



AGENDA

REGULAR JOINT MEETINGS

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CLAYTON CITY COUNCIL and OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT (GHAD)

* * *

TUESDAY, May 21, 2019

7:00 P.M.

*Hoyer Hall, Clayton Community Library
6125 Clayton Road, Clayton, CA 94517*

Mayor: Tuija Catalano
Vice Mayor: Julie K. Pierce

Council Members

Jim Diaz
Jeff Wan
Carl Wolfe

- A complete packet of information containing staff reports and exhibits related to each public item is available for public review in City Hall located at 6000 Heritage Trail and on the City's Website at least 72 hours prior to the Council meeting.
- Agendas are posted at: 1) City Hall, 6000 Heritage Trail; 2) Library, 6125 Clayton Road; 3) Ohm's Bulletin Board, 1028 Diablo Street, Clayton; and 4) City Website at www.ci.clayton.ca.us
- Any writings or documents provided to a majority of the City Council after distribution of the Agenda Packet and regarding any public item on this Agenda will be made available for public inspection in the City Clerk's office located at 6000 Heritage Trail during normal business hours.
- If you have a physical impairment that requires special accommodations to participate, please call the City Clerk's office at least 72 hours in advance of the meeting at (925) 673-7304.

*** CITY COUNCIL ***

May 21, 2019

1. **CALL TO ORDER AND ROLL CALL** – Mayor Catalano.

2. **PLEDGE OF ALLEGIANCE** – led by Mayor Catalano.

3. **CONSENT CALENDAR**

Consent Calendar items are typically routine in nature and are considered for approval by one single motion of the City Council. Members of the Council, Audience, or Staff wishing an item removed from the Consent Calendar for purpose of public comment, question, discussion or alternative action may request so through the Mayor.

- (a) Approve the minutes of the City Council's regular meetings of April 16, 2019 and May 7, 2019. ([View Here](#))
- (b) Approve the Financial Demands and Obligations of the City. ([View Here](#))
- (c) Adopt a Resolution approving the City of Clayton's list of local transportation improvement projects for Fiscal Year 2019-20 using Road Maintenance and Rehabilitation Account – Local Streets and Road Funds (RMRA-LSR; SB 1), and rescission of prior Road Maintenance and Rehabilitation Account Resolution No. 12-2019. ([View Here](#))
- (d) Adopt a Resolution approving the Engineer's Report and declaring intent to levy and collect real property tax assessments in FY 2019-20 for the Diablo Estates at Clayton Benefit Assessment District (BAD), and setting July 16, 2019 at or about 7:00 p.m. as the date and time for a noticed Public Hearing on the proposed fiscal year tax assessment levies. ([View Here](#))

4. **RECOGNITIONS AND PRESENTATIONS** – None.

5. **REPORTS**

- (a) Planning Commission – Chairman Bassam Altwal.
- (b) Trails and Landscaping Committee – No meeting held.
- (c) City Manager/Staff
- (d) City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.
- (e) Other

6. **PUBLIC COMMENT ON NON - AGENDA ITEMS**

Members of the public may address the City Council on items within the Council's jurisdiction, (which are not on the agenda) at this time. To facilitate the recordation of comments, it is requested each speaker complete a speaker card available on the Lobby table and submit it in advance to the City Clerk. To assure an orderly meeting and an equal opportunity for everyone, each speaker is limited to 3 minutes, enforced at the Mayor's discretion. When one's name is called or you are recognized by the Mayor as wishing to speak, the speaker should approach the public podium and adhere to the time limit. In accordance with State Law, no action may take place on any item not appearing on the posted agenda. The Council may respond to statements made or questions asked, or may at its discretion request Staff to report back at a future meeting concerning the matter.

Public comment and input on Public Hearing, Action Items and other Agenda Items will be allowed when each item is considered by the City Council.

