billboard, the Premises, any portion thereof, or any improvements thereon relating to Hazardous Materials or Hazardous Materials Laws. Tenant must also supply to City as promptly as possible, and in any event within five (5) business days after Tenant receives or sends same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Billboard, the Premises, any portion thereof, or any improvements thereon or Tenant's use thereof and concerning Hazardous Materials or Hazardous Materials Laws. In the event Tenant institutes a cleanup or removal action, Tenant must provide copies of all work plans and subsequent reports submitted to the governmental agency with jurisdiction to City in a timely manner. Tenant must indemnify and defend City any claims, causes of action, liabilities, losses, damages, injunctions, suits, fines, penalties, costs or expenses (including attorneys' fees and expenses and consultant fees and expenses) caused or alleged to have been caused by the presence of Hazardous Materials in, on, under, about, or emanating from the Billboard, the Premises, any portion thereof, or any improvements thereon, due to the acts of Tenant or its authorized representatives in accordance with the provisions of Section 11.3.

6.3.2 Unlawful Activities. Tenant may not use or permit the Premises to be used in any way that violates this Lease or any valid and applicable statute, ordinance, regulation,

rule, or order of any federal, state, or local governmental entity (including City). Tenant may not maintain or commit, or permit the maintenance or commission of, any public or private nuisance as defined by any law applicable to the Premises on or after the Effective Date. Tenant hereby waives any rights to compensation it may have if a court finds that the Billboard constitutes a public or private nuisance under any valid and applicable federal, state, or local law and for that reason orders Tenant to remove or modify the Billboard.

6.3.3 Encumbrances. Tenant may not encumber the Premises or any part of the Premises or the Billboard or any part of the Billboard, for any purpose, without City's prior written consent, which City may withhold for any reason. Tenant must keep the Premises and the Billboard free of all liens and other encumbrances other than those, if any, to which City consents.

6.4 Unobstructed Use

6.4.1 City may not allow on any City owned property any tree, vegetation, or improvement, nor may City approve on any private property any structure, that materially obstructs the view of the display area of the Billboard from State Route 4 (each an "Obstruction").

6.4.2 If Tenant notifies City in writing that an Obstruction exists, and if City authorized, allowed or actively caused the Obstruction, then City must remove or remedy the Obstruction at its own cost within 15 days after receiving the notice. If the City does not remove such Obstruction within such 15-day period, then Tenant will have the right, in addition to all other remedies granted to Tenant under this Lease, to abate the Monthly Rent payable hereunder from and after such 15-day period until the City removes such Obstruction.

6.4.3 If Tenant notifies City in writing that an Obstruction exists, and if City did not authorize, allow or actively cause the Obstruction, then City may remove or remedy the Obstruction at its own cost within 15 days after receiving the notice. If City does not remove or remedy the Obstruction within the fifteen 15 days, then, at no cost to City, and after coordinating with the appropriate department of City, Tenant may remove any Obstruction that is a tree or vegetation on City property as described in the notice.

6.4.4 Tenant's exercise of its rights under this Section 6.4 are in addition to any other remedies it may have under this Lease.

6.4.5 Tenant acknowledges that as of the Effective Date, the adjacent property to the east of the City Property and Premises is owned by a public agency over which City does not have any land use regulatory control, and, as such, City and Tenant have limited recourse in the event any obstruction of the Billboard is created or maintained on such property.

ARTICLE 7 INSTALLATION AND OPERATION OF BILLBOARD

Tenant must install and operate the Billboard on the Premises in accordance with this Article 7 and consistent with Article 6, all at no cost to City.

7.1 Permitting Costs

Tenant will bear all costs associated with permitting and entitling the Billboard as provided in the City's fee schedule.

7.2 Plans and Specifications

At no cost to City, Tenant must prepare complete plans and specifications for the Billboard, working closely with City to develop plans and specifications that are mutually acceptable (the "Plans"). Tenant must submit the Plans to City for final approval, which City will not withhold unreasonably. The Billboard must be designed to comply with all applicable state, county, and City codes and regulations. At a minimum, the Plans must comply with the criteria set forth in Exhibit B to this Lease.

7.3 Caltrans Permits

Tenant is responsible for insuring that the Billboard complies with all requirements of California's Outdoor Advertising Act and Regulations if Caltrans determines that the Premises fall within the scope of the Act. In addition, Tenant is responsible for obtaining any and all permits required from Caltrans to install the Billboard on the Premises. As soon as practicable after the Effective Date, Tenant must apply to Caltrans for all necessary Caltrans Permits, if any, and City will cooperate with Tenant in that effort, all at no cost to City. During the Term, Tenant will be the permittee under the Caltrans Permits and must perform all obligations under the Caltrans Permits at no cost to City. Prior to the issuance of City building permits, Tenant must submit evidence reasonably satisfactory to City that it has obtained all necessary permits from Caltrans. Upon termination of this Lease, City will relinquish any interest it may have in the Caltrans Permits and execute any documents needed to confirm that Tenant is the sole owner of the Caltrans Permits.

7.4 City Permits

Prior to starting construction, Tenant must apply for all necessary building and electrical permits for the Billboard. City will diligently process Tenant's applications for all City Permits. This Lease does not commit City in advance to approve City Permits; and this Lease does not constrain City's discretion, acting as a government, with respect to City Permits specifically or to the Billboard generally, and nothing contained herein will be construed to mean that City is agreeing or has agreed to exercise its discretionary authority in support of any approvals or entitlements that may be required to construct the Billboard.

7.5 Installation

Tenant must begin installing the Billboard as soon as practicable after the Commencement Date and must diligently pursue installation to completion without unnecessary interruption so that the Billboard is Operational by the 120th day after the Commencement Date. Tenant will be excused, however, for any delays in beginning or completing installation that are caused by a Force Majeure Event, as defined in Section 13.5. Tenant must use reasonable diligence to avoid such delays and to resume work as promptly as possible after such a delay.

7.6 Ownership

Tenant will at all times own the Billboard. Upon the expiration or other termination of this

Lease for any reason, Tenant must remove the Billboard in accordance with Section 7.13.

7.7 Security Fencing/Bollards

Before beginning installation of the Billboard, Tenant must enclose with a temporary security fence the portion of the Premises Tenant needs to install, operate, maintain, and repair the Billboard. If required by City in connection with the permitting of the Billboard, Tenant must maintain the temporary security fence until Tenant replaces it with permanent bollards around the base of the Sign Structure to protect the Billboard from damage. Tenant must install and maintain the temporary fence and the permanent bollards at no cost to City and must consult with City on the location and design of each. Tenant must install the permanent bollards at the beginning of the Operations Phase and maintain those bollards until the end of the Term.

7.8 Maintenance

At no cost to City, Tenant must maintain and repair the Billboard and Tenant's other improvements in good condition and repair, reasonable wear and tear excepted. Tenant's maintenance obligation under this Section 7.8 includes the obligation to remove promptly any graffiti from the Billboard. In no event will Tenant be required to maintain any portion of the City Property, exclusive of Tenant's improvements thereon. City is not obligated to maintain or repair the Billboard or any of Tenant's improvements, but will, at its sole cost, maintain the City Property in good condition. If, however, Tenant does not maintain the Billboard in accordance with this Lease, then City may notify Tenant in accordance with Section 13.1 that City will perform the maintenance described in the notice if Tenant does not do so within 10 Business Days. If Tenant does not perform the needed maintenance within the 10 Business Days after the notice is given, then City may perform the maintenance described in the notice, and Tenant must reimburse City's costs.

7.9 Insured Damage or Destruction

7.9.1 Restoration. This Lease will continue in full effect if the Billboard is damaged or destroyed in whole or part by any cause covered by the fire-and-casualty insurance Tenant is required to maintain under Section 12.1(c). No loss or damage by fire or any other cause resulting in either partial or total destruction of the Billboard, or any portion thereof, will (except as otherwise provided in Section 7.10, below) operate to terminate this Lease or to relieve or discharge Tenant from the payment of any Monthly Rent, or other amounts payable hereunder, as and when they become due and payable, or from the performance and observance of any of the agreements, covenants and conditions herein contained to be performed and observed by Tenant. Tenant covenants to repair, reconstruct, and/or replace or cause to be repaired, reconstructed and/or replaced the Billboard, or any portion thereof, including any personal property owned by Tenant and used or intended to be used in connection with the Premises, so damaged or destroyed. Tenant also covenants that all insurance proceeds will be applied to the repair, reconstruction and/or replacement described herein, subject to the following:

(a) Tenant must repair or replace the Billboard at no cost to City using the insurance proceeds Tenant receives or is entitled to receive under the fire-and-casualty policy. Tenant must promptly apply for, and diligently pursue the issuance of, any permits or approvals it needs to repair or replace the Billboard. Within 30 days after obtaining the necessary permits and approvals and applicable insurance proceeds, Tenant must begin

work to repair or replace the Billboard. Tenant must complete the work within 120 days after the work begins and must pay any costs that exceed the available insurance proceeds.

(b) Tenant may elect not to repair or replace the Billboard if:

(i) the cost to repair or replace it exceeds fifty percent (50%) of its full replacement cost immediately before it is damaged or destroyed, and the damage or destruction occurs during the last two years of the Initial Term; or

(ii) Tenant is unable, after using good faith efforts, but without having to resort to litigation, to obtain all permits, including, without limitation, the City Permits.

(c) If Tenant elects, under this Section 7.9, not to repair or replace the Billboard, then Tenant must:

(i) notify City in writing of its election;

(ii) use the insurance proceeds Tenant receives for the damage or destruction to remove the Billboard and restore the Premises in accordance with Section 7.13.

Except as otherwise permitted by this Section 7.9.1, Tenant's failure to make such full repair, restoration and replacement under any conditions in which it was elected or required so to do will constitute a default by Tenant under this Lease.

7.9.2 Procedures for Repair and Restoration. In the event of any damage or destruction, Tenant must promptly give City written notice of such damage or destruction and the date on which such damage or destruction occurred. Tenant must promptly make proof of loss and must proceed promptly to collect, or cause to be collected, all valid claims which Tenant may have against insurers or others based upon any such damage or destruction. Except as otherwise provided above, amounts received on account of any losses pursuant to insurance policies must be used and expended for the purpose of fully repairing or reconstructing the portions of the Billboard which has been destroyed or damaged.

7.10 Uninsured Damage or Destruction

This Lease will continue in full effect if the Billboard is damaged or destroyed in whole or part by any cause not fully covered by the fire-and-casualty insurance Tenant maintains, subject to the following:

7.10.1 The Monthly Rent thereafter due under this Lease will abate from the date of the casualty until Tenant has completed the repair or replacement of the Billboard.

7.10.2 Tenant may repair or replace the Billboard at no cost to the City. If Tenant elects to repair the casualty, Tenant must promptly apply for, and diligently pursue the issuance of, any permits or approvals it needs to repair or replace the Billboard. Within 30 days after obtaining the necessary permits and approvals, Tenant must begin work to repair or replace the Billboard and diligently pursue the completion thereof. If Tenant elects to not repair or restore the Billboard, Tenant must notify the City in writing of its election, in which event this Lease will terminate the day the City receives written notice of such election; and

then Tenant must remove the Billboard and restore the Premises in accordance with Section 7.13.

7.11 Utilities

At no cost to City, Tenant must provide and pay for all utility connections, utility equipment, and utility service required to install, operate, maintain, repair, improve, or reposition the Billboard throughout the Term. Tenant must coordinate with City and the applicable utility companies for utility tie-ins and electrical power sources that Tenant may need to operate the Billboard. When purchasing electricity needed to operate the Billboard, Tenant must participate in the "Green Option" program offered by Pacific Gas & Electric ("PG&E"), so that 100% of the Billboard's electrical needs come from renewable resources. If PG&E discontinues the Green Option program, then Tenant must participate in any comparable program that PG&E then offers. Alternatively, Tenant may contract with a solar company to develop a solar energy plan to offset a significant portion (i.e., 50% or more) of the energy required to operate the Billboard.

7.12 Advertising Rights

During the Term, Tenant will have the exclusive right to enter into agreements for advertising on the Billboard. In operating the Billboard, Tenant must conform to all valid and applicable laws and regulations, including laws and regulations pertaining to outdoor advertising, including the advertising criteria set forth in Exhibit C.

Tenant must, within 48 hours after written demand from City, at Tenant's risk and expense, remove any advertising material or message that does not comply with the advertising criteria set forth in Exhibit C, and which is not being disputed by Tenant. If Tenant fails to promptly cause the removal of such advertising, City may (but is not required to), without further process of law, cause the removal of the advertising. Tenant must reimburse City's costs of such actions upon demand and will bear the risk of any damage to the Billboard resulting from such actions. City may exercise such remedies without prejudice to any other remedies it may be entitled to exercise under this Lease, at law or in equity.

Tenant agrees to ensure that businesses or organizations located within the City or residents of the City will be able to purchase advertising on the Billboard in such manner and at such rates as offered to businesses, organizations or persons located or residing outside of the City and that it will not permit any exclusivity contracts or arrangements with advertisers that would violate this covenant.

7.13 Removal of Billboard

Within 120 days after the Term ends, whether the Term expires as scheduled or is terminated early for any reason, Tenant must remove the Billboard from the Premises and must restore the Premises to their pre-lease condition, all at no cost to City. Tenant may leave the footing for the Billboard pole in place at the expiration or termination of the Lease, provided that Tenant pays City \$30,000, which the parties agree represents a reasonable contribution towards the cost of removing such footing as part of any future development of the City Property.

7.14 Compliance with Law

During the Term and while removing the Billboard after the Term in accordance with

Section 7.13, Tenant, at no cost to City, must comply with all valid and applicable statutes, ordinances, regulations, rules, and orders that concern Tenant's use and occupancy of the Premises and the Billboard and are enacted or issued by any federal, state, or local governmental entity with jurisdiction over the Premises or the Billboard (including City) whether enacted or issued before, on, or after the Effective Date.

ARTICLE 8 EVENTS OF DEFAULT; EARLY TERMINATION.

8.1 Defaults by Tenant

Tenant will be in default under this Lease upon occurrence of any of the following:

8.1.1 Tenant is at any time be in default in the payment of Rent or any other monetary sum called for by this Lease for more than 10 days following written notice from City to Tenant; or

8.1.2 Tenant is at any time be in default in the keeping and performing of any of its other covenants or agreements herein contained, and should such other default continue for 30 days after written notice thereof from City to Tenant specifying the particulars of such default, or if such other default is of a nature that curing such default will take more than 30 days Tenant has failed to commence such cure within such 30 day period and to thereafter diligently pursue completion of such cure; or

8.1.3 Tenant violates Section 13.2 of this Lease; or

8.1.4 The Billboard is not Operational by the 365th day after the Commencement Date.

8.2 City's Remedies for Default by Tenant

Upon the occurrence of any such default, in addition to any and all other rights or remedies of City hereunder, or by law or in equity provided, City will have the sole option to exercise the following rights and remedies:

8.2.1 Without prejudice to its other remedies at law or in equity, City may terminate this Lease, at any time and in its sole discretion, effective 30 days after City gives Tenant written notice of termination.

