



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Authorizing the City Manager to Sign a Lease Agreement with Lodi Health for Operation of the Adult Day Care Program at Hutchins Street Square

MEETING DATE: March 20, 2013

PREPARED BY: Parks, Recreation and Cultural Services Director

RECOMMENDED ACTION: Adopt resolution authorizing the City Manager to sign a lease agreement with Lodi Health for operation of the Adult Day Care program at Hutchins Street Square.

BACKGROUND INFORMATION: The City leases portions of Hutchins Street Square to Lodi Health to operate an adult day care facility for \$1 a year. The day care facility dates to 1990 and provides daytime care for adults who are not capable of caring for themselves. The most recent lease agreement expired on August 1, 2012.

At the December 19, 2012 City Council meeting, the Council directed staff to continue the \$1 annual lease for the Adult Day Care program. The agreement before the Council is for three years, commencing March 1, 2013, with two one-year automatic extensions if neither party gives 30 days' termination notice prior to the expiration date. Either party may terminate the agreement with 120 days' notice.

The Parks, Recreation and Cultural Services Department is pleased to note that Lodi Health has offered to pay the Parks, Recreation and Cultural Services Department \$538 a month for water, sewer, electricity and garbage service in the same fashion as Camp Hutchins, and will be responsible for interior maintenance and repairs. The City will be responsible for exterior maintenance and repairs.

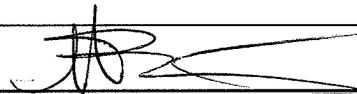
FISCAL IMPACT: The Parks, Recreation and Cultural Services Department will receive \$6,456 annually in compensation for utilities, and Lodi Health will be responsible for interior repairs and maintenance.

FUNDING AVAILABLE: Not applicable.



Jeff Hood
Director
Parks, Recreation and Cultural Services Department

Attachment: Agreement
cc: City Attorney

APPROVED: 

Konradt Bartlam, City Manager

AGREEMENT – Adult Day Care

THIS AGREEMENT, entered into by and between the CITY OF LODI, a municipal corporation ("City"), and LODI MEMORIAL HOSPITAL ASSOCIATION, INC. ("Hospital").

WHEREAS, the Hospital and the City have a history of partnering with the operation of the Adult Day Care Program at Hutchins Street Square, formally located at 125 South Hutchins Str., Lodi, Calif. 95240;

WHEREAS, Hospital and the City have previously entered into Agreements whereby Hospital leased from City a portion of the Senior Citizen's Complex at Hutchins Street Square;

WHEREAS, the purpose of this Agreement is to continue these relationships through a contract that will run for three (3) years from the date this Agreement with the option of two (2) one-year (1) extensions.

NOW, THEREFORE, IT IS AGREED by and between the parties hereto as follows:

1. The purpose of this Agreement is to provide an adult day care facility on a year-round basis at the Hutchins Street Square facility.
2. The City of Lodi will lease to Lodi Memorial Hospital for the sum of ONE DOLLAR (\$1.00) each year, payable in advance on the anniversary date of this Agreement, the facilities and spaces described as follows:

Adult Day Care Center

The southern portion of the remodeled Senior Citizen's Complex at Hutchins Street Square, as more particularly shown on the floor plan attached hereto and made a part of this Agreement by reference.

3. The term of this Agreement shall be for a period of three (3) years commencing March 1, 2013 and expiring on February 28, 2016. This Agreement may be terminated with or without cause by either party by providing not less than one-hundred twenty (120) days advance written notice to the other party. This Agreement will extend automatically for two successive one year periods if neither party gives notice of intent to terminate thirty (30) days prior to the then current expiration date.
4. Hospital agrees to provide, within the limits imposed by licensing/regulatory agencies, Adult Day Care program services to all persons meeting the criteria for participation, regardless of race, color, religion, sexual orientation, marital status, national origin, ancestry, age, residency or any other criteria prohibited by law.
5. Hospital shall provide all necessary and customary equipment, furniture, and staff to provide care for a maximum of thirty (30) persons in the Adult Day Care program.
6. Hospital shall be responsible for publicity and marketing of the program.
7. The leased premises (as described in paragraph 2) will not be available to the City "after hours" or on weekends for outside rental.
8. City shall provide all customary and usual maintenance of the exterior building and grounds.
9. Hospital shall be responsible for all janitorial and cleaning services, and repairs and maintenance of the interior of the space described in paragraph 2. To assure notification of necessary repairs of the leased space, Hospital shall notify City for all interior repairs that exceed five hundred dollars (\$500.00) per occurrence.