7. **PUBLIC HEARING**

- (a) Conduct a noticed Public Hearing to consider the adoption of a Resolution approving and imposing annual sewer service charges and rate increases on real properties within the city of Clayton commencing Fiscal Year 2019-20 through Fiscal Year 2022-23 for the operation, treatment, maintenance and repair of the municipal sewerage system. ([View Here](#))
(Justin Ezell, Director of Public Works, City of Concord)

Staff Recommendations: **1)** Receive the staff presentation; **2)** Open the Public Hearing and receive public comments; **3)** Close the Public Hearing; **4)** Following City Council discussion and subject to any modifications to the proposed Resolution, approve a motion to adopt the Resolution with the CEQA finding its enactment is exempt or not a project pursuant to Public Resources Code Section 21065, 14 Cal Code Reg. Sections 15060(c)(2), 15060(c)(3), 15378 and/or 15061(b)(3) .

8. **ACTION ITEMS**

- (a) Consider the Introduction/Presentation of the proposed City of Clayton Budget for Fiscal Year 2019-20 and the proposed Capital Improvement Program (CIP) 5-Year Budget, and set the date of Tuesday, June 4, 2019 for a Public Hearing to review and adopt the proposed City Budget. ([View Here](#))
(Finance Manager)

Staff recommendation: Following presentation and public comments, that Council provide any modifications to the recommended City Budget and then by separate motion set Tuesday, June 4, 2019 at 7:00 pm in Hoyer Hall, 6125 Clayton Road, as the date, time and location of a Public Hearing on the proposed FY 2019-20 City Budget.

- (b) Consider the Second Reading and Adoption of City-initiated Ordinance No. 487 to amend the Clayton Municipal Code, Title 12 – Streets and Sidewalks, to add Chapter 12.05, “Wireless Facilities in Public Right of Way.” ([View Here](#))
(Community Development Director)

Staff recommendations: **1)** Receive the staff presentation; **2)** Receive public comment; **3)** Following Council discussion and subject to any modifications to the Introduced Ordinance, approve a motion to have the City Clerk read Ordinance No. 487 by title and number only and waive further reading; and **4)** Following the City Clerk’s reading, approve a motion to adopt Ordinance No. 487 with the finding the enactment of this Ordinance is not subject to the California Environmental Quality Act (CEQA) because CEQA only applies to projects which have the potential for causing a significant effect on the environment and this activity is not considered to be a project and can be seen with certainty that it will not have a significant effect or physical change to the environment.

- (c) Consider the adoption of amendments to City Council Guidelines and Procedures to add a new policy prohibiting City Council Members or Planning Commissioners use of or receipt of digital or electronic communications to/from the public related to items on the respective agenda during a City Council or Planning Commission meeting. ([View Here](#))
(City Attorney)

Staff recommendation: Following staff report and opportunity for public comment, that Council by motion amend its Council Guidelines and Procedures to incorporate new policy prohibiting the use of or receipt of digital or electronic communications to/from the public related to items on the respective agenda during a City Council or Planning Commission meeting.

9. **COUNCIL ITEMS** – limited to Council requests and directives for future meetings.

10. **CLOSED SESSION** – None.

11. **ADJOURNMENT**

The next regularly scheduled meeting of the City Council will be June 4, 2019.

#

*** OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT ***
May 21, 2019

1. **CALL TO ORDER AND ROLL CALL** – Chairman Wolfe.

2. **PUBLIC COMMENTS**

Members of the public may address the District Board of Directors on items within the Board's jurisdiction, (which are not on the agenda) at this time. To facilitate the recordation of comments, it is requested each speaker complete a speaker card available on the Lobby table and submit it in advance to the Secretary. To assure an orderly meeting and an equal opportunity for everyone, each speaker is limited to 3 minutes, enforced at the Chair's discretion. When one's name is called or you are recognized by the Chair as wishing to speak, the speaker shall approach the public podium and adhere to the time limit. In accordance with State Law, no action may take place on any item not appearing on the posted agenda. The Board may respond to statements made or questions asked, or may at its discretion request Staff to report back at a future meeting concerning the matter.

Public comment and input on Public Hearing, Action Items and other Agenda Items will be allowed when each item is considered by the Board.

3. **CONSENT CALENDAR**

Consent Calendar items are typically routine in nature and are considered for approval by the Board with one single motion. Members of the Board, Audience, or Staff wishing an item removed from the Consent Calendar for purpose of public comment, question or input may request so through the Chair.

(a) Approve the Board of Directors' minutes for its regular meeting December 4, 2018. ([View Here](#))

4. **PUBLIC HEARINGS** - None.