8.2.2 City will have the remedy described in California Civil Code section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has right to sublet or assign, subject only to reasonable limitations), as amended from time to time, and successor statutes thereto.

8.3 City Damages

Should City elect to terminate this Lease, City will be entitled to recover from Tenant, as damages:

8.3.1 The worth at the time of the award of the unpaid Rent that had been earned at the time of termination of this Lease;

8.3.2 The worth at the time of the award of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided;

8.3.3 The worth at the time of the award of the amount by which the unpaid Rent for the balance of the Term of this Lease after the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; and

8.3.4 Any other amount (and court costs) necessary to compensate City for all detriment proximately caused by Tenant's default, including costs of alterations and improvements in connection with reletting.

8.4 City Remedies Cumulative

Each right and remedy of City provided for herein or now or hereafter existing at law or in equity, by statute or otherwise will be cumulative and will not preclude City from exercising any other rights or remedies provided for in this Lease or now or hereafter existing at Law or in equity, by statute or otherwise. No payment by Tenant of a lesser amount than the Rent nor any endorsement on any check or letter accompanying any check or payment of Rent will be deemed an accord and satisfaction of full payment of Rent; and City may accept such payment without prejudice to City's right to recover the balance of such Rent or to pursue other remedies.

8.5 Default by City

City will not be in default under this Lease unless City fails to perform obligations required of City within 30 days after written notice is delivered by Tenant to City specifying the obligation which City has failed to perform; provided, however, that if the nature of City's obligation is such that more than 30 days are required for performance, then City will not be in default if City commences performance within such 30-day period and thereafter diligently prosecutes the same to completion. All obligations of City hereunder will be construed as covenants, not conditions.

8.6 Tenant's Remedies for Default by City

If the City is in default under this Lease beyond any applicable cure period, Tenant's exclusive remedies will be an action for specific performance or injunctive relief, or if such remedies cannot make Tenant whole, then an action or claim for actual damages may be brought; provided, however, that Tenant expressly waives the right to any cause of action or claim for consequential, economic, or incidental damages, including lost profits, as well as any cause of action or claim for exemplary or punitive damages. Tenant also waives the benefit of any laws granting it the right to perform any City obligation or the right to place a lien upon the property of City and/or upon Rent due City, or withhold Rent on account of any City default. Notwithstanding the foregoing, in the event that the remedies of injunctive relief or specific performance are not adequate and Tenant is entitled to monetary damages, then in no event will City's monetary liability to Tenant with respect to a default or breach of this Agreement (excluding any award of attorney fees and costs) exceed the amount established below as the parties agree to place a cap on any claim for monetary damages. The cap will be based on the total actual costs incurred by Tenant associated with the permitting and construction of the Billboard as of the date it becomes Operational (collectively, the "Construction Cost Amount"). The Construction Cost Amount will be amortized over a 10-year period on each anniversary of

the Operations Phase; provided, however that the Construction Cost Amount will never be reduced by amortization below \$100,000. By way of example, if the Construction Cost Amount is \$200,000, and a breach occurs following the third anniversary of the Operations Phase, then any monetary damage claim by Tenant would be capped at \$140,000 (\$200,000 - \$60,000 [3 years of amortized costs] = \$140,000). The cap on monetary damages and the limitations on remedies set forth above are solely for the benefit of City and will not apply to any private entity that is City's successor-in-interest to ownership of the Premises and landlord under this Lease. In the event of such a transfer in interest to a private entity, then Tenant will have the right to seek all remedies that may be available to Tenant at law or in equity without any limitation.

8.7 Tenant's Early Termination Rights

Tenant may terminate this Lease effective 30 days after Tenant gives the City written notice of termination, if any of the following circumstances occur:

8.7.1 The view of the Billboard's display area from the portion of State Route 4 adjacent to the Premises is materially obstructed, and Tenant did not cause the obstruction.

8.7.2 Tenant cannot safely use the Premises to install, operate, maintain, repair, or improve the Billboard because of a non-remediable condition, and Tenant did not cause the condition.

8.7.3 There is a material diversion of traffic from, or a material reduction or change in the directional flow of traffic on, the portion of State Route 4 adjacent to the Premises, and the diversion or disruption continues uninterrupted for at least 24 consecutive months. Or, if the Billboard becomes uneconomical, as determined by Tenant in its sole discretion, to operate.

8.7.4 Through no fault of its own, Tenant cannot obtain or maintain the governmental permits required to install, operate, maintain, repair, or improve the Billboard, including the Caltrans Permits and the City Permits or there is a legal challenge to such permits and approvals and Tenant elects not to defend such challenge beyond its obligation to indemnify City pursuant to Section 11.4.

8.7.5 Use of the Billboard for its intended purpose is prevented or limited by law, or Tenant is required by any court or other governmental entity, for reasons other than eminent domain, to remove the Billboard from the Premises.

8.7.6 Tenant is unable to obtain or maintain any utilities required to operate the Billboard through no fault of its own.

8.7.7 The City is in default under Section 8.5.

8.8 Tenant's Right To Renegotiation

If any of the circumstances identified in Section 8.7 occurs, then, at its discretion and in lieu of termination, Tenant may request that the City negotiate on reducing Monthly Rent to an amount that reasonably reflects the diminished value of the Billboard to Tenant, and on receiving the request the City will negotiate in good faith with Tenant. The City is not required, however, to agree on a reduction in Monthly Rent.

ARTICLE 9 TAXES

Tenant is responsible for and must pay or otherwise discharge, without abatement or deduction, all taxes levied on, or related to, Tenant's outdoor-advertising activities on the Premises. This obligation includes payment of any of the following:

9.1 Possessory Interest Taxes

This Lease creates a possessory property interest in Tenant. Tenant acknowledges and agrees that Tenant's leasehold and/or other property interests may be subject to property taxation, and Tenant to the payment of property taxes levied on such interest. Such taxes are referred to herein as "Possessory Interest Taxes," and must be paid by Tenant during the term of this Lease.

9.2 Sales Taxes

The sale of advertising space on the Billboard may be subject to sales or similar tax. Tenant acknowledges and agrees that such activities may subject Tenant to the payment of sales taxes levied on such interest, and Tenant agrees that all such sales taxes must be paid by Tenant (or Tenant's customers) during the term of this Lease.

9.3 Personal Property Taxes

Tenant must pay before delinquency all taxes, assessments, license fees and other charges levied and assessed against Tenant or City with respect to any real-property tax allocated to the Billboard and/or personal-property tax levied on Tenant's personal property on the Premises ("Personal Property Taxes"), which may become payable during the Term or are attributable to Tenant's use or occupancy of the Premises. On demand by City, Tenant must furnish City with satisfactory evidence of these payments. Notwithstanding the foregoing, Tenant will have the right to contest the imposition or collection of any such Personal Property Taxes, which Tenant reasonably believes, was improperly assessed or calculated.

9.4 Other Taxes

In addition to the taxes set forth in Sections 9.1 – 9.3, Tenant must pay before delinquency all other taxes, impositions, general or special assessment, surcharge, fee, levy, penalty, bond, or similar charge is levied on any business conducted on the Premises or any portion thereof), general and special taxes including gross receipts tax, excise tax levied by any Taxing Authority (defined below), or any improvements, any portion thereof, or any improvements thereon by any authority having the power to tax, including any federal, state or county government or any political subdivision thereof ("Taxing Authority"). In the event any Personal Property Taxes, and other taxes, as described in this Article 9 or any other costs to be borne by or due from Tenant are not assessed or charged against the Premises separately from other City-owned property, City will reasonably allocate such on a pro-rata basis.

9.5 Tenant's Tax Liability Prorated

Tenant's liability to pay any taxes and new assessments will be prorated on the basis of a 365-day year to account for any fractional portion of a fiscal tax year included in the Term at its inception and expiration or other termination in accordance with this Lease.

ARTICLE 10 EMINENT DOMAIN

10.1 Definitions

For the purposes of this Article 10, the following definitions will apply:

(a) "Condemning Entity" means any entity that by law may exercise the power of eminent domain to acquire possession of, and title to, any of the following: the Billboard, the entire Premises, or an Essential Part of the Premises.

(b) "Essential Part of the Premises" means any portion of the Premises that is reasonably necessary for installing, operating, maintaining, repairing, or improving the Billboard in accordance with this Lease.

10.2 Termination Events

This Lease will terminate if a Condemning Entity acquires the Billboard, the entire Premises, or an Essential Part of the Premises:

(a) by using the power of eminent domain; or

(b) through negotiations under the threat of using the power of eminent domain.

10.3 Termination Date; Rent Refund; Caltrans Permits

Termination under this Article 10 will occur on the date the Condemning Entity obtains possession of, or title to, the Billboard, the entire Premises, or the Essential Part of the Premises, whichever occurs first. Within 15 Business Days after the termination date, City will:

(a) refund to Tenant any pre-paid Monthly Rent for the unexpired portion of the Term; and

(b) relinquish any interest it may have in the Caltrans Permits and execute any documents needed to confirm that Tenant is the sole owner of the Caltrans Permits.

10.4 Compensation

If termination occurs under this Article 10, then Tenant and City may each independently seek to recover from the Condemning Entity all compensation and other remedies provided by law for the interests taken from them. But City may not seek or recover compensation for Tenant's lost interests, and Tenant may not seek or recover compensation for City's lost interests. Without limiting the preceding, Tenant may seek to recover some or all of the following from the Condemning Entity:

(a) compensation for its lost advertising income, for the value of the Billboard, for lost goodwill, and for its interest in this Lease; and

(b) financial assistance for relocating the Billboard.

ARTICLE 11 INDEMNIFICATION

11.1 Definitions

For the purposes of this Article 11, the following definitions will apply:

11.1.1 "Person" is to be interpreted broadly and includes Tenant and Tenant's directors, officers, employees, contractors, and agents; and City and City's elected officials, officers, employees, contractors, and agents.

11.1.2 "Liabilities" means all liabilities, claims, demands, damages, and costs (including reasonable attorneys' fees and litigation costs through final resolution on appeal) that arise directly or indirectly from Tenant's possession or use of the Premises.

11.1.3 "Occurrence" means (A) the death of, or injury to, any Person; and (B) damage to, or destruction of, any real property, personal property (including intellectual property), or the environment (broadly interpreted to include the air, soil, soil vapor, surface water, groundwater, flora, and fauna on or about the Premises).

11.2 General Indemnity

Except to the extent claims are caused by the sole negligence or willful misconduct of the City and its employees, agents, and representatives and not waived by Tenant pursuant to Section 11.6 below, Tenant must indemnify, protect, defend, and hold harmless City and its elected officials, officers, employees, volunteers, lenders, agents, and representatives and each of their successors and assigns from and against any and all claims, judgments, causes of action, damages, penalties, costs, liabilities, and expenses, including all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon, arising at any time during or after the Term as a result (directly or indirectly) of or in connection with (a) any Tenant default under this Lease (including in the performance or non-performance of any obligation on Tenant's part to be performed under the terms of this Lease); (b) Tenant's performance of the installation of the Billboard (including design, development, and construction); (c) Tenant's or Tenant's representatives or agents use of the City Property, the Billboard, any portion thereof, or any improvements thereon, the conduct of Tenant's business or any activity, work or thing done, permitted or suffered by Tenant or its representatives or agents in or about the City Property or any portion thereof, or any improvements thereon, except that with regard to the presence of Hazardous Materials, the Premises or any improvements thereon, Tenant will not be responsible for conditions that may have existed prior to the Effective Date or were not caused by Tenant or its authorized representatives; and (d) any act, error or omission of Tenant or its representatives or agents in or about the Premises, any portion thereof, or any improvements thereon (collectively, "Indemnification"). Tenant must provide such Indemnification by and through counsel reasonably approved by City. Without limiting the foregoing, Tenant's obligation under this section includes Liabilities arising from any of the following:

(a) Any Occurrence that is caused by, or related in any way to, a verbal or nonverbal display on the Billboard.

(b) Tenant's failure to perform any provision of this Lease due to no fault of City, to comply with any requirement of law applicable to Tenant, or to fulfill any requirement

imposed by any governmental entity (including City when acting as a government) on Tenant or on Tenant's use of the Premises.

(c) Any claim that Tenant's policies with respect to the allocation of advertising time violate any person's or persons' First Amendment rights.

Tenant agrees that its obligation under this Section 11.2, includes the reasonable costs of attorney fees incurred by City's City Attorney office to monitor and consult with Tenant regarding the defense of any such Liabilities, including providing direction with regard to strategy, preparation of pleadings, settlement discussions, and attendance at court hearings, mediations, or other litigation related appearances. City will use its best efforts to avoid duplicative attorney work or appearances in order to keep litigation costs to a reasonable minimum. Tenant further acknowledges and agrees that settlement of any Liabilities requires the consent of City. City agrees that its consent will not be unreasonably withheld provided that Tenant is financially able (based on demonstrated assets) to fulfill its obligation to indemnify City for the costs of any such settlement as required under this Lease.

Except to the extent claims are caused by the negligence or willful misconduct of Tenant or its employees, agents or authorized representatives or not waived pursuant to Section 11.6 below, the City must indemnify, protect, defend, and hold harmless Tenant and its employees, agents, and authorized representatives and each of their successors and assigns from and against any and all claims, judgments, causes of action, damages, penalties, costs, liabilities, and expenses, including all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon, arising at any time during or after the Term as a result (directly or indirectly) of or in connection with (a) the City's or City's representatives or agents use of the Premises, the conduct of City's business or any activity, work or thing done, permitted or suffered by City or its representatives or agents in or about the City Property or any portion thereof; and (b) any act, error or omission of the City or its representatives or agents in or about the City Property, any portion thereof, or any improvements thereon.

11.3 Hazardous Materials

Except with regard to the presence of Hazardous Materials on the Premises prior to the Effective Date, Tenant must indemnify, defend and hold City harmless from any claims, causes of action, liabilities, losses, damages, injunctions, suits, fines, penalties, costs or expenses (including attorneys' fees and expenses and consultant fees and expenses) caused or alleged to have been caused by Tenant's use, storage, handling, treatment, generation, presence, discharge or release of Hazardous Materials in violation of Tenant's obligations under this Lease, whether such claims, causes of action or liabilities are first asserted during the Term or thereafter, and including claims made against City with respect to bodily injury, death or property damage sustained by third parties caused or alleged to have been caused by Tenant's use, storage, handling, treatment, generation, presence, discharge or release of Hazardous Materials.

