

RESOLUTION NO. 61-20

**A RESOLUTION OF THE COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA,
TO AUTHORIZE THE CITY MANAGER TO ISSUE A LETTER TO WEST
COUNTY WASTEWATER DISTRICT OF ITS INTENT TO EXERCISE ITS
OPTION TO EXTEND THE GROUND LEASE (COMMONLY KNOWN AS
WEST COUNTY WASTEWATER DISTRICT'S EAST SITE SLUDGE
LAGOONS) FOR AN ADDITIONAL FIVE (5) YEARS
UNTIL DECEMBER 31, 2025**

WHEREAS, effective January 1, 2010, the West County Wastewater District (WCWD) and the City of Richmond (City) entered into that certain Ground Lease (the "Lease") whereby WCWD leased sludge lagoons to the City; and

WHEREAS, said sludge lagoons will hereinafter be referred to as the "Property" and is the same Property described in the Lease; and

WHEREAS, the City leased from WCWD, that certain real property located in Contra Costa County, California, commonly known as WCWD's East Site Sludge Lagoons (a.k.a. Sludge Lagoons 1-4 & 11); and

WHEREAS, the Lease provides for an Initial Term from January 1, 2010, to December 31, 2012, a First Extended Term from January 1, 2013, to December 31, 2015, and a Second Extended Term from January 1, 2016, to December 31, 2017; and

WHEREAS, the City's right to extend the Lease was conditioned upon the City providing timely written notice and the City meeting certain milestones specified in the Lease; and

WHEREAS, the City has performed its obligations under the Lease and has paid, or is paying, the correct monthly rent payable under the Lease; and

WHEREAS, upon the City providing written notice to WCWD that is received by WCWD on or before July 1, 2020, of the City's intent to exercise its option to extend the Lease, and upon the City's payment in advance of Annual Rent as set forth in this Subsection 2.2.4 of the land lease agreement, the City will have the right to use the Property for an additional five (5) year term in accordance with this Lease (the "Fourth Extended Term"); and

WHEREAS, the annual Rent for the fourth extended term shall be paid to WCWD, in advance, on or before the first (1st) day of each lease year; and

WHEREAS, the rent shall be calculated as follows:

January 1, 2021 – December 31, 2021: \$232,704.00 (\$219,532.00 x 1.06 rounded)
January 1, 2022 – December 31, 2022: \$246,666.00 (\$232,704.00 x 1.06 rounded)
January 1, 2023 – December 31, 2023: \$261,466.00 (\$246,666.00 x 1.06 rounded)
January 1, 2024 – December 31, 2024: \$277,154.00 (\$261,466.00 x 1.06 rounded)
January 1, 2025 – December 31, 2025: \$293,783.00 (\$277,154.00 x 1.06 rounded); and

WHEREAS, in no case shall the Annual Rent be reduced; and

WHEREAS, at any time after the commencement of the Fourth Extended Term, in addition to the right of either Party to terminate this Lease in the event of a material breach, either WCWD or the City may terminate this Lease in their discretion upon one-year written notice to the non-terminating party; and

WHEREAS, the Lease shall terminate and the City shall vacate the Premises at the expiration of one year after service of such written notice; and

WHEREAS, a true and correct copy of the ground lease and amendments are attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Richmond hereby authorizes the City Manager to issue a letter to the West County Wastewater District requesting to extend the ground lease agreement for an additional five (5) years until December 31, 2025.

I certify that the foregoing resolution was passed and adopted by the Council of the City of Richmond at a regular meeting thereof held June 16, 2020, by the following vote:

AYES:	Councilmembers Choi, Johnson, Martinez, Myrick, Willis, Vice Mayor Bates, and Mayor Butt.
NOES:	None.
ABSTENTIONS:	None.
ABSENT:	None.

PAMELA CHRISTIAN
CLERK OF THE CITY OF RICHMOND
(SEAL)

Approved:


TOM BUTT
Mayor

Approved as to form:

RACHEL SOMMOVILLA
Interim City Attorney

State of California }
County of Contra Costa } : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 61-20**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on June 16, 2020.



Pamela Christian, Clerk of the City of Richmond

CLERK'S CERTIFICATE

I, Pamela Christian, City Clerk of the City of Richmond, do hereby certify as follows:

The foregoing resolution is a full, true and correct copy of **Resolution No. 61-20** duly adopted at a regular meeting of the City Council of said City duly and regularly held at the regular meeting place thereof on the 16th day of June, 2020, of which meeting all of the members of said City Council had due notice and at which a majority thereof were present; and that at said meeting said resolution was adopted by the following vote:

AYES: Councilmembers Choi, Johnson, Martinez, Myrick, Willis,
Vice Mayor Bates, and Mayor Butt.

NOES: None.

ABSTENTIONS: None.

ABSENT: None.

An agenda of said meeting was posted before said meeting at City Hall, 450 Civic Center Plaza in the City of Richmond, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda.

I have carefully compared the foregoing with the original on file and of record in my office, and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting.

Said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

Dated: June 23, 2020.



Pamela Christian
City Clerk of the City of Richmond

[SEAL]