5. **ACTION ITEMS**

(a) Presentation and consideration of a Resolution to approve the proposed Oakhurst Geological Hazard Abatement District (GHAD) Budget for Fiscal Year 2019-20 and set a Public Hearing to be held on July 16, 2019 to consider the levy of the corresponding real property tax assessments in FY 2019-20. ([View Here](#))
(District Manager)

Staff recommendation: **1)** Receive the District Manager's report; **2)** Receive public comments; and **3)** Adopt the Resolution approving the District's Budget for FY 2019-20, which action includes setting July 16, 2019 as the Public Hearing date on the proposed GHAD real property tax assessments for FY 2019-20.

6. **BOARD ITEMS** – limited to requests and directives for future meetings.

7. **ADJOURNMENT** – the next meeting of the GHAD Board of Directors will be scheduled as needed.

#

**MINUTES
OF THE
REGULAR MEETING
CLAYTON CITY COUNCIL**

Agenda Date: 5-21-2019

Agenda Item: 3a

TUESDAY, April 16, 2019

1. **CALL TO ORDER & ROLL CALL** – The meeting was called to order at 7:02 p.m. by Mayor Catalano in Hoyer Hall, Clayton Community Library, 6125 Clayton Road, Clayton, CA. Councilmembers present: Mayor Catalano, Vice Mayor Pierce and Councilmembers Diaz, Wan and Wolfe. Councilmembers absent: None. Staff present: City Manager Gary Napper, City Attorney Mala Subramanian, Interim Community Development Director David Woltering, Assistant to the City Manager Laura Hoffmeister, and City Clerk/HR Manager Janet Calderon.

2. **PLEDGE OF ALLEGIANCE** – led by Mayor Catalano.

3. **CONSENT CALENDAR**
It was moved by Vice Mayor Pierce, seconded by Councilmember Diaz, to approve the Consent Calendar as submitted. (Passed 5-0 vote).
 - (a) Approved the minutes of the City Council's regular meeting of April 2, 2019.
 - (b) Approved the Financial Demands and Obligations of the City.
 - (c) Adopted Resolution No. 11-2019 setting the City's Equivalent Runoff Unit (ERU) real property parcel assessment rates in FY 2019-20 at current rates to pay for local storm water/clean water programs and services required by the unfunded federal and state-mandated National Pollution Discharge Elimination Systems (NPDES) Program (storm water pollution prevention)
 - (d) Approved the First Amendment to the existing Cooperative Agreement between the City of Clayton and the City of Concord establishing full funding for the El Molino Drive Sanitary Sewer Improvements Project (City CIP No. 10422).
 - (e) Adopted Resolution No. 12-2019 approving the City of Clayton's list of local transportation improvement projects for Fiscal Year 2019-20 using Road Maintenance and Rehabilitation Account – Local Streets and Road Funds (RMRA-LSR; SB 1).
 - (f) Approved the multi-year (3) award of low-bid contract to Apex Grading in the amount of \$42,300 per year for performance of the City's 2019 Annual Weed Abatement Program for the fire hazards on City-owned properties and open space (funded by the Citywide Landscape Maintenance District, CFD 2007-1).
 - (g) Approved the new "Making a Difference" Recognition Program to Clayton adults for distinguished and inspiring community and vocational service to others.
 - (h) Adopted Resolution No. 13-2019 awarding a 3-year low-bid contract (with option for three 1-year extensions) to Environtech Enterprises, Inc., in the 3-year amount of \$199,101.00 for the management of the City-owned oak/grassland savannah open space parcels north and south of Peacock Creek in the Oakhurst Development areas for calendar years 2019-2021.

- (i) Approved the award if consultant services agreement to Kennedy Associates in the amount of \$42,317 for preparation of the City's Green Infrastructure (GI) Plan pursuant to an unfunded state regulatory mandate of the San Francisco Regional Water Quality Control Board.
- (j) Approved the annual request of Council Member Diaz for the City to allow the hosting of six (6) Wednesday Night Classic Car Shows with a DJ in the off-street City parking lot at 6099 Main Street plus ancillary use of portions of the City's vacant dirt lot adjacent to the public parking lot at 6005 Main Street during selected dates in 2019, with all event costs funded by private donations.