The City must indemnify, defend and hold Tenant harmless from any claims, causes of action, liabilities, losses, damages, injunctions, suits, fines, penalties, costs or expenses (including attorneys' fees and expenses and consultant fees and expenses) caused or alleged to have been caused by the City's use, storage, handling, treatment, generation, presence, discharge or release of Hazardous Materials on the Premises, whether such claims, causes of action or liabilities are first asserted during the Term or thereafter, and including claims made

against Tenant with respect to bodily injury, death or property damage sustained by third parties caused or alleged to have been caused by the City's use, storage, handling, treatment, generation, presence, discharge or release of Hazardous Materials.

11.4 Legal Challenges

Tenant must indemnify, defend (with attorneys reasonably approved by City), protect, and hold harmless City and City's elected officials, officers, and employees in any litigation brought to challenge the award or validity of this Lease, the validity of City Permits or the Caltrans Permits, or the validity of City ordinances that authorize the installation and operation of the Billboard on the Premises. Tenant's obligation to indemnify under this section includes liability for attorneys' fees awarded to a party who successfully challenges the validity of this Lease, of City Permits or the Caltrans Permits, or of any authorizing ordinance. Tenant agrees that its obligation under this Section 11.4, includes the reasonable costs of attorney fees incurred by City's City Attorney office to monitor and consult with Tenant regarding the defense of any such Liabilities, including providing direction with regard to strategy, preparation of pleadings, settlement discussions, and attendance at court hearings, mediations, or other litigation related appearances. City will use its best efforts to avoid duplicative attorney work or appearances in order to keep litigation costs to a reasonable minimum. Tenant further acknowledges and agrees that settlement of any Liabilities requires the consent of City. City agrees that its consent will not be unreasonably withheld provided that Tenant is financially able (based on demonstrated assets including insurance) to fulfill its obligation to indemnify City for the costs of any such settlement as required under this Lease.

11.5 Not a Construction Contract

This Lease is not intended nor will it be construed to be a construction contract. To the extent this Lease is construed by a court of law to be a construction contract, all indemnity obligations construed to be related to construction contracts will be read as if including the carve out "except to the extent claims are caused by the sole or active negligence or willful misconduct of the indemnified party."

11.6 Exemption of City from Liability

Tenant, as a material part of the consideration to City, hereby assumes all risk of damage to its property (including any personal property and the Billboard), and injury to or death of Tenant's employees, agents or contractors in, upon or about the Billboard or the Premises, any portion thereof, or any improvements thereon, arising from any cause, and Tenant hereby waives all claims in respect thereof against City, except to the extent such claims are caused by City's sole negligence or willful misconduct. Tenant hereby agrees that City will not be liable for injury to Tenant's business or any loss of income therefrom or for damage to its personal property, or injury to or death of Tenant, its representatives, or agents, whether such damage or injury is caused by fire, electricity, gas, water or rain, or from the breakage, leakage or other defects of wires, or lighting fixtures, or from any other cause, whether such damage or injury results from conditions arising within or about the Billboard or the Premises, any portion thereof, or any improvements thereon or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible to Tenant, except damage or injury caused solely by City's sole negligence or willful misconduct. City will not be liable for any damages arising from any act or neglect of any other tenant or occupant, if any, of the Premises, any portion thereof, or any improvements thereon not owned by the City, or Landlord's failure to enforce the terms of any agreements with parties other than Tenant.

11.7 Survival

Each party's obligations under this Article 11 will survive expiration or termination of this Lease.

ARTICLE 12 INSURANCE

12.1 Types of Policies

During the Term and during Tenant's removal of the Billboard in accordance with Section 7.13, at no cost to City, Tenant must procure and maintain the following forms and amounts of insurance covering Tenant's possession and use of the Premises ("Tenant's Insurance"). Such insurance must be primary to and not contributing with any other insurance, self-insurance or joint self-insurance maintained by City, and must name the City as an additional insured.

(a) Commercial General Liability Insurance. A policy of commercial general liability insurance (occurrence form) having a combined single limit of not less than Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) annual aggregate, providing coverage for, among other things, blanket contractual liability (including Tenant's indemnification obligations under this Lease), premises liability, products and completed operations liability, owner's protective coverage, broad form property damage, and bodily injury (including wrongful death) and advertising injury coverage. If necessary, Tenant must provide for restoration of the aggregate limit.

(b) Workers' Compensation and Employer's Liability Insurance. Workers' compensation insurance, if required by law, which complies with all applicable state statutes and regulatory requirements, and employer's liability insurance coverage in statutory amounts. Tenant must also require any contractor utilized to perform any services or work at the Premises pursuant to this Lease to maintain such workers' compensation insurance and provide proof of such insurance prior to commencing any services or work at the Premises.

(c) Premises Insurance. Property insurance, including fire and extended coverage, sprinkler leakage, vandalism and malicious mischief coverage, insuring the Billboard for its full replacement value against damage or destruction by fire or by any of the perils commonly covered under the standard extended-coverage endorsement to fire-insurance policies issued on real property in Contra Costa County. In addition, during installation of the Billboard, the policy must include coverage for course of construction, vandalism, and malicious mischief and must insure the Billboard and all materials delivered to the Premises for their full insurable value. All insurance proceeds that become payable under this policy while this Lease is in effect will be paid to Tenant in trust and applied by Tenant to the cost of repairing and restoring the Billboard as required by, and except as otherwise provided in, Section 7.9.

(d) Other Insurance. Any other form or forms of insurance as City may reasonably require from time to time, in form, amounts and for insurance risks against which a prudent tenant would protect itself, but only to the extent such risks and amounts are available in the insurance market at commercially reasonable costs.

12.2 Insurer Qualifications

Tenant's Insurance must be written by companies licensed to do business in California

and having a "General Policyholders Rating" of at least A-/ VII (or such higher rating as may be required by a lender having a lien on the Tenant's leasehold interest) as set forth in the most current issue of "Best's Insurance Guide."

12.3 Certificates of Insurance

Tenant must deliver to City certificates of insurance for Tenant's Insurance, in the form of the ACORD standard certificate of insurance, prior to the Commencement Date. Tenant must, at least 30 days prior to expiration of the policy, furnish City with certificates of renewal or "binders" thereof. Each certificate must, if standard insurance industry practice, expressly provide that such policies must not be cancelable or otherwise subject to modification except after 30 days' prior written notice to the parties named as additional insureds as required in this Lease. If Tenant fails to maintain any insurance required in this Lease, Tenant must be liable for all losses and costs resulting from such failure.

12.4 Notice

Each of the policies must endeavor to require the insurer to give City at least 30 days' advance written notice before the policy is cancelled or materially changed.

12.5 Other Requirements

The general-liability policy must:

(a) name City and City's elected officials, officers, employees, and agents as additional insureds, which endorsement must be on form CG 20 11 01 96;

(b) provide that Tenant's insurance coverage is primary insurance with respect to City and City's elected officials, officers, employees, and agents to the extent they are additional insureds;

(c) any umbrella liability policy or excess liability policy must provide that if the underlying aggregate is exhausted, the excess coverage will drop down as primary insurance. The limits of Tenant's Insurance will not limit Tenant's liability under this Lease;

(d) provide that Tenant's insurance applies separately to each insured against whom a claim is made or a suit brought, except with respect to the applicable policy limits;

(e) provide that City's insurance and self-insurance are in excess of Tenant's insurance and will not contribute with it;

(f) waive any right to recover against City for claims for damages to Tenant's personal property to the extent covered (or required by this Lease to be covered) by Tenant's Insurance. This provision is intended to waive fully, and for the benefit of City, any rights and/or claims which might give rise to a right of subrogation in favor of any insurance carrier. The coverage obtained by Tenant pursuant to this Lease must include a waiver of subrogation endorsement attached to the certificate of insurance.

12.6 Notification of Incidents

Tenant must notify City within 24 hours after the occurrence of any accident or incident on or about the Billboard, the Premises, any portion thereof, or any improvements thereon of which Tenant has knowledge and which could give rise to a claim against City, City's insurance, Tenant, or Tenant's Insurance, except that Tenant will not be obligated to give City notice of any accident or incident which could give rise to a claim under Tenant's workers' compensation insurance. Tenant's notice must be accompanied by a copy of any report(s) relating to the accident or incident.

12.7 No Limit on Indemnification

Nothing in this Article 12 limits Tenant's obligations under Article 11.

ARTICLE 13 MISCELLANEOUS

13.1 Notices

Any notice or other communication to be given under this Lease must be in writing and will be considered properly given and effective only when addressed to the persons identified below and (i) mailed postage prepaid by certified or registered mail, return receipt requested, or (ii) delivered by personal or courier delivery, or (iii) sent by facsimile (immediately followed by one of the preceding methods). Notices or communications will be deemed served upon the earlier of receipt or three (3) days after the date of mailing. A party may change its address for these purposes by giving written notice of the change to the other party in the manner provided in this Section 13.1.

If to City:

City Manager
City of Antioch
P.O. Box 5007
Antioch, CA 94531

Facsimile: 925-779-7003

If to Tenant:

Mike McCoy
Mesa Outdoor, LLC
660 4th Street #211
San Francisco, CA 94107

Facsimile: 415-817-9967

13.2 Assignments and Subleases

Neither party may assign or otherwise transfer this Lease or any interest herein, and this Lease is not assignable by operation of law, without the other party's prior written consent, which the other party will not unreasonably withhold. An assignment or transfer of this Lease does not occur, for purposes of this section, if Tenant (a) merges with another company, reorganizes its stock, undergoes a similar corporate restructuring, (b) sells any of its assets or stock, or (d) assigns this Lease to a subsidiary or affiliate of Tenant. Notwithstanding the foregoing, so long as City owns the Premises, Tenant may not assign this Lease without the prior written consent of City, which consent may not be unreasonably withheld, conditioned or delayed; provided, however, that such proposed assignee has experience in the outdoor advertising industry comparable to that of Tenant. City must respond in writing within 30 days of receipt of any request by Tenant for an assignment of this Lease. Any assignee of this Lease approved by City must provide City with an assignment and assumption of this Lease in a form reasonably acceptable to City's City Attorney prior to the effective date of such assignment.

Tenant may not sublease the Premises or any part of the Premises, or the Billboard or any part of the Billboard, without City's prior written consent, which City may withhold or condition in its reasonable discretion. Upon the assignment of this Lease in accordance with this Section 13.2, Tenant will be forever released of all obligations accruing after the date of the transfer. Any assignment, transfer, or sublease made contrary to this section will be null and void.

13.3 Successors and Assigns

Subject to the restrictions set forth herein, each of the terms, covenants and conditions of this Lease will extend to and be binding on and will inure to the benefit of not only City and Tenant, but to each of their respective heirs, administrators, executors, successors and assigns. Whenever in this Lease reference is made to either City or Tenant, the reference will be deemed to include, wherever applicable, the heirs, administrators, executors, successors and assigns of such parties, the same as if in every case expressed.

13.4 City's Right to Enter and Inspect the Premises

City and its authorized representatives will have the right to enter upon and inspect the Premises at any time to determine Tenant's compliance with this Lease.

13.5 Force Majeure

13.5.1 "Force Majeure Event" means a cause of delay that is not the fault of the party who is required to perform under this Lease and is beyond that party's reasonable control, including the elements (including floods, earthquakes, windstorms, and unusually severe weather), fire, energy shortages or rationing, riots, acts of terrorism, war or war-defense conditions, acts of any public enemy, epidemics, the actions or inactions of any governmental entity (excluding City) or that entity's agents, litigation, labor shortages (including shortages caused by strikes or walkouts), and materials shortages.

13.5.2 Except as otherwise expressly provided in this Lease, if the performance of any act required by this Lease to be performed by either City or Tenant is prevented or delayed because of a Force Majeure Event, then the time for performance will be extended for a period equivalent to the period of delay, and performance of the act during the period of delay will be excused. An extension of time for any such Force Majeure Event will be for the period of the enforced delay and will commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause. Times of performance under this Lease may also be extended in writing by the mutual agreement of City and Tenant.

13.5.3 This Section 13.5 does not excuse (A) Tenant's obligation to pay Monthly Rent when due and payable; or (B) either party's obligation to perform an act when performance is rendered difficult or impossible solely because of that party's financial condition. Tenant expressly agrees that adverse changes in economic conditions, either of Tenant specifically or the economy generally, changes in market conditions or demand, and/or Tenant's inability to sell advertising time on the Billboard or other lack of funding, or to complete the installation of the Billboard will not constitute grounds of enforced delay pursuant to this Section 13.5. Tenant expressly assumes the risk of such adverse economic or market changes and/or financial inability, whether or not foreseeable as of the Commencement Date.

13.6 Waiver of Breach

A party's failure to insist on strict performance of this Lease or to exercise any right or remedy upon the other party's breach of this Lease will not constitute a waiver of the performance, right, or remedy. A party's waiver of the other party's breach of any provision in this Lease will not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provision. A waiver is binding only if set forth in writing and signed by the waiving party.

13.7 Relationship of the Parties

This Lease does not create any relationship or association between City and Tenant other than that of landlord and tenant, and it is expressly understood and agreed that City does not in any way nor for any purpose become a partner of Tenant or a joint venturer with Tenant in the conduct of Tenant's business or otherwise; nor does this Lease create between City and Tenant the relationship of principal and agent.

13.8 Attorney's Fees

In the event that any action is brought by either party as against the other party for the enforcement or declaration of any right or remedy in or under this Lease or for the breach of any covenant or condition of this Lease, the prevailing party will be entitled to recover, and the other party agrees to pay, all fees and costs to be fixed by the court including, but not limited to, attorneys' fees.

13.9 Severability

If any term, provision, condition or covenant of this Lease or its application to any party or circumstances is held, to any extent, invalid or unenforceable, the remainder of this Lease, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, will not be affected, and will be valid and enforceable to the fullest extent permitted by Law.

13.10 Memorandum of Lease

City will record with the County Recorder's Office a memorandum of this Lease in the form attached as Exhibit D promptly after the execution of this Lease.

13.11 Further Assurances

Each party will execute all additional documents or instruments and take all necessary action that either party reasonably considers necessary to carry out the proper purposes of this Lease, including any revisions to this Agreement necessary to address compliance with the California Subdivision Map Act with respect to preserving and protecting Tenant's interest in the Premises.