10. Hospital shall pay the City THREE HUNDRED THIRTY-EIGHT DOLLARS (\$338.00) per month, due and payable by the tenth day of the month, for electricity and garbage expense. The electricity and garbage rates are subject to annual adjustment by The City of Lodi in the event of a rate change or in the event of increased demand by Hospital. The garbage pickup adjustments shall be based on one-half the cost of weekly pickup of a 4-cubic yard container.
11. Hospital shall pay the City TWO HUNDRED DOLLARS (\$200.00) per month, due and payable by the tenth day of each month, for water and sewer expense. The water and sewer rates are subject to annual adjustment by the City of Lodi in the event of a rate change or in the event of increased demand by Hospital.
12. City shall be obligated only to provide the necessary space and exterior maintenance as described within this Agreement. All other expenses of operation of the Adult Day Care program shall be the responsibility of Hospital.
13. Hospital agrees to operate the Adult Day Care program on a not-for-profit basis. Charges or fees for such services shall be adjusted with the intent to make such charges or fees reflect the actual cost of operation and overhead of the facility.
14. INDEMNITY: Hospital agrees to indemnify and hold harmless City and its officers, agents and employees from and against all claims of whatever nature arising from any act, omission, or negligence of Hospital or Hospital's contractors, licensees, agents, servants, or employees, or arising from any accident, injury, or damage whatsoever caused any person, or to the property of any person, occurring during the term hereof, in or about the demised premises where such accident, damage, or injury, including death, results, or is claimed in whole or in part to have resulted, from any act or omission on the part of Hospital or Hospital's agents or employees. This indemnity and hold harmless agreement shall include indemnity against all costs and expenses, including attorney's fees incurred in or in connection with any such claim or proceeding brought thereon and the defense thereof.
15. GENERAL LIABILITY AND PROPERTY DAMAGE INSURANCE: Hospital agrees to maintain in full force during the term hereof a policy of general liability insurance under which Hospital is named as insured, and containing an additional named insured endorsement naming City, its elected and appointed boards, commissions, officers, agents, employees and volunteers as additional insured, and under which the insurer agrees to indemnify and hold Hospital and City harmless from and against all costs, expenses, and liability arising out of, or based upon, any and all property damage, or damages for personal injuries, including death, sustained in accidents occurring in or about the premises, where such accident, damage, or injury, including death, results, or is claimed to have resulted, from any act or omission on the part of Hospital, or Hospital's agents or employees. The minimum limits of such insurance shall be \$5,000,000 (five million dollars). In addition to the additional named insured endorsement on Hospital's policy of insurance, said insurance policy shall be endorsed to include the following language:

"Insurance as is afforded by the endorsement for additional insured shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers and employees shall be excess only and not contributing with the coinsurance afforded by this endorsement."
16. A duplicate or certificate of said public liability and property damage insurance policy containing the above-stated required endorsement shall be delivered to City within ten (10) days after the issuance and each renewal of said policy.
17. Hospital shall take out and maintain during the term of this Agreement, Worker's Compensation Insurance for all of the Hospital's employees employed to perform work in the programs described herein. A waiver of subrogation for workers compensation is required.

18. In the event of a cessation of operation or abandonment of the Adult Day Care program by Hospital for a period exceeding thirty (30) days, City may, in its sole discretion, deem this Agreement null and void.
19. Any notice required to be given by the terms of this Agreement shall be in writing signed by an authorized representative of the sender and shall be deemed to have been given when the same is personally served or upon receipt by express or overnight deliver, postage prepaid, or in three (3) days from the time of mailing if sent by first class or certified mail, postage prepaid, addressed to the respective parties as follows:

City shall be: City Manager
 P.O. Box 3006
 Lodi, CA 95241-1910

With a copy to: Community Center Director
 Hutchins Street Square
 125 S. Hutchins Street
 Lodi, CA 95240

Hospital shall be: Lodi Memorial Hospital
 Hospital Administrator
 975 South Fairmont Ave
 Lodi, CA 95240

20. This Agreement shall be construed in accordance with the laws of the State of California.
21. If any term of this Agreement is found to be void or invalid, such invalidity shall not affect the remaining terms of this Agreement, which shall continue in full force and effect.
22. This Agreement constitutes the entire understanding and agreement between the parties hereto. There shall be no modifications without the written consent of both parties.

Executed this ____ day of _____, 2013 at Lodi, San Joaquin County, California.