4. RECOGNITIONS AND PRESENTATIONS

- (a) Certificate of Recognition to the MDSA Storm Boys Soccer Team and Coaches for a remarkably successful 2018-19 Season and 2nd Place finish in the AYSO U-10 Division Western Championship Tournament.

Mayor Catalano presented the MDSA Storm Boys Soccer Team and Coaches a Certificate of Recognition for their remarkably successful 2018-19 Season and 2nd Place finish in the AYSO U-10 Division Western Championship Tournament.

5. REPORTS

- (a) Planning Commission – No meeting held.
- (b) Trails and Landscaping Committee – Chair Howard Kaplan indicated the Trails and Landscaping Committee's agenda at its meeting of April 15, 2019, included proposed budget recommending approval by the City Council. The proposed budget spends all of the incoming revenue with a small reserve contribution. In the future committee would like to see a budget that underspends the revenue; noting reserves are important for sustainability, reliability and resilience going forward.

Vice Mayor Pierce added the Trails and Landscaping Committee are working diligently to adhere to their budget; congratulating Maintenance Supervisor Jim Warburton by providing an itemized list of tasks and expenses.

- (c) City Manager/Staff

Mr. Napper noted the Trails and Landscaping Committee budget reserves are usually high until assessments are paid with the first installment in December. There should be enough funds available to replenish the reserve account from collected property taxes.

Mr. Napper continued his report to announce a recent resignation by Finance Manager Kevin Mizuno as he will be joining employment with a Special District at the end of the Fiscal Year. Mr. Napper included the city is in the process of securing an Interim Finance Manager.

- (d) City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.

Councilmember Wan met with Mt. Diablo Elementary and Diablo View School Principals about the traffic and pedestrian safety, and the ad-hoc committee regarding Regency Drive.

Vice Mayor Pierce attended the Association of Bay Area Governments (ABAG) Regional Planning Committee meeting, the Contra Costa Transportation Authority meeting, the Administration of Projects Committee meeting, the Contra Costa County Mayors' Conference, the Regional Housing Legislative Working Group meeting, the Transportation Partnership and Cooperation for Central Contra Costa (TRANSPAC), the Housing Legislative Working Group meeting, the joint Association of Bay Area Governments and Metropolitan Transportation Commission committee meetings of the administrative and planning committees, and the Trails and Landscaping Committee meeting.

Councilmember Wolfe attended the ad-hoc committee regarding Regency Drive, spoke to constituents, attended the Clayton Theater Company's "*Savannah Sipping Society*" performance, the Clayton Library Foundation Spring Book Sale, and received an email from a citizen asking Councilmember Wolfe to remind citizens to clean up after their animals on the trails whether a dog or a horse.

Councilmember Diaz attended the Contra Costa Water District meeting, and reported activity that occurred on Regency Drive during the previous two weekends including a vehicle parked in front of a fire hydrant. Councilmember Diaz also reported with the deployment of the decoy car there were no parking violations issued on Regency Drive, he also mentioned through visibility and the radar gun there were thirteen (13) speeding citations issued.

Mayor Catalano spoke with residents about various concerns. Mayor Catalano also announced some upcoming community events; Clayton Cleans Up on April 20, the Clayton Business and Community Association Annual Art & Wine Festival on April 27 and 28 noting volunteers are still needed, the "Making a Difference" program is looking for nominations for the character trait of Outstanding Teacher, Coach or Mentor; and the Clayton Valley Village Community gathering taking place on April 24.

(e) Other – None.

6. PUBLIC COMMENT ON NON - AGENDA ITEMS

Brian Buddell expressed his continued disappointment in the City not banning the use of Glyphosate. He also advised there was another recent lawsuit with a jury verdict of nearly \$80 million, the difference with this one, it wasn't somebody who was working with Round-Up in a commercial setting, and rather somebody was exposed to it by using it in their backyard.

Assistant to the City Manager Laura Hoffmeister added, it was clarified by Maintenance Supervisor Jim Warburton the orange that is seen is pre-emergent that was applied in the fall. She advised Round-Up is limited to the median island landscape sections.

7. PUBLIC HEARINGS – None.

8. ACTION ITEMS

- (a) Consider the Second Reading and Adoption of Ordinance No. 485 of a proposed City-initiated Ordinance No. 485 amending Clayton Municipal Code Section 15.08.040 (G) regulating temporary noncommercial signs on private real properties.