13.12 Estoppel Certificates

Either party must, from time to time during the Term upon not less than 20 days' prior written notice from the other party, execute, acknowledge and deliver to the other party, or such persons or entities designated by such other party, a statement in writing certifying: (a) the

Commencement Date and Expiration Date of this Lease, (b) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the Lease is in full force and effect as modified and stating the modifications), (c) that there are no defaults under this Lease (or if so, specifying the same), (d) the dates, if any, to which the Monthly Rent has been paid, and (e) any other information that may be reasonably required by any such persons or entities. Any such certificate delivered pursuant to the provisions hereof may be relied upon by the other party or any prospective purchaser or encumbrancer of its estate. The City Manager will be authorized to execute, acknowledge and deliver any such certificate on behalf of City.

13.13 Time of Essence

Time is expressly made of the essence with respect to the performance by the parties of each and every obligation and condition of this Lease.

13.14 Interpretation

This Lease is to be interpreted and applied in accordance with California law without regard to conflict-of-laws principles, except that the rule of interpretation in California Civil Code section 1654 will not apply. Schedule 1 and Exhibits A, B, C, and D are expressly incorporated into and form a part of this Lease. This Lease will be interpreted as though prepared jointly by both parties.

13.15 Integration and Modification

This Lease constitutes the entire agreement between the parties and there are no conditions, representations or agreements regarding the matters covered by this Lease which are not expressed herein. It supersedes all prior or contemporaneous agreements, representations, and negotiations (written, oral, express, or implied) and may be modified only by another written agreement signed by both parties. City and Tenant agree to mutually consider reasonable requests for amendments to this Lease that may be made by either of them, provided such requests are consistent with this Lease and would not materially alter the basic business terms included in this Lease. No amendment will be effective unless in writing and signed by both parties.

13.16 Quiet Possession

So long as Tenant is not in default under this Lease and is paying the Rent and performing all of the covenants and conditions of this Lease, Tenant must quietly have, hold and enjoy the Premises during the Term without interruption or disturbance from City or any other persons claiming by, through or under City.

13.17 Surrender

Upon the expiration or other termination of the Term of this Lease, and notwithstanding anything herein contained to the contrary, Tenant must surrender to Premises, all portions thereof, and all improvements thereon, in good condition and repair, reasonable wear and tear excepted, and remove the Billboard in accordance with the provisions of Section 7.13.

13.18 Nonliability

No member, official or employee of City will be personally liable to Tenant, or any

successor in interest, in the event of any default or breach by City or for any amount which may become due to Tenant or its successors, or on any obligations under the terms of this Lease. Tenant hereby waives and releases any claim it may have against the members, officials or employees of City with respect to any default or breach by City or for any amount which may become due to Tenant or its successors, or on any obligations under the terms of this Lease.

13.19 Applicable Law; Venue

The laws of the State of California, without regard to conflict of law principles, will govern the interpretation and enforcement of this Lease. Any action to enforce or interpret this Lease must be filed in the Superior Court for Contra Costa County, California.

13.20 Commission

Each party represents to the other that it has not been represented by any broker in connection with this Lease, and that no real estate broker's commission, finder's fee or other compensation (individually and collectively, "Commission") is due or payable. Each party agrees to indemnify and hold the other harmless from any claims or liability, including reasonable attorneys' fees, in connection with a claim by any person for a Commission based upon any statement, representation or agreement of the other party.

13.21 Counterparts

The parties agree that this Lease may be executed in counterparts, each of which will be deemed an original, and said counterparts will together constitute one and the same agreement, binding all of the parties, notwithstanding all of the parties are not signatory to the original or the same counterparts.

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Schedule 1

Monthly Rent/ Percentage Rent/ Construction Bonus

Monthly Rent:

Tenant will pay the City \$3,000 per month as a minimum monthly payment starting on the first day of the Operations Phase. The minimum monthly payment will be fixed until the fifth (5th) anniversary of the commencement of the Operations Phase. Upon the fifth (5th) anniversary of the Operations Phase and annually thereafter (the "Adjustment Date"), the then current Monthly Rent payable by Tenant under this lease will increase by the percentage change in the Consumer Price Index (the "CPI"). The adjustment will be made by multiplying the then current Monthly Rent by a fraction, the numerator of which is the latest available published CPI prior to the Adjustment Date and the denominator of which is the published CPI for the month that is twelve (12) months prior to the published CPI that is used for the numerator (the "Rental Increase"). In no event may the Rental Increase for any one (1) year be greater than three percent (3%).

For purposes of this lease, the CPI will be the Consumer Price Index of the Bureau of Labor Statistics of the United States Department of Labor for All Urban Consumers, San Francisco-Oakland-San Jose, California (1982-84=100), "All Items." If the compilation or publication of the CPI is transferred to any other governmental department or bureau or agency or is discontinued, then the index most nearly the same as the CPI will be used to calculate the annual increases under this Lease.

Percentage Rent:

After the first year of the Operations Phase and each Lease Year thereafter, the City will receive 25% of the Gross Revenue generated by the Billboard, to the extent that 25% of the Gross Revenue exceeds the Monthly Rent payable for the applicable Lease Year ("Percentage Rent"). Any Percentage Rent payable to the City must be paid on or before the 45th day after the end of the applicable Lease Year.

Construction Bonus:

Upon the commencement of the Operations Phase, Tenant will make a one-time payment of \$100,000 to the City.

The Construction Bonus will amortize over a ten-year period. If either party terminates the Lease for any reason prior to the tenth (10th) anniversary of the Operations Phase, the City will refund Tenant's unamortized portion of the Construction Bonus (e.g., if the Lease terminates on the fourth (4th) anniversary of the commencement of the Operations Phase, the City will refund Tenant \$60,000).

Buyout Option:

Tenant agrees the City will have the right, by payment of the Fair Market Value (as defined below), to terminate this Lease on each December 31 of each odd year occurring after the tenth (10th) anniversary of the commencement of the Operations Phase, or such other date as the parties may mutually agree upon, on the following terms and conditions. To exercise the termination right, the City must give Tenant no more than twelve (12) months and no less than nine (9) months' prior written notice of its election to terminate this Lease.

Within thirty (30) days after the City exercises its option to terminate, Tenant will advise the City of its determination of the Fair Market Value for the Billboard and its rights under this Lease. If the City and Tenant cannot agree on the Fair Market Value within thirty (30) days after the date Tenant provides the City with Tenant's determination of the Fair Market Value, then within thirty (30) days after such failure to reach agreement, the City will furnish to Tenant a notice in writing (the "City's Notice") stating what the City perceives to be the Fair Market Value. The City's Notice will be accompanied by a statement from a qualified appraiser, who has at least ten (10) years' experience appraising billboards, stating the appraiser's opinion of Fair Market Value and that it has been determined in accordance with the definition set forth below. If Tenant disagrees with the estimate of Fair Market Value submitted by the City with the City's Notice, then within thirty (30) days after receipt of the City's Notice, Tenant will have the right to submit to the City an appraisal by a qualified real estate appraiser (who has at least ten years of experience and has experience appraising billboards) of Fair Market Value. If the higher estimate is not more than ten percent (10%) greater than the lower estimate, the Fair Market Value will be established as the average of the two appraisals. If not, the two appraisers acting on behalf of Tenant and the City, will, within fifteen (15) days after Tenant's appraisal has been submitted, jointly appoint a third qualified real estate appraiser (the "Referee"). If the two appraisers are unable to agree upon the selection of a Referee, then the Referee will be selected within fifteen (15) days thereafter by an arbitrator pursuant to the rules of the American Arbitration Association. The Referee will, within thirty (30) days after appointment, render a decision, which decision will be strictly limited to choosing one of the two determinations made by the two appraisers chosen by Tenant and the City with respect to Fair Market Value. The decision of the Referee will be binding upon Tenant and the City and will constitute the Fair Market Value. Tenant and the City will each pay for their own appraisal, and the cost of the Referee will be shared equally by Tenant and the City. The Fair Market Value, once determined, will be paid by the City to Tenant on or before the proposed effective termination date of this Lease. If such payment is not made by such date, then this Lease will continue in full force and effect and the City will be deemed to have waived its right to terminate and will have no further right to terminate this Lease without cause.

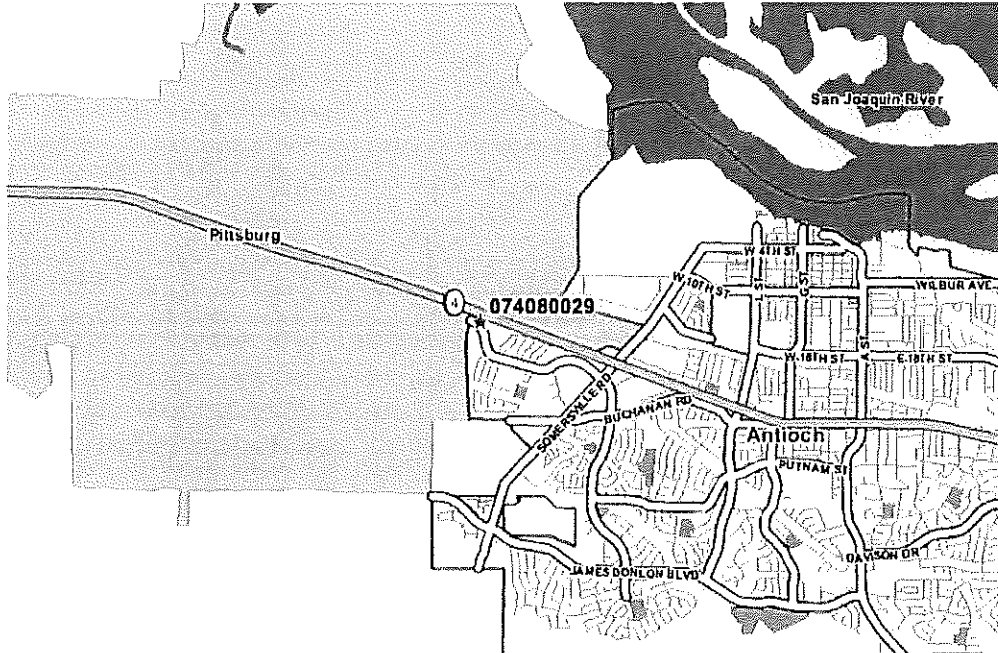
"Fair Market Value" means the price which Tenant would receive by selling the Billboard and its rights under this Lease, assuming Tenant and any buyer to be prudent persons willing to sell but being under no obligation to do so, giving appropriate consideration to the Gross Revenue (both present and future) received or projected to be received by Tenant for the Billboard, the cost to construct the Billboard, annual operating expenses, the Rent due to City, and the length of this Lease.

The City's right to exercise the option to terminate will be subject to the conditions (all of which conditions are solely for Tenant's benefit and may, in Tenant's sole discretion, be waived) that (i) the Premises will not be owned by the City or any agency thereof following the termination of this Lease, and (ii) the City's successor, if a private entity, must have obtained all plans and approvals from all applicable governmental agencies (with all appeal periods having expired) to construct a development on the Premises.

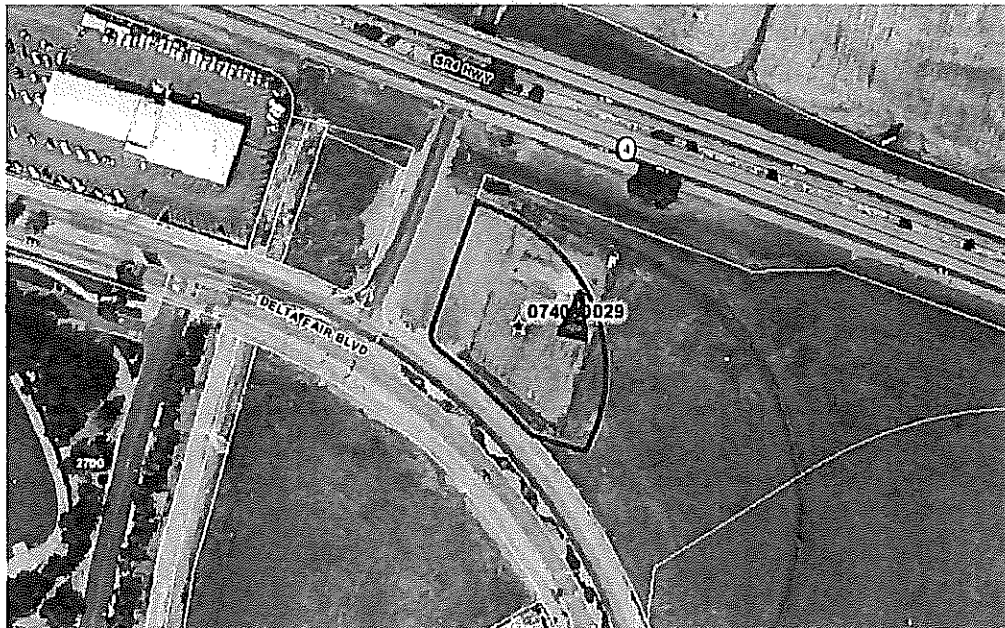
Exhibit A

APN# 074-080-029 – City Property Description

Area Map:



Site Map: Final location of Billboard and Premises to be determined between City and Mesa.



General Description of the Premises:

The leased Premises for the Billboard will be limited to the area within the City Property of an isosceles triangle, the equal sides of which will be determined by drawing perpendicular (as to each exterior face of the Billboard) lines three feet from the exterior side of each Billboard face as constructed, with the southerly ends of such lines extending three feet past the southern end of each Billboard face as constructed, for a total area of approximately 1200 square feet. Until the Billboard is constructed and a more precise description is prepared, the parties acknowledge that the general location of the Premises will be approximately within the shaded area shown on the above site map.

The Billboard support pole will be entirely enclosed within the concrete footing. At ground level, the concrete footing will be a circle approximately six feet in diameter, extending down in a column approximately 26 feet deep. The concrete footing will have an approximate ground level area of 28.3 square feet. The concrete footing will be installed approximately 215 feet east of the western line of the City Property, and 25 feet south of the curved northern City Property line.

The Premises include the right of reasonable ingress and egress over the City Property to access the Billboard for all permitted construction, operation, maintenance and removal purposes.

Exhibit B
Billboard Description

The proposed Billboard will have the standard outdoor advertising "bulletin" dimensions preferred by advertisers and typically used on freeways. The two advertising faces will each measure 14' high by 48' wide, and will be set at a "V" angle for easier reading from the road. The top of the sign will be positioned approximately 30-40 feet above grade level on Highway 4. Final dimensions, height, and design are subject to change based on a planning review by the City of Antioch.