CITY OF LODI, a municipal corporation

LODI MEMORIAL HOSPITAL

KONRADT BARTLAM
City Manager

JOSEPH HARRINGTON
President and CEO

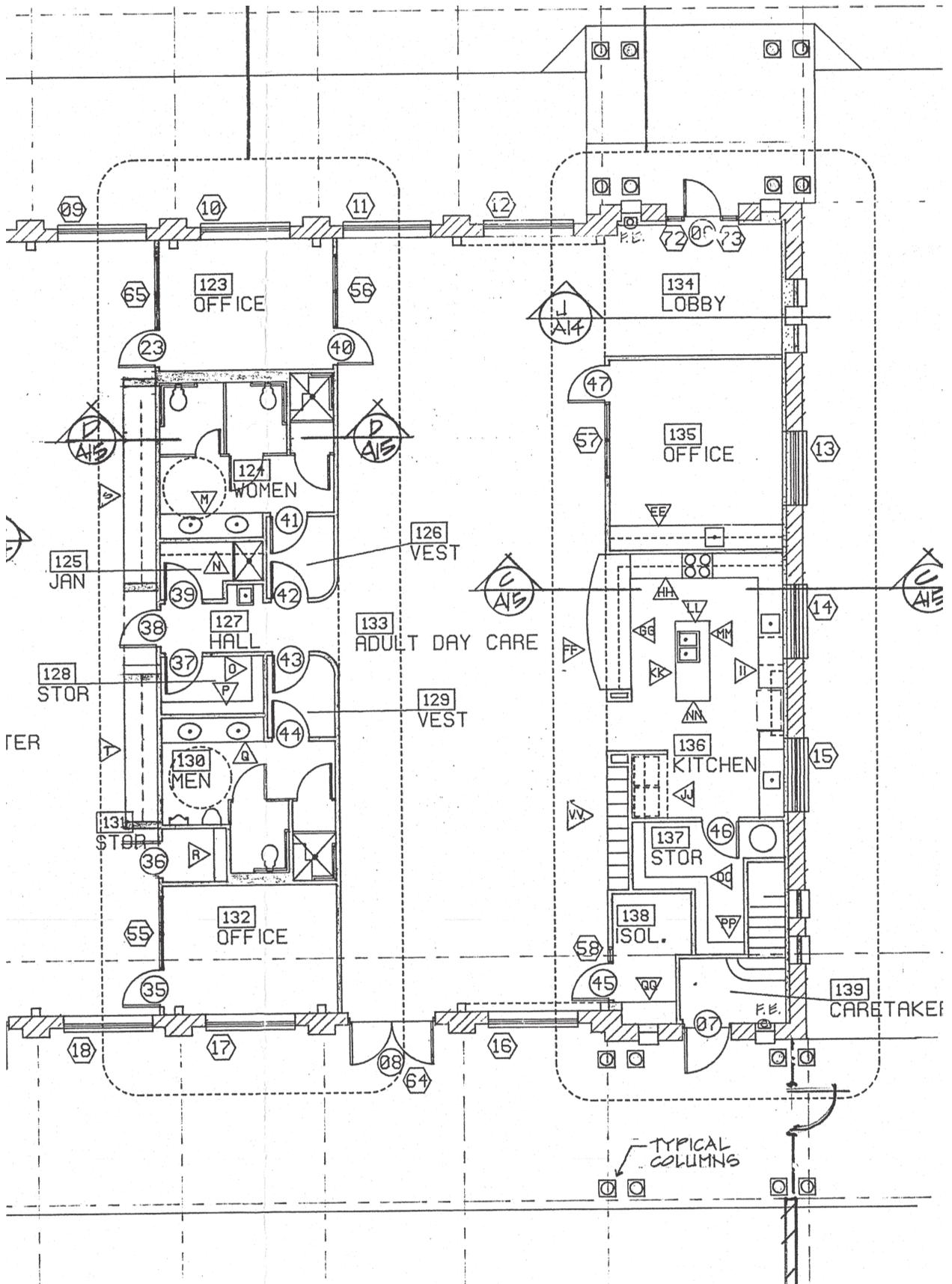
ATTEST:

RANDI JOHL
City Clerk

Dated: _____

APPROVED AS TO FORM:
D. STEPHEN SCHWABAUER
CITY ATTORNEY

By: JANICE D. MAGDICH 
Deputy City Attorney



RESOLUTION NO. 2013-45

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO EXECUTE LEASE AGREEMENT
WITH LODI HEALTH FOR OPERATION OF THE ADULT DAY
CARE PROGRAM AT HUTCHINS STREET SQUARE

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WHEREAS, the City leases a portion of Hutchins Street Square to Lodi Health to operate an adult day care facility for \$1 a year; and

WHEREAS, the day care facility provides daytime care for adults who are not capable of caring for themselves; and

WHEREAS, the most recent lease agreement expired on August 1, 2012; and

WHEREAS, at the December 19, 2012 City Council meeting, the Council directed staff to continue the \$1 annual lease for the Adult Day Care program; and

WHEREAS, the term of the agreement is for three years commencing March 1, 2013, with two one-year automatic extensions if neither party gives 30 days' termination notice prior to the expiration date. Either party may terminate the agreement with 120 days' notice; and

WHEREAS, Lodi Health will pay \$538 a month for water, sewer, electricity, and garbage service and will be responsible for interior maintenance and repairs; and the City of Lodi is responsible for maintaining exterior areas.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute a lease agreement with Lodi Health for operation of the Adult Day Care program at Hutchins Street Square.

Dated: March 20, 2013

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I hereby certify that Resolution No. 2013-45 was passed and adopted by the City Council of the City of Lodi in a regular meeting held March 20, 2013, by the following vote:

- AYES: COUNCIL MEMBERS – Hansen, Johnson, Katakian, Mounce, and Mayor Nakanishi
- NOES: COUNCIL MEMBERS – None
- ABSENT: COUNCIL MEMBERS – None
- ABSTAIN: COUNCIL MEMBERS – None


RANDI JOHL
City Clerk