Interim Community Development Director David Woltering presented the staff report.

Mayor Catalano opened the item to public comments; no comments were received.

It was moved by Vice Mayor Pierce, seconded by Councilmember Diaz, to have the City Clerk read Ordinance No 485 by title and number only and waive further reading. (Passed; 5-0 vote).

The City Clerk read Ordinance No. 485 by title and number only.

It was moved by Vice Mayor Pierce, seconded by Councilmember Wolfe, to adopt Ordinance No. 485 with the finding its adoption will not result in a significant adverse environmental impact. (Passed; 4-1; Wan opposed).

- (b) Council Member request for the City Council to discuss the "CASA Compact" (Committee to House the Bay Area – February 2019) involving various objectives to address the region's housing affordability crisis, and request to take an official City position on the plan.

Councilmember Wan presented the staff report.

Following questions by the Council, Vice Mayor Julie Pierce invited Brad Paul, to provide the City Council with an update on the two boards.

Brad Paul, Deputy Director for local government services for ABAG and MTC, provided an update on the two boards.

Following clarifying questions by the Council, Mayor Catalano opened the item to public comment.

Brian Buddell expressed concerns about the urgency of this item, yet we are just now hearing about the CASA Compact. A detailed position by the City is necessary to convene our position on all levels. He encouraged the Council to follow Councilmember Wans suggestion in discussing this matter.

Terri Denslow she shares some sentiments on why we haven't been talking about this. She found the information provided in the staff report a little confusing and performed her own research finding some incorrect information in the presentation this evening.

Andrea Hecht wanted to encourage the city council regarding property rights. She encourages the City Council to act quickly and swiftly with a response that they think best for the City.

Allison Snow expressed concern why Vice Mayor Pierce is going to these meetings and not sharing information with the public asking if she is just representing her own interests or that of the city. Transparency is the theme, if you represented us in any

way, we want you to educate the public and state your opinion, which is what we have elected you to do.

Ann Stanaway, 1553 Haviland Place, would like to see the City Council to be more proactive and enforce ordinances as they stand right now, the State is going to make us a more dense community; population wise, at least they are going to try to. Increase density is to increase public safety concerns and do not allow those fire apparatus roads to be blocked by inconsiderate people.

Mayor Catalano closed public comment.

Following further discussion by Council, City Manager Napper noted Councilmember Wan will prepare a letter for review by the City Council at its next meeting.

- (c) City Council discussion and determination of its preferred process regarding the recruitment and employment and other considerations involved in the selection of its next city manager due to retirement.

City Manager Napper presented the staff report.

Following questions by the Council, it was determined an ad-hoc committee would need to be formed for the recruitment of the City Manager.

Councilmember Wolfe inquired on the availability of the Assistant to the City Manager to serve as an Interim City Manager.

Vice Mayor Pierce advised for short periods of time that is great, but for longer periods of time it is a concern as our Assistant to the City Manager has her hands full with other tasks.

Assistant to the City Manager Laura Hoffmeister added professionally with the current vacancies we have she felt seeking services from an outside person on the Interim would be best as there are many State mandates the City of Clayton needs to abide by with our recycling programs, solid waste and storm water program filings coming up.

Vice Mayor Pierce added Laura is the historic knowledge of the organization and preferred have a professional serve as Interim City Manager best for the City.

Ms. Hoffmeister added although she feels she can serve as the Interim, there is not another one of her to fill her position.

Mr. Napper added the City Council may not need an Interim until the end of July.

It was moved by Mayor Catalano, seconded by Vice Mayor Pierce that Mayor Catalano and Vice Mayor Pierce will serve on the ad-hoc committee to serve as the recruitment steering committee. (Passed 3-1-1 vote; Diaz, abstained; Wan, opposed).

9. **COUNCIL ITEMS**

Councilmember Diaz advised he has three items; 1.) He would like this City Council to examine and develop a proposal on how information is received during council meetings in or outside the Council chambers from unknown parties. We need to identify who is communicating with each one of us, he has a feeling somehow questions are being delivered to one or some of us and how that should work and publically disclose; 2.) He submitted his proposal for the 2019 Classic Car Show and DJ series proposed to begin June 12.