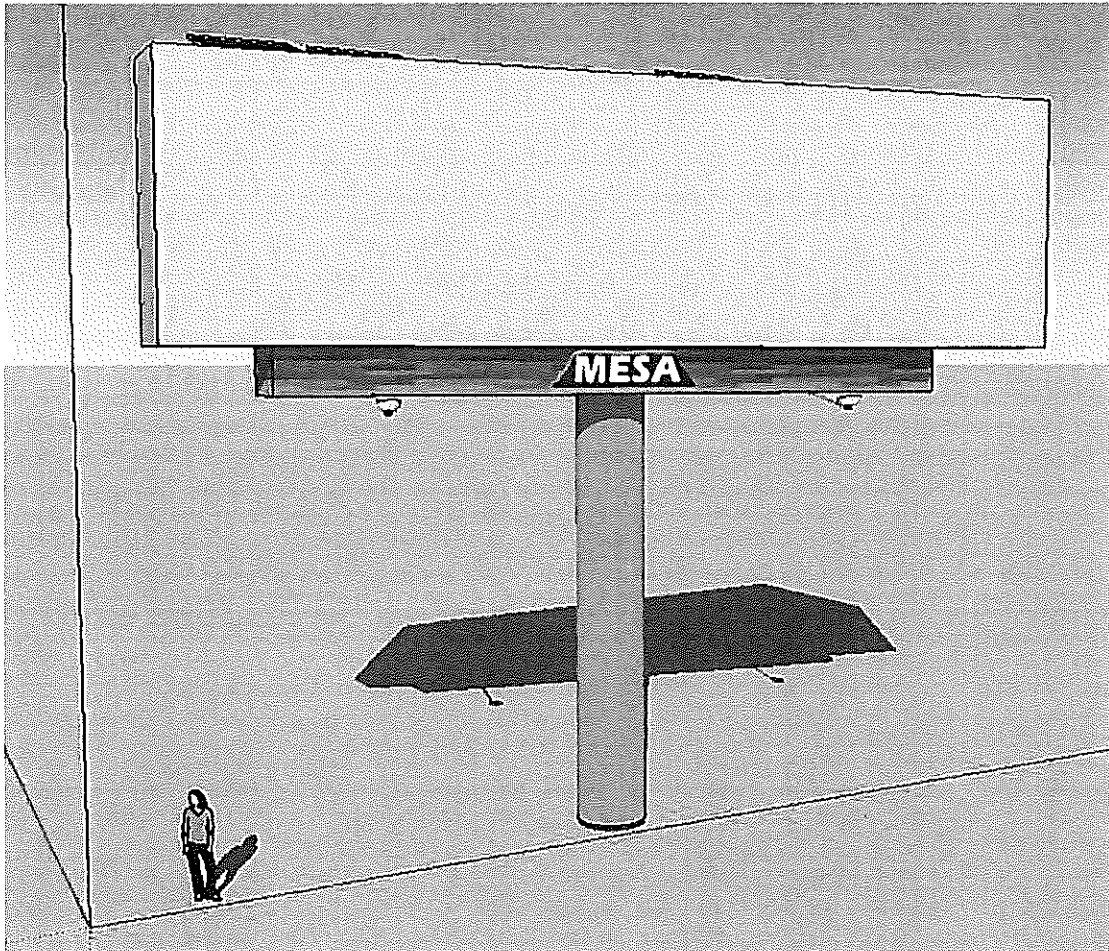


Exhibit C
Advertising Criteria


The purpose of the Billboard is to generate revenue for the City, and the display of advertising is solely for this purpose. The Billboard is not intended to provide a general public forum for purposes of communication, but rather to make use of property held by the City in a proprietary capacity in order to generate revenue.


Except for any advertising or messages displayed on the Billboard at the request of the City, all advertising to be displayed on the Billboard must be strictly "commercial advertising." As used in this Lease, "commercial advertising" means advertising for a commercial or industry business, product, good, service, or other commercial or industrial activity for a commercial or industrial purpose.

In addition to the general limitation on Billboard advertising to strictly commercial advertising, Tenant may not display any message that:

1. is false, misleading, or deceptive;
2. promotes the sale or use of tobacco products, alcoholic beverages, or medical marijuana, whether directly or indirectly;
3. depicts violence or anti-social behavior or relates to illegal activity, unless such depictions clearly promote a movie, video game, television show or other entertainment media;
4. contains "obscene matter," as that term is defined in California or federal law, or promotes any "adult entertainment business" or any products sold at an "adult boutique" as such terms are defined in the Antioch Municipal Code;
5. contains any "political advertising," which means advertising that promotes or opposes any candidate for public office or promotes or opposes a ballot measure, referendum, bond issue, or any federal, state or local legislation, regulation, or other discretionary action;
6. holds a person or group of persons up to public ridicule, derision, or embarrassment, or defames a person or group of persons;
7. contains language that is obscene, vulgar, profane, or scatological, or that presents a clear-and-present danger of causing riot, disorder, or other imminent threat to public safety, peace, or order;
8. that promotes any product, service or activity this illegal under federal, state, or local law.

**STAFF REPORT TO THE MAYOR AND CITY COUNCIL FOR
CONSIDERATION AT THE COUNCIL MEETING OF JUNE 24, 2014**

PREPARED BY: Brian Nunnally, Economic Development Program Manager 

APPROVED BY: Steve Duran, City Manager 

DATE: June 17, 2014

SUBJECT: Revised lease of City-owned property (APN 074-080-029) by
Mesa Outdoor

RECOMMENDATION:

It is recommended that the Council approve the lease of City-owned property as revised since its November 12, 2013 approval.

SUMMARY:


The lease of City-owned property by Mesa Outdoor ("Mesa") for the purpose of erecting and maintaining a billboard along State Route 4 (SR4) just east of the Antioch-Pittsburg border near the intersection of Delta Fair and Century Boulevards (see *Attachment A* for site map) as approved by City Council has been updated to comply with our Municipal Pooling Authority's most recent insurance requirements, and the revised lease is being brought back for final approval by the City Council. All other terms of the lease remain the same.

BACKGROUND:

In November 2011 Mesa Outdoor approached Staff about the possibility of locating a billboard within Antioch city limits at a SR4-visible location. As part of its initial steps, in February 2012 Mesa applied for and received preliminary conformance approval from the California Department of Transportation, which indicates that the above-proposed location satisfies all State requirements. Subsequently, City Staff researched similar deals and contracted with a billboard appraiser for a Billboard Revenue Analysis to determine a fair market value monthly lease amount and continued negotiations with Mesa while Mesa sought, and in October 2013 received, Planning Commission approval.

FINANCIAL IMPACT:

In addition to a one-time construction bonus payment of \$100,000 to the City, Mesa has proposed to pay the City \$3,000 per month as a minimum monthly payment for the first four years of the 30-year lease, and upon the fifth anniversary, the monthly rent will increase each lease year by the percentage change in CPI for the prior twelve months, not to exceed 3 percent for any one year. After the first year of operations and each year thereafter, the City will be entitled to 25% of the net revenue generated by the sign to the extent that 25% of the net revenue exceeds the minimum monthly payment. Net revenue



6-24-14

will include all revenue from the sign minus advertising agency commissions subject to a 15% maximum agency commission.

In the event that a beneficial development proposal is submitted to the City for the property any time prior to expiration of the 30-year lease, Mesa and the City have negotiated a buyout option that would allow Mesa to recoup a portion of its investment while still allowing the City to move forward with development plans if the City so desired. The buyout option will be amortized over a 10-year period but will at no time drop below a \$100,000 minimum. In addition, within 120 days after the 30-year term ends or if the lease is terminated early for any reason, Mesa must pay to remove the billboard and footing and restore the property to its pre-lease condition or Mesa may opt to leave the footing in place and pay the City \$30,000 for its removal, which is 50 percent above the current industry removal estimate of \$20,000.

To ensure transparency, Mesa has committed to creating a separate LLC for the project and agreed to report its full tax return to the city each year for the purposes of verifying revenue. The average monthly net revenue from the sign will be calculated each year and then multiplied by 0.25 and compared to the minimum monthly payment. The City's monthly rent revenue for the next year will be the greater of 25% of monthly net revenue from the previous year, or the minimum monthly payment of \$3,000 per month increasing by the CPI per annum.

OPTIONS:

- Approve the revised lease
- Do not approve the revised lease
- Provide alternate direction

ATTACHMENTS:

- A. Site Map
- B. Revised Lease



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of May 8, 2018

TO: Honorable Mayor and Members of the City Council

SUBMITTED BY: Derek P. Cole, Interim City Attorney DC

SUBJECT: Second Reading – Ordinance Enacting Section 2-1.303 of Title 2 of the Antioch Municipal Code Adopting a By-District System for Electing Members of the City Council

RECOMMENDED ACTION

It is recommended that the City Council take the following actions:

- 1) Enactment and waiver of second reading of an ordinance adopting a district-based system of electing Antioch City Council members and establishing the dates for the implementation of district-based City Council elections; and
- 2) Adoption of a Resolution Approving the Districts Map for Antioch City Council Elections.

STRATEGIC PURPOSE

The proposed action is consistent with Strategy N-1: Effectively and efficiently provide legal services in support of the City's policies, procedures, and initiatives.

FISCAL IMPACT

If by-district elections are implemented, the City may incur less expenses for elections as, in any election cycle, costs would be incurred only for those precincts corresponding to the two districts running (as opposed to all City precincts). The City would, however, incur expenses for demographers and other professionals as part of the redistricting that would be required every 10 years, after each decennial census. Because redistricting is not required for cities that use at-large voting systems, the City presently does not incur these expenses. The current estimate for the cost of this process to date is \$50,000 annually.

BACKGROUND

At its meeting on January 23, 2018, and in response from a demand letter threatening legal action against the City, the Council adopted a resolution formally declaring its intention to convert from at-large to by-district City Council elections. The Council's adoption of this resolution started a process that was required to be completed within 90 days and that would culminate with consideration of an ordinance effecting the change

in the Council selection system. (Note that the City received agreement from the attorney who has filed the California Voting Rights Act (“CVRA”) claim that the City Council could have until its May 8, 2018 regular Council meeting to complete this process.)

At meetings on February 13 and 15, 2018, the Council received presentations from its demographer and took public testimony regarding “communities of interest” that should be preserved as part of the creation of councilmember districts. The demographer took that information, along with information received via online submissions, to prepare two draft maps for Council consideration.

At a Special City Council meeting on March 10, 2018, the Council heard public testimony regarding the initial two proposed maps the City’s demographer prepared. During this meeting, following receipt of suggestions of certain speakers, a “Quadrants” map was developed during the meeting that attempted to split the City as equally as possible from a mid-point (horizontally and vertically). Based on comments received from some Councilmembers, the demographer prepared a revised “Quadrants” map after the meeting. The two original maps prepared (Working Drafts 1 and 2) and two Quadrants maps (Quadrant Maps A and B) were posted on the City’s Districting website beginning March 12, 2018.

At the March 27, 2018 meeting, the Council received additional public testimony regarding all four proposed maps then under consideration (Working Drafts 1 and 2 and Quadrants A and B.) In addition to receiving oral testimony from a number of speakers, the Council received email comments from several City residents and was made aware of a Change.org petition regarding a community of interest several residents believed to exist within the City. At the conclusion of the item, the Council agreed to take additional testimony regarding the proposed maps—and in particular, the potential for refinements to Quadrants Map B—during a Special Session of the City Council meeting at the April 10, 2018 meeting.

At its April 10, 2018 meeting, the Council waived the first reading and introduced an ordinance enacting by-district elections for members of the City Council. In a workshop before the regular meeting that evening, the Council also heard further public testimony regarding the proposed district maps. At that meeting, a revised Quadrants Map, Quadrants C, was prepared and discussed.

PROPOSED ORDINANCE

As noted in a previous staff report, this matter requires the City Council to consider the legislative change to the City Code that would be required to implement a by-district system for City Council elections. (As has been noted, the Mayoral elections would continue to be conducted on an at-large basis due to Measure M of the June 2012 election, in which City voters expressed their intention to maintain an elected Mayor separate from the elections of the four councilmembers.)

The attached ordinance would enact a new section in the Chapter of the City Code dealing with City Council elections. The ordinance would make findings declaring the intention to switch to a by-district system of elections to ensure compliance with the

CVRA and the portions of the California Constitution guaranteeing the right to vote. The ordinance would also legislatively create four Council districts, to be numbered 1 through 4, and after these districts' initial creation, would require a redistricting process after every decennial census.

In accordance with the Council's direction when the ordinance was introduced, if the ordinance is enacted, the City would start all district elections in 2020, but provide that half of the districts would initially be for 2-year terms, while the other half would be for full 4-year terms. Then, in 2022, the districts for which 2-year initial terms were held would convert to 4-year terms. This would allow for the Council to maintain a staggered election system. (To facilitate this timing for implementation of district elections, the two open at-large seats for City Council at the General Election this November would be limited to 2-year terms.)

PROPOSED RESOLUTION

The ordinance itself does not adopt the district map that would set the boundaries of the four council districts. The Council would adopt that map separately by resolution.

At the April 10 Council meeting, the Council narrowed its consideration for the final map to be adopted to either Working Draft 1 or Quadrants C. Both of those maps have been publicly noticed as required under the CVRA. As part of its requested actions for this item, the Council is requested to select one of these maps, which would be adopted by the resolution included with the Districting Ordinance.

Note that under the Ordinance, districts are numbered 1 through 4. Thus far, from a working standpoint, the drafts of the proposed maps have been given letters to designate the separate districts. As part of its adoption of a final map, the Council will need to give each district in the selected map a number (1-4). In doing so, the Council should note that the numbers it gives to each district will determine which districts initially run for 2-year, as opposed to 4-year, terms.