Vice Mayor Pierce advised Councilmember Diaz his request for the Classic Car Show and DJ was approved on the Consent Calendar this evening.

Councilmember Diaz continued his request 3.) after we have had a number of technical glitches with our sound system and no way of managing who speaks at the appropriate time, he thinks there is a system out there that will allow each member to turn off and on their microphone, also suggesting master control at the Mayors desk that the Mayor controls and can shut that microphone off.

Mayor Catalano echoed request number 1; she has some serious brown act violation concerns.

Councilmember Wolfe would the policy be just for the City Council or extend to the Planning Commission as well.

City Attorney Mala Subramanian understands a Brown Act violation would be between the Council members not with members of the public

Mayor Catalano also expressed her concerns of communications with the public during our meetings.

Councilmember Diaz advised the concern is with someone in the audience or live-streaming at home.

10. **CLOSED SESSION** – None.

11. **ADJOURNMENT**– on call by Mayor Catalano, the City Council adjourned its meeting at 9:56 p.m.

The next regularly scheduled meeting of the City Council will be May 7, 2019.

#

Respectfully submitted,

Janet Calderon, City Clerk

APPROVED BY THE CLAYTON CITY COUNCIL

Tuija Catalano, Mayor

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**MINUTES
OF THE
REGULAR MEETING
CLAYTON CITY COUNCIL**

TUESDAY, May 7, 2019

1. **CALL TO ORDER & ROLL CALL** – The meeting was called to order at 7:00 p.m. by Mayor Catalano in Hoyer Hall, Clayton Community Library, 6125 Clayton Road, Clayton, CA. Councilmembers present: Mayor Catalano, Vice Mayor Pierce and Councilmembers Diaz, Wan and Wolfe. Councilmembers absent: None. Staff present: City Manager Gary Napper, City Attorney Mala Subramanian, Associate Andrew McCardle, Interim Community Development Director David Woltering, City Engineer Scott Alman, and City Clerk/HR Manager Janet Calderon.

2. **PLEDGE OF ALLEGIANCE** – led by Mayor Catalano.

3. **CONSENT CALENDAR**

Mayor Catalano noted she had received a Speaker's card regarding Item 3(a) and invited the individual forward at this time.

Ann Stanaway, 1553 Haviland Place, expressed her concern over "summary" minutes rather publishing abridged minutes relying on unstable "streaming" equipment to keep a legally defensible record of deliberations. Indicating there is equipment available providing real-time verbatim minutes, which is free and easy to use.

Mayor Catalano requested Item 3(a) be pulled from the Consent Calendar for separate discussion.

It was moved by Vice Mayor Pierce, seconded by Councilmember Diaz, to approve the Consent Calendar Items 3(b) – 3(d) as submitted. (Passed; 5-0 vote).

- (a) Approved the minutes of the City Council's regular meeting of April 16, 2019.
- (b) Approved the Financial Demands and Obligations of the City.
- (c) Adopted Resolution No. 14-2019 calling for the preparation of an Engineer's Report for the calculation of the annual real property assessments in FY 2019-20 for levy in the Diablo Estates at Clayton Benefit Assessment District (BAD).
- (d) Accepted the City's Investment Portfolio Report for the Third Quarter of FY 2018-19 ending March 31, 2019.

Consent Calendar Pulled

- 3(a) Approve the minutes of the regular meeting of April 16, 2019.

Vice Mayor Pierce requested this item come back as action summary minutes.

It was moved by Mayor Catalano, seconded by Vice Mayor Pierce, to continue Consent Calendar Item 3(a) to May 21, 2019. (Passed; 5-0 vote).

4. RECOGNITIONS AND PRESENTATIONS

- (a) Certificates of Recognition to public school students for exemplifying the “Do The Right Thing: character trait of “Integrity” during the months of March and April 2019.

Mayor Catalano and Mt. Diablo Elementary School Principal Linn Kissinger presented certificates to Joseph Descalzo and Skye Orr.

Mayor Catalano and Diablo View Middle School Principal Patti Bannister presented certificates to McKenzie MacPherson and Madison MacPherson.

Mayor Catalano and Clayton Valley Charter High School Director of Administrative Services Bill Morones presented a certificate to Cole Murphy.

Student Stefan Jones was not able to make the presentation this evening; Mr. Morones took the certificate to be given to Mr. Jones.