ATTACHMENTS

- A.** Ordinance of the City Council of the City of Antioch Enacting Section 2-1.303 of Title 2 Of The Antioch Municipal Code Adopting a By-District System for Electing Members of the City Council
- B.** Resolution of The City Council of The City of Antioch Adopting the City of Antioch Districts Map
- C.** Working Map No. 1
- D.** Quadrants Map C

ORDINANCE NO. _____-C-S

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANTIOCH ENACTING SECTION 2-1.303 OF TITLE 2 OF THE ANTIOCH MUNICIPAL CODE ADOPTING A BY-DISTRICT SYSTEM FOR ELECTING MEMBERS OF THE CITY COUNCIL

WHEREAS, the City of Antioch currently elects four Councilmembers and its Mayor using an at-large election system; and

WHEREAS, in response to threatened litigation regarding alleged noncompliance with the California Voting Rights Act (“CVRA”), the City Council has determined that it is in the best interest of the City to shift from its current at-large election system to a by-district election system for its four Councilmembers; and

WHEREAS, California Government Code section 34886 permits the City Council to change the City’s method of election by ordinance to a “by district” system in which each Councilmember is elected only by the voters in the district in which the candidate resides; and

WHEREAS, in accordance with California Government Code section 34886, it is declared that the purpose of the change in the method of electing members of the City Council is to implement the guarantees of Section 7 of Article I and of Section 2 of Article II of the California Constitution, as set forth in Sections 14025 through 14032 of the California Elections Code; and

WHEREAS, because City electors expressed their intention in Measure M of the June 2012 Primary Election to require an independently elected Mayor separate from the four Councilmembers; this ordinance does not change the at-large method of election for the Mayor.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ANTIOCH DOES ORDAIN AS FOLLOWS:

Section 1. Section 2-1.303 of the Antioch Municipal Code is enacted to read as follows:

§2-1.303 BY-DISTRICT ELECTIONS FOR CITY COUNCIL MEMBERS

(A) Pursuant to California Government Code section 34886, Members of the City Council of the City of Antioch shall be elected by-district in four (4) single-member districts.

(1) Members of the City Council shall be elected in the electoral districts established by subsection (B) of this Section and subsequently reapportioned as provided by State law. Elections shall take place “by district” as that term is defined in California Government Code section 34871, meaning one

Councilmember shall be elected from each district, by the voters of that district alone.

(2) A Councilmember elected or appointed to represent a district must reside in that district and be a registered voter in that district, and any candidate for City Council must reside in, and be a registered voter in, the district in which he or she seeks election at the time nomination papers are issued.

(B) All four Councilmembers shall be elected on a “by-district” basis from the Council districts shown and numbered on a map titled “City of Antioch District Map,” as adopted separately by resolution, a copy of which shall be on file in the City Clerk’s office.

(C) Pursuant to Elections Code section 21601, as it may be amended from time to time, the City Council shall adjust the boundaries of any or all of the districts following each decennial federal census to ensure that the districts are in compliance with all applicable provisions of law.

(D) District elections enacted in accordance with this section shall commence in the November 2020 General election. In the November 2020 General Election, Districts 1 and 4, as shown in the “City of Antioch District Map,” will have initial terms of two (2) years, and both districts shall again be open for election in the November 2022 General Election, at and following which election they shall have four (4) year terms. Beginning in the November 2020 General Elections and thereafter, Districts 2 and 3, as shown in the “City of Antioch District Map,” shall have four (4) year terms.

(E) Notwithstanding California Government Code section 34873, and to ensure the orderly transition away from the at-large election system for City Councilmember that exists at the time of this Ordinance’s adoption, the two City Council positions open for election in the November 2018 General Election shall have two (2) year terms and because of this reduced term of office, no Councilmember elected in the November 2018 General Election shall have any right or claim under Government Code section 34873 to any term of office longer than two years.

Section 2. CEQA Findings.

This project is exempt from environmental analysis under the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061(b)(3), because it can be seen with certainty that the proposed amendments will not have a significant effect on the environment.

Section 3. Severability.

In the event any section or portion of this ordinance shall be determined to be invalid or unconstitutional, such section or portions shall be deemed severable and all other sections or portions hereof shall remain in force and effect.

Section 4. Effective Date and Publication.

This ordinance pertains to City elections and shall take effect immediately upon its adoption. The City Clerk shall cause the ordinance to be published within fifteen (15) days after its passage in a newspaper of general circulation or by publishing a summary of the proposed ordinance and posting a certified copy of the proposed ordinance in the City Clerk's Office at least five (5) days prior to the City Council meeting at which the ordinance is to be adopted and within fifteen (15) days after its adopting, publishing a summary of the ordinance with the names of the Council members voting for and against the ordinance.

* * * * *

I HEREBY CERTIFY that the foregoing ordinance was introduced at a regular meeting of the City Council of the City of Antioch held on the 10th day of April 2018, and passed and adopted at a regular meeting thereof, held on the 8th day of May 2018, by the following vote:

AYES:

NOES:

ABSENT:

Sean Wright, Mayor of the City of Antioch

ATTEST:

Arne Simonsen, CMC, City Clerk of the City of Antioch

RESOLUTION NO. 2018/**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANTIOCH
ADOPTING THE CITY OF ANTIOCH DISTRICTS MAP**

WHEREAS Section 2-1.303 of the Antioch Municipal Code requires that the four members of the City Council are elected on a “by-district” basis; and

WHEREAS Paragraph (B) of Section 2-1.303 of the Antioch Municipal Code requires that the City Council adopt a map to reflect the districts by which the four City Councilmembers shall be elected; and

WHEREAS since January 2018, as part of the conversion from the former “at-large” system used to select Councilmembers to the new by-district system, the City Council has held a number of public meetings to solicit the input from the public regarding the boundaries for the new Councilmember districts; and

WHEREAS the City Council has retained the services of qualified demographer to ensure that the districts are drawn in accordance with all standards required by the United States Constitution, California Constitution, and all federal and state statutes.

NOW, THEREFORE, BE IT RESOLVED that after due consideration of the considerable public comment and testimony received, the City Council of the City of Antioch adopts the map attached as “Exhibit 1” to this Resolution as the City of Antioch District Maps required by Section 2-1.303 of the Antioch Municipal Code; and

BE IT FURTHER RESOLVED a copy of this District Map shall be maintained at all times in the Office of the City Clerk until the map is superseded or replaced by subsequent City Council resolution.

* * * * *

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Antioch at a regular meeting thereof, held on the 8th day of May 2018, by the following vote:

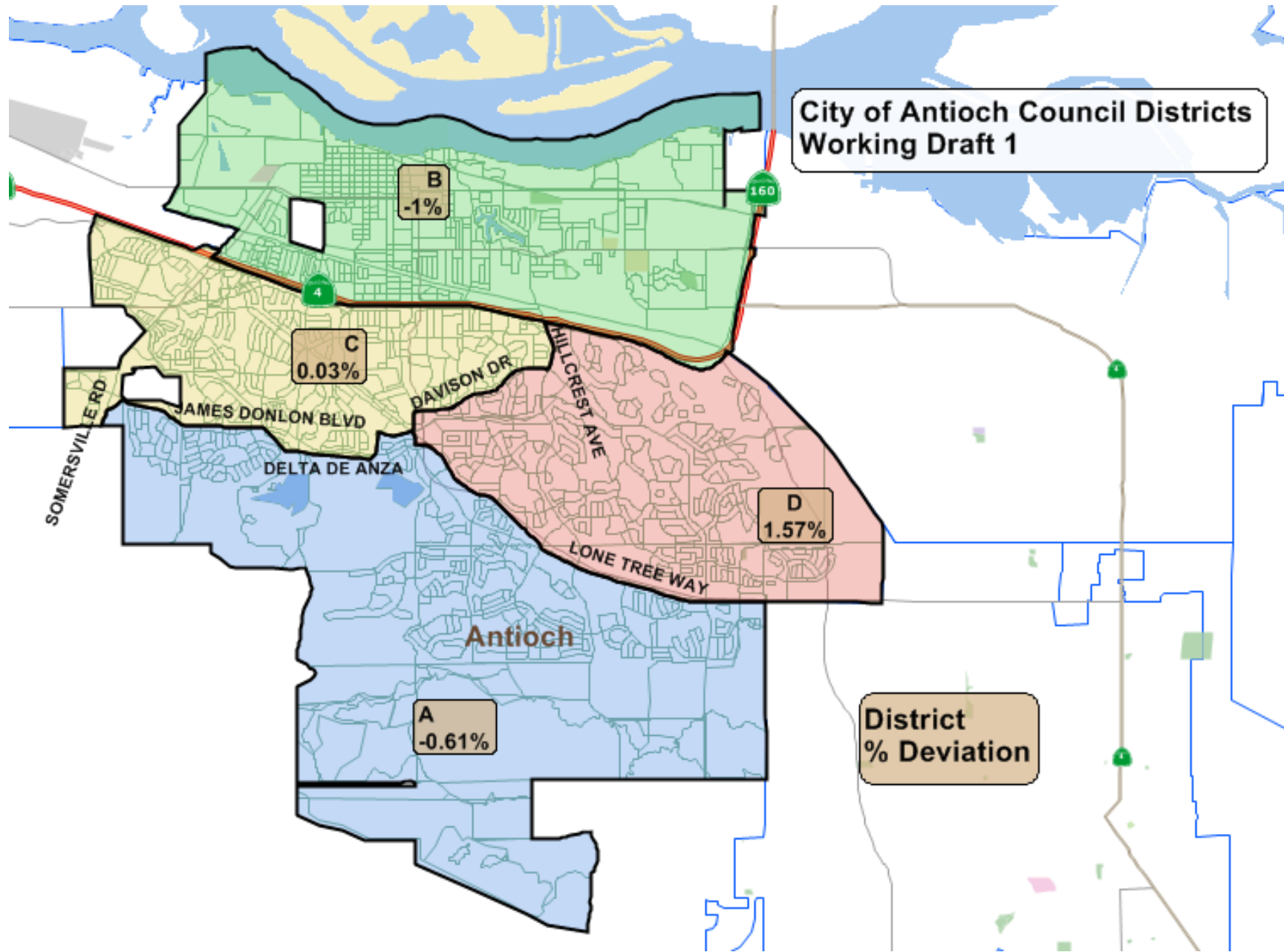
AYES:

NOES:

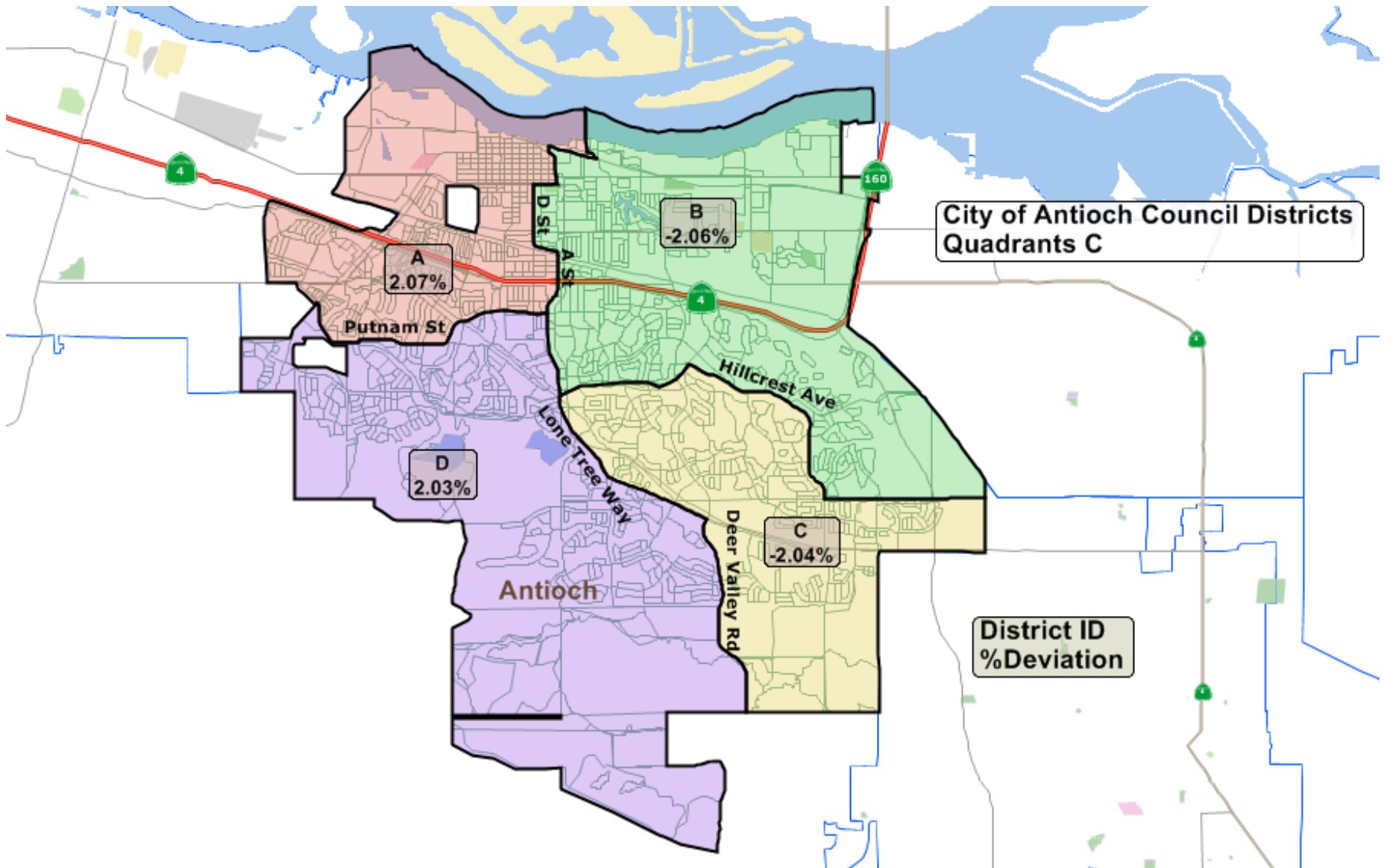
ABSENT:

ABSTENTIONS:

**ARNE SIMONSEN, CMC
CITY CLERK OF THE CITY OF ANTIOCH**



ATTACHMENT D



**City of Antioch Council Districts
Quadrants C**

**District ID
%Deviation**



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of May 8, 2018

TO: Honorable Mayor and Members of the City Council

SUBMITTED BY: Nancy Kaiser, Parks and Recreation Director *Nancy Kaiser*

SUBJECT: **ADOPT A RESOLUTION APPROVING THE AGREEMENT WITH ANTIOCH PUBLIC GOLF, INC. FOR THE OPERATION AND MANAGEMENT OF LONE TREE GOLF COURSE AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE AGREEMENT EFFECTIVE JULY 1, 2018 FOR A PERIOD OF FIFTEEN YEARS.**

RECOMMENDED ACTION

It is recommended that the City Council adopt a resolution approving the Agreement with Antioch Public Golf, Inc. for the operation and management of Lone Tree Golf Course and authorize the City Manager to execute the Agreement effective July 1, 2018 for a period of fifteen years.

STRATEGIC PURPOSE

Long Term Goal J: Parks and Recreation. Provide outstanding facilities and programs for the community.

- **Strategy J-1:** Increase the use of the City's recreation facilities

Long Term Goal K: Public Works & Engineering.

- **Strategy K-1:** Ensure well maintained public facilities, rights-of-ways and parks

FISCAL IMPACT

The Lone Tree Golf Course revenues pay for operations, maintenance and improvements to the golf course, clubhouse, event center and other supporting amenities. The Agreement includes annual payment to the City for the right to operate the facility in the amount of \$20,000 each year including a cost of living percentage increase. The City will continue to provide the payments toward previous construction loans and funding agreements.

DISCUSSION

The City entered into agreement with Antioch Public Golf, Inc. (Corporation) in 1982 for the operation of Lone Tree Golf Course (LTGC). During the last thirty-five years the City and Corporation have collaborated on several efforts to improve the visitor's

experience at LTGC including the construction of a new clubhouse and event center, lights for night use at the driving range, parking lot and more. The original agreement was amended on several occasions to reflect the improvements and their funding and officially ended June 30, 2017. The City Council approved a one-year extension of the original agreement on June 27, 2017.

Lone Tree Golf Course and Event Center is one of Antioch's premier features. It is located next to abundant open space, provides recreational opportunities, and offers high quality dining and event experiences. The City Council Lone Tree Golf Course Sub-Committee meets regularly with the Corporation Board of Directors to receive reports about the activities taking place at the facility, the opportunities that benefit all residents, and the continuous efforts to improve the golfing experience. During the last two years the Sub-Committee discussed and reviewed the terms for a future agreement with the Corporation and on April 9, 2018 the Sub-Committee reviewed the final draft agreement; followed by consensus to recommend to Council.

The primary elements of the agreement are as follows.

- The term of the agreement is fifteen years ending June 30, 2023; in-depth review by the City every three years in addition to the regular review by Sub-Committee
- Corporation shall submit annual payment for use in the amount of \$20,000 with annual CPI adjustment
- Corporation is solely responsible for repairs and renovation of all features within the property as well as the cost and financing of any and all improvements
- Corporation shall be responsible for cost of all utilities except for untreated water used for irrigation; Corporation shall provide a water use plan
- Corporation shall pay all costs associated with the Solar Power Purchasing Agreement (PPA) as well as benefit from all net cost savings
- City will pay all expenditures needed to rebuild and repair the roadway from Golf Course Road to the Clubhouse parking lot; one time rebuild and repair only
- Any outstanding payments to City for prior financings of improvements will be null and void

In previous agreement amendments dating back to 2004, Corporation agreed to terms that included payments for financing improvements to the golf course and related facilities. Significant improvements that included financing from bond issuances and direct City loans are the clubhouse and event center, as well as roadway repairs. The Corporation has not contributed funding to these payment plans in recent years due to the rising cost of operations. The City will continue to be the primary payer and oversee payments for previous financing and relieve the Corporation of the obligation to repay the City.

The receivable balances from previous financing are accounted for in two funds of the City:

- The 2015A Debt Service Fund. Although the General Fund has been backfilling the cash, no expense has directly affected the General Fund. Due to older dates

of financing, the General Fund must start recognizing the expense for the future debt service as well as an expense to reimburse the debt service fund for outstanding invoices (\$1,282,562). Council approved this action with the mid-year budget review on March 13th however the action on the 13th did not relieve the Corporation of their obligation to repay the City for the debt. On average, the yearly amount of debt service is \$340,000.

- The General Fund for two loans totaling \$1,122,165

Lone Tree Golf Course is on track to meet revenue projections this fiscal year. The mild winter weather resulted in more golf rounds and also provided additional time to complete repairs. Food and Beverage operations remain strong and the Event Center is a beacon of community activity for golfers, adults and families. While the golf industry, both nationally and regionally, is experiencing some decline Lone Tree Golf Course remains steady. It is the leading course for First Tee (youth golf) programs, is popular for tournaments, and is actively improving the greens for better play.

Staff recommends that the City Council adopt a resolution approving the Agreement with Antioch Public Golf, Inc. for the operation and management of Lone Tree Golf Course and authorize the City Manager to execute the Agreement.

ATTACHMENTS

- A. Resolution
- B. Agreement

RESOLUTION NO. 2018/**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANTIOCH
APPROVING THE AGREEMENT WITH ANTIOCH PUBLIC GOLF, INC. FOR THE
OPERATION AND MANAGEMENT OF LONE TREE GOLF COURSE AND
AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT EFFECTIVE
JULY 1, 2018 FOR A PERIOD OF FIFTEEN YEARS.**

WHEREAS, Lone Tree Golf Course is one of Antioch’s premier community features, and the City desires to maintain a well run operation and management of the programs and services provided at the golf course and event center; and

WHEREAS, the City seeks to develop a comprehensive agreement that will support the vitality of Lone Tree Golf Course; and

WHEREAS, Antioch Public Golf, Inc. is very dedicated to Lone Tree Golf Course and has provided golf programs, food and beverage services, and events for more than thirty years; and

WHEREAS, the City and Antioch Public Golf, Inc. together successfully developed a new agreement for the future.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Antioch hereby approves the agreement with Antioch Public Golf, Inc. effective July 1, 2018 for a period of fifteen years.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Antioch hereby authorizes the City Manager to execute the agreement.

* * * * *

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Antioch at a regular meeting thereof, held on the 8th day of May, 2018 by the following vote:

AYES:

ABSENT:

NOES:

**ARNE SIMONSEN, CMC
CITY CLERK OF THE CITY OF ANTIOCH**

**AGREEMENT FOR THE OPERATION AND MANAGEMENT OF THE
ANTIOCH MUNICIPAL GOLF COURSE**

THIS AGREEMENT is made and entered into on this _____ day of _____ by and between the CITY OF ANTIOCH, a municipal corporation, hereinafter called "CITY", and ANTIOCH PUBLIC GOLF, INC., a nonprofit public benefit corporation also known as the LONE TREE GOLF COURSE, hereinafter referred to as "CORPORATION".

RECITALS

A. CITY owns the Antioch Municipal Golf Course, which is a premier feature within the community and in need of continued management.

B. The parties previously entered into an Agreement for the Operation and Management of the Antioch Municipal Golf Course, also known as the Lone Tree Golf Course, dated May 25, 1982; Agreement has been extended and supplemented by various Amendments, and is currently set to expire on June 30, 2018.

C. CITY is satisfied with CORPORATION's performance under the Agreements and CITY desires to enter into an agreement in order to facilitate long-term planning for the improvement, enhancement and operation of the Golf Course.

D. CITY expects that the management of the golf course and related facilities meets the highest regionally comparative standard for operations, and shall provide patrons with a product and experience that is competitive for a public venue.

E. CORPORATION is willing and able to continue the operation and management of the golf course and related facilities with the intent and the obligation to enhance the desirability of the golf course, event center, restaurant and all facilities.

F. CORPORATION's sole purpose is to operate the golf course so that visitors have a highly valued experience; expenditures support operations and that revenues are returned to the facility to make improvements and ensure that the overall business remains competitive within the region.

G. CITY and CORPORATION recognize that promotion of the golf course, the event center and restaurant, and all related facilities is a primary factor towards increasing golf rounds, restaurant visits, and engaging community support.

NOW, THEREFORE, in consideration of the foregoing Recitals and the covenants, conditions, and obligations of the Parties set forth herein, the CITY and CORPORATION hereby agrees as follows:

I.

TERM OF AGREEMENT

A. Term. The term of this Agreement shall be for a period of fifteen (15) years, ending June 30, 2033. This provision shall not prevent the parties from developing amendments to the agreement to ensure the best and most appropriate management of all operations.

B. Review. CITY and CORPORATION agree to review the terms of the Agreement and the operations of the golf course and all related facilities after three years of operating under these terms. Further review shall occur after five years, eight years and twelve years of operation respectively.

C. Previous Agreements. All previous agreements between the Parties, including agreements relating to the improvement of the Golf Course, Event Center, Restaurant, and facilities, and financing thereof, are superseded by this Agreement.

II.

EXCLUSIVE USE

A. Licensee. CITY has granted CORPORATION the exclusive use of the Antioch Municipal Golf Course land and improvements. CORPORATION shall continue to occupy and operate the course, driving range, pro shop, event center, restaurant, and facilities as a licensee and not as a lessee.

B. Payment. CORPORATION shall submit annual payment for exclusive use of the Antioch Municipal Golf Course on the first day of June each year. First payment in the amount of \$20,000 shall be made June 1, 2019. Each payment in subsequent years will be subject to adjustment based on the percentage change in San Francisco Bay Area Consumer Price Index, but in no event shall it exceed 5% per year.

III.

GENERAL OBLIGATIONS OF CORPORATION

A. Course Supervision. CORPORATION is responsible for the general operation of the play on the course insofar as the playing and golfing public is concerned, shall enforce all rules and regulations which are adopted by CORPORATION from time to time, and shall assume responsibility for policing the course, keeping off trespassers, preventing injury to the course by players and others and preserving proper order in and about the general premises including restaurant and event center.

B. General Manager. CORPORATION may hire a General Manager/Golf Professional or other individual who is well qualified to be in charge of the operation and management of the golf course, the clubhouse, restaurant, event center, range, pro shop, maintenance facilities and all other operations and amenities on the property. The manager will be familiar with best practices within the golf industry and at all times maintain a high quality of professional services while managing Lone Tree Golf Course.

C. Course Hours of Operation. The course, including the golf course, clubhouse, pro shop, driving range, restaurant, event center and restrooms shall be kept open daily, including Saturdays, Sundays, and holidays with the exception of Christmas Day, during such hours as there is public demand therefor. A competent representative of CORPORATION shall be present and on duty at the course each day from sunrise to sunset. There shall be no obligation to keep the course open when it is unplayable, although the clubhouse, restaurant, and event center shall remain open during regular business hours.

D. Fees. CORPORATION shall establish greens fees and other charges for the play of golf as are reasonable and similar to comparable golf courses within the region. Fees for restaurant pricing, event center pricing and other charges for business purposes shall be established to cover all costs associated with operations.

CORPORATION shall ensure that no person is allowed to play on the course, host an event, or patronize the restaurant without having first paid appropriate fees or rates as are established by the Corporation.

CITY may review fees as needed to ensure that costs for operations are met and all expenditures are covered by revenues.

E. Golf Lessons and Instruction. CORPORATION shall make provisions for certified instruction including a variety of individual and group instruction to be given in the game of golf, so that the increased play of golf is encouraged and enjoyed.

F. Pro Shop Merchandise for Sale and Rent. CORPORATION shall at all times keep and maintain for sale and rental when appropriate a stock of merchandise, supplies and equipment in keeping with the demand and suitable for use upon the course including but not limited to clothing, golf clubs, golf bags, golf carts, golf shoes, tees, books and other golfing equipment and supplies.

G. Other Business Activities. CORPORATION may carry on such other business activities on the premises as are compatible with the game of golf and the facilities. Activities may include but are not limited to the renting out of the facility for private receptions or parties. Such activities shall not interfere with the game of golf or, must adequately compensate for lost revenue due to golf revenues being impacted. The clubhouse, event center, and restaurant are deemed to be premier community amenities, and be available for use by the public for receptions and banquets. The clubhouse, event center, and restaurant shall be maintained and operated competitively

and profitably, offering quality food, beverage, and service comparable in quality and price to similar facilities in the region.

H. Course Promotion. CORPORATION shall have the responsibility to advertise and promote golf and tournaments, banquets & events, activities, the driving range and the restaurant facility, and any remaining services, to increase rounds of play, number of visitors and general community support for the facility. CORPORATION shall promote the facility as a public, municipal course and strive to reach a minimum of 40,000 rounds of golf each year.

I. Course Maintenance and Repairs. CORPORATION shall properly maintain the course, including the trees, greens, fairways, fencing and netting, and Clubhouse landscaping. CORPORATION shall also service and maintain all equipment associated with course and clubhouse maintenance. Maintenance shall be a continuing obligation, so that the course, greens, fairways and grounds are safe, attractive and in a quality and competitive condition that promotes the use of all aspects of the facility.

CORPORATION shall implement conservation practices whenever possible, or required by regulating agencies.

CORPORATION is solely responsible for the repairs and renovation of all features within the golf course, restaurant, clubhouse, event center, maintenance yard and open areas within the boundaries of the Lone Tree Golf Course.

J. Consultations. CORPORATION recognizes the need to communicate with users of the golf course facilities and also recognizes that the best interest of the community and the users of the facilities can be best served by maintaining an open line of communication. CORPORATION shall utilize all communication practices that are traditional and innovative with any person or group within the community that has an interest in the operation of the said facility.

K. Subcontracting. CORPORATION shall not be prohibited from subcontracting any of the functions described herein, although CORPORATION shall regularly inform CITY of any subcontract for services and have overall responsibility therefor.

L. Permits, Licenses, and Taxes. CORPORATION shall obtain, at its own expense, any and all permits and licenses which may be required by any public agency other than CITY for the exercise of said rights, licenses and privileges in connection with all operations. CORPORATION shall pay any and all taxes including but not limited to, sales and use taxes and possessory interest taxes, which might be assessed CORPORATION for whatever purpose in the operation of the golf course and all related facilities.

M. Receipts and Accounting. CORPORATION shall install and maintain a system of records and accounts that meet standard accounting practices.

CORPORATION shall make available to CITY all financial reports and records regarding its operation of the course at any reasonable time upon demand. Not later than 90 days following the close of each fiscal year, CORPORATION shall furnish to CITY a financial statement prepared by a qualified public accountant with his or her opinion annexed thereto, including but not limited to comparative balance sheets; comparative operating statements; and changes in investment, property and equipment.

N. Maintenance of Entry Road and Parking Lot. CORPORATION shall be responsible for the daily housekeeping of asphalt roadway from Golf Course Road to the Clubhouse and Event Center and the asphalt parking lot i.e., litter pickup, debris removal, weed abatement.

IV. PROHIBITIONS

CORPORATION shall not do any of the following acts:

1. Assign or transfer this Agreement. CORPORATION may, however, subcontract for services to implement this Agreement.
2. Commit, permit or allow any nuisance or waste in, or injury to, the course, event center, pro shop, restaurant, driving range, maintenance facility, or any portion of them, or permit the use of any of the facilities for any illegal purpose.
3. Deny fair and equal use, or allow discriminatory use, of the premises and facilities or deny equal employment opportunities on the basis of race, color, sex, religion, ancestry, national origin, place of residence or membership or non-membership in any club, organization or other association, or in any arbitrary or discriminatory manner.
4. Allow any use of the facilities without first paying all fees for services provided including but not limited to golf play, events and special programs, and pro shop and restaurant purchases.
5. Violate any laws, rules or regulations governing the use of chemicals for control of weeds, diseases, and pests. Such laws and rules shall include, but not be limited to:
 - a) Laws found in the California Food and Agriculture Code with respect to:
 - (i) Restricted use pesticide permits and use.
 - (ii) Storage and transportation of pesticides.