- (b) Kickoff of Clayton’s Certified Farmers’ Market for 2019
“Opening Day” is Saturday, May 11th
(9:00 am – 1:00 pm, each Saturday in the Main Street public and KinderCare’s parking lots)
(Shawn Lipetzky, Regional Manager, Pacific Coast Farmers’ Markey Association)

Shawn Lipetzky, Regional Manager, introduced John the Operations Manager to provide more information of the upcoming Clayton Certified Farmers’ Market.

5. REPORTS

- (a) Planning Commission – No meeting held.
- (b) Trails and Landscaping Committee – No meeting held.
- (c) City Manager/Staff

Mr. Napper noted he received a calculation of population estimates by the Department of Finance for Contra Costa County; noting Clayton gained 22 residents. He advised this information will be posted to the City’s website.

- (d) City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.

Councilmember Wan attended the Budget Sub-Committee meetings, the Clayton Cleans Up event, met with the Principals of Mt. Diablo Elementary School and Diablo View Middle School, and prepared a draft letter regarding the CASA Compact.

Vice Mayor Pierce attended the Contra Costa Local Agency Formation Commission (LAFCO) meeting, the Contra Costa Transportation Authority meeting, the Regional Housing Legislative Working Group meeting, in downtown Clayton there was a celebration of St. George’s Day with our twinned City; in Buxworth, England, she

listened to the SB50 and SB4 hearing on Legislative Action Day, the Clayton Business and Community Association Art and Wine Festival, the Association of Bay Area Governments subcommittee Regional Planning Committee meeting, the Contra Costa County Transportation Authority Administrative and Projects Committee meeting, the Contra Costa County Mayors' Conference, and the Clayton Historical Society Annual Gardens Tour.

Councilmember Wolfe attended the Clayton Library Foundation meeting, Clayton Cleans Up event, the East Bay Habitat Conservancy meeting, met with City staff, responded to constituents by email and in person, and attended the Contra Costa County Mayors' Conference.

Councilmember Diaz attended the 30th Annual Valley Leadership Prayer Breakfast, the Clayton Cleans Up event, the Budget Sub-Committee meeting, the Clayton Business and Community Association General Membership meeting, the Clayton Business and Community Association Art and Wine Festival, then assisted in the re-write of the Professional License Examination for Security Professionals in the State of California, visited Regency Drive noting the congestion was light and the Police Department issued citations for vehicles parked in the Red Zone, and announced the upcoming first 2019 Concerts in the Grove.

Mayor Catalano attended the Clayton Business and Community Association Scholarship Committee candidate interviews, the Mt. Diablo Elementary School Field of Dreams opening ceremony recognizing contributions by Debra Gonzalez, Pat Middendorf and Michelle Hill, the Clayton Business and Community Association Annual Art & Wine Festival, the Contra Costa County Mayors' Conference, held Mayors' Office hours at Cup O' Joe's, and attended the Clayton Historical Society Annual Garden Tour.

- (e) Other – None.

6. PUBLIC COMMENT ON NON - AGENDA ITEMS

Ann Stanaway, 1553 Haviland Place, expressed her continued concerns of enforcement of unobstructed roadways making reference Section 13.208 of the California Fire Code, California Vehicle Code 22500, and City Municipal Code Sections 10.36.040 and 10.36.041.

Mr. Napper provided photos of the obstructed parking issues on Haviland Court, noting all the streets are too narrow to allow on-street parking. He also noted when the Westwood Subdivision driveways were built; at the time vehicles were smaller, than they are presently. Mr. Napper confirmed with the Fire Chief that emergency vehicles do not require space to turnaround, rather they back out.

7. PUBLIC HEARINGS

- (a) Public hearing to consider the adoption of City-initiated Urgency Ordinance No. 486, the Introduction/First Reading of City-initiated Ordinance No. 487, and adoption of a Resolution establishing local design regulations and standards for the installation of small cell wireless antenna (5G) in the public rights-of-way of Clayton.

Interim Community Development Director David Woltering presented the report. Mr. Woltering advised Best Best & Krieger Associate, Andrew McCardle was in attendance to answer any questions the City Council may have.

Following questions by the Council, Mayor Catalano opened the item to public comments.

Chris Vegas