- (iii) Pesticide worker safety.
 - (iv) Monthly pesticide use reports.
 - (v) Pest control operations and licensing for recommending use and applying pesticides.
- b) Regulations as found in the California Administrative Code as adopted by the Director of Food and Agriculture.
 - c) All pesticide use and operations need be done in strict accordance with the policies and procedures adopted by the Contra Costa County Agriculture Commissioner's office.

V. UTILITIES

1. CORPORATION shall at all times adopt and implement best practices for water management for golf course operations, restaurant and facility operations and general landscaping. Best Management Practices for water conservation could be described as the combination of proper plant selection and cultural maintenance practices that provide adequate turf quality for the game of golf while minimizing water use.

2. CORPORATION shall be responsible for the cost of all utilities, except for untreated water used for irrigation. Untreated water is not available at will; CITY recognizes that special requests may include maintenance practices such as greens flushing, turf improvement and establishment, and salt reduction practices. Additionally, certain times of year Corporation is required to be on untreated water as detailed in the Recycled Water Operations Manual. CORPORATION shall provide a water use plan quarterly including a report and request for untreated water submitted to Water Treatment Plant Superintendent. CITY will monitor use of untreated water and to ensure proper use.

- a) CORPORATION shall pay all costs associated with the Solar Power Purchasing Agreement (PPA) project initiated in 2018.

3. CORPORATION shall abide by drought water delivery restrictions that may be announced from time to time by CITY or other regulatory agency. CORPORATION shall at all times make maximum use of water conservation techniques, which shall be regularly and consistently reviewed and reported.

4. Using recycled/reclaimed water to irrigate the golf course and landscaping helps preserve potable water for households and drinking. CORPORATION shall utilize

reclaimed water as part of the water management plan for operations as detailed in the Recycled Water Operation Manual.

a) Fees for recycled/reclaimed water take effect on October 1, 2018; CITY will continue to receive original invoices for recycled/reclaimed water and forward to CORPORATION for payment.

VI.

GENERAL OBLIGATIONS OF THE CITY

A. Rates and Pricing. CITY will not unreasonably disapprove rates and fees set by CORPORATION. CITY may, from time to time, review fees and charges to ensure reasonable competition and comparison with regional golf operations.

B. Roadway and Parking Lot Repairs. CITY will pay all expenditures needed to rebuild and repair, one time only, the roadway from Golf Course Road to the Clubhouse parking lot and resurface and restripe the complete parking lot area. The road will be in good useable condition throughout the term of this agreement.

C. Financing. Previously, CORPORATION entered into agreements with CITY to finance improvements to the golf course and related facilities. Any outstanding payments owed to CITY by CORPORATION prior to the date of approval in this Agreement will be made null and void; CITY will oversee payments for loans and financing that have previously supported improvements to Lone Tree Golf Course.

D. Utilities. CITY will pay all expenditures associated with the provision of untreated water used for irrigation. Previously, CORPORATION was required to pay for untreated water provided by CITY. Any outstanding payments owed to CITY for use of untreated water will be made null and void.

1. Solar. CITY initiated a Solar Power Purchase Agreement (PPA) project in 2018 to benefit golf and facility operations; approved by City Council on January 9, 2018 and executed February 8, 2018. All net cost savings shall support Lone Tree Golf Course operations and improvements.

2. Recycled/Reclaimed Water. CORPORATION shall pay for all fees related to using recycled/reclaimed water; CITY will receive original bills and invoices and provide to CORPORATION for payment.

E. Communication. CITY shall meet with CORPORATION regularly to review golf and facility operations, communicate and share resource information and collaborate on future opportunities.

F. Modification. CITY reserves the right to modify, amend, or update the agreement to best meet the needs of CITY; providing CORPORATION with six months advance notice and joint discussion of any and all modifications.

VII.
IMPROVEMENTS

A. Course Improvement. CORPORATION recognizes that CITY has entered into this Agreement with a nonprofit corporation so that all revenues in excess of actual, reasonable expense shall be returned to the facilities and business in terms of competitive and quality improvements in order to maintain and upkeep entire operational efforts to quality expectations defined herein.

CORPORATION shall inform CITY about major alterations, additions, or improvements at the course through the regular meetings and communication established with any Committees or staff liaison.

B. Financing of Improvements. CORPORATION is solely responsible for the cost and financing of any and all improvements and repairs regardless of the type and length of financing. CITY is not obligated and will not participate in capital improvement financing and will not provide any additional revenues for operations.

VIII.
**LIABILITY AND WORKERS' COMPENSATION INSURANCE
AND INDEMNIFICATION**

A. Workers' Compensation and Liability Insurance. CORPORATION, at the time of execution of this Agreement, shall, at its sole expense, procure and at all times during the term of this Agreement maintain in full force and effect Workers' Compensation Insurance and Public Liability Insurance as follows:

1. A policy covering the frill liability of CORPORATION and all persons employed by it, directly or indirectly, or their dependents in accordance with the provisions of Division IV of the Labor Code of the State of California relating to Workers' Compensation Insurance.

2. A policy of Public Liability Insurance, including automobile insurance in, which CITY, its officers, employees and agents, shall be named as additional insureds insuring, indemnifying and saving harmless and agreeing to defend said additional insureds against all suits, claims or actions of any person or persons for or on account of any injury, or damages to persons or property, sustained or arising from the operation of CORPORATION included in this Agreement or in consequence thereof and to pay all judgments and costs of expenses in connection with litigation therewith. Said Public Liability Insurance shall provide for a limit of not less than \$1,000,000.00 combined single limit for all risks. Said policy or policies of insurance shall require that CITY be given 30 day notice prior to cancellation or change in any policy or policies.

The aforementioned policies shall be issued by an insurance carrier and shall be in form satisfactory to the City Attorney. In lieu of actual delivery of such policies, a certificate issued by the insurance carrier showing such policies to be in force for the period covered by the Agreement may be delivered to CITY.

B. Furnishings and Fixtures Insurance. CORPORATION shall insure any and all furnishings, fixtures, equipment, merchandise and supplies which it is either required to provide under the terms of this Agreement, or is furnished to it by CITY, against loss, or damage from fire, theft or any other cause, and shall provide to CITY insurance policies or certificates of insurance in sufficient amount and in proper form satisfactory to the City Attorney. CORPORATION shall reimburse CITY the cost of property insurance premium.

C. Hold Harmless. CORPORATION shall indemnify and hold harmless CITY and all of its officers, agents or employees from any and all claims arising out of or through accidents or otherwise which may occur due to CORPORATION's use of the premises, exercise of any of the rights, licenses, and privileges herein granted to CORPORATION or performance herein agreed by it, and shall defend said CITY, its officers, employees and agents in any suit, claim or action brought on account of any injury or damages to persons or property sustained or arising from the operations of CORPORATION, and to pay all judgments and costs of expenses in connection with litigation therewith.

IX.

TERMINATION

A. Cause of Termination. CITY reserves the right to terminate this Agreement for nonperformance or inadequate performance. If, in the view of the City Council, CORPORATION has not performed adequately under the Agreement, it may cause a notice to be given to CORPORATION, specifying the areas of inadequate performance. The notice shall give CORPORATION 90 days in which to rectify or resolve the areas of inadequate performance. If the City Council remains unsatisfied, it may terminate the Agreement following a public hearing on such issue. Any resolution terminating the Agreement shall contain findings and reasons for the termination. Upon such termination, CITY shall assume responsibility for operation and maintenance of the golf course and facilities; however, CITY may make arrangements for another corporation, person, or entity to assume such responsibility.

In order to insure the continued success of the golf course, annual rounds need to be maintained to a level competitive to the marketplace and current industry, ultimately supporting and maintaining a fiscally viable business.

CORPORATION may also elect to terminate this Agreement upon the following grounds:

1. That CORPORATION finds itself unable to financially continue the operation and maintenance of the course and its facilities; or
2. That CORPORATION is in the process of dissolving, or has been dissolved.

CORPORATION shall give CITY at least six months notice of its intent to terminate the agreement. The City Council shall consider such matter at a public hearing.

CORPORATION shall specify the reasons for such termination. Upon such termination, CITY shall assume responsibility for operation and maintenance of all golf and related facilities.

B. Eminent Domain. If the entire premises shall be taken by condemnation by any governmental authority or conveyed in lieu of condemnation, or if a portion of the premises shall be so taken or conveyed so as to render the premises untenable for the purposes of this Agreement, this Agreement shall terminate as of the date possession shall be required by said governmental authority, and the parties shall be released from all further liability hereunder.

If only a portion of the premises shall be so taken or conveyed and the remainder of the premises is not thereby rendered untenable for the purposes of this Agreement, CITY shall, at its expense, restore the premises, as in its judgment after consultation with CORPORATION, is required by such taking, and this Agreement shall continue in force, otherwise unaffected.

The entire award or compensation on account of such condemnation or conveyance shall belong and shall be paid to CITY without deduction therefrom for any estate vested in CORPORATION, and CORPORATION shall receive no part of any such award or compensation except any portion of the award or compensation made specifically for CORPORATION's trade fixtures and equipment, provided that said portion shall in no way decrease the amount of award or compensation which would otherwise be payable to CITY.

Provided however that notwithstanding anything to the contrary herein, CITY shall pay to CORPORATION, from the condemnation payment or award, a sum representing the "agreed value" of CORPORATION's approved improvements to the golf course.

The agreed value of such improvements shall be determined, adjusting for depreciation on a straight-line basis over the useful life CORPORATION has assigned thereto. The date of the taking for purposes hereof shall be the date CORPORATION is

required to relinquish possession.

C. CITY's Rights Upon Termination. Upon termination by either party, CITY shall have the following rights:

1. To recover from CORPORATION all the facilities and equipment which were transferred to CORPORATION for its use.

2. The right of first refusal on all equipment, merchandise, furnishings, fixtures, and supplies which were acquired by CORPORATION. CITY shall have the option to purchase such property at market value.

3. Any item of personal property which CITY has not designated for purchase and which is not removed by CORPORATION within 30 days of termination shall be deemed abandoned by CORPORATION, and absolute title thereto shall vest in CITY immediately.

X

MISCELLANEOUS PROVISIONS

A. Lease. This Agreement does not constitute a deed or grant of an easement by CITY and does not constitute a lease.

B. Succession to Reclamation Permit. CORPORATION shall succeed to the benefits and liabilities of the December 1, 1981 permit from the United States Department of the Interior, Bureau of Reclamation, granted to CITY. Further, CORPORATION shall succeed to the benefits and liabilities of all future permits issued CITY from the United States Department of the Interior, Bureau of Reclamation.

C. No Warranty of Suitability. CITY does not warrant or represent that the course, event center, restaurant, driving range, pro shop, or other public places to which this Agreement relates, are safe, healthful or suitable for the purposes for which they are permitted to be used under this Agreement.

D. Right to Enter. CITY, through the City Manager or his/her authorized representative may, upon reasonable notice, enter into the premises, including but not limited to the clubhouse, restaurant, event center and pro shop, at any and all reasonable times during the term of this Agreement for the purpose of determining whether CORPORATION is complying with the terms and conditions hereof or for any other purpose incidental to the rights of CITY for emergency reasons. CORPORATION shall be required to submit a key to all locked doors to the police department and shall also provide a key or other device to turn off the alarm system.

E. Failure to exercise Rights after Breach. Failure of CITY to insist upon a strict performance of any of the duties, obligations, conditions or covenants contained in

this Agreement shall not be deemed a waiver of any subsequent breach or default in the duties, obligations, conditions or covenants herein contained.

F. Waiver of Claims against CITY. CORPORATION hereby waives any claim against CITY, the City Council and its officers, agents or employees for damages or loss caused by any suit or proceeding directly or indirectly attacking the validity of this Agreement or any part thereof, or by any judgment or award in any suit or proceeding declaring this Agreement null, void or voidable, or delaying any part of this Agreement from being carried out.

G. Force Majeure. CITY will not invoke penalties or damages if unanticipated occurrences outside the control of either party make it illegal, impractical, inadvisable or impossible to operate.

F. Mutual Drafting. This Agreement is the result of mutual drafting by the parties both of whom were represented by legal counsel. No interpretation shall be given to this Agreement based upon the identity of the drafter.

IN WITNESS WHEREOF, this Agreement is executed by the CITY OF ANTIOCH, pursuant to Resolution No. 2018/___ authorizing the City Manager to execute the Agreement by and between CITY and ANTIOCH PUBLIC GOLF, INC.,

CITY OF ANTIOCH:

ANTIOCH PUBLIC GOLF, INC:

Ron Bernal, City Manager

Sal Sbranti, President
Antioch Public Golf, Inc.

Date:_____

Date:_____

Attest:

Arne Simonsen, CMC, City Clerk of the City of Antioch

Approved as to Form:

Derek Cole, City Attorney



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of May 8, 2018

TO: Honorable Mayor and Members of the City Council

SUBMITTED BY: Derek P. Cole, Interim City Attorney *DC*

SUBJECT: Report Regarding Effect of Votes Taken at the April 24, 2018 City Council Meeting Regarding the Consideration of the Oakley Knolls Project Ordinance

RECOMMENDED ACTION

It is recommended that the City Council decide whether to schedule at a future meeting the further consideration of the waiver of the second reading and enactment of the Oakley Knolls Project Ordinance.

STRATEGIC PURPOSE

The proposed action is consistent with Strategy N-1: Effectively and efficiently provide legal services in support of the City's policies, procedures, and initiatives.

FISCAL IMPACT

None.

DISCUSSION

At its meeting on April 24, 2018, the City Council considered on its Consent Calendar the second reading of the Oakley Knolls Project Ordinance. Only the Mayor and three Councilmembers were present for the meeting that evening. No action was taken on the ordinance because the motion to enact the ordinance received only two votes of the four members present. (A motion to continue the approval of the ordinance also received two votes of the four members in attendance.)

Previously, the Oakley Knolls Project Ordinance had been introduced, along with other project entitlements, at the April 10, 2018 City Council Meeting. By vote of three to two at that meeting, the Council approved the Oakley Knolls Project, including the introduction of the Project Ordinance.

According to Section 2-1.104 of the Antioch Municipal Code, a tie vote regarding a motion to adopt any ordinance results in the tabling of the motion. When a motion is tabled, section 2-1.104 states that the Mayor or Council may "request that another vote be taken or that the item be continued to a future meeting."

In light of the authority provided by Section 2-1.104, the Council is requested to provide direction as to whether it will renew its consideration of the Oakley Knolls Project Ordinance at a future City Council meeting and, if so, at which upcoming meeting that item shall be considered. Because a zoning ordinance is involved, the consideration of the ordinance would have to be noticed as a public hearing.

ATTACHMENTS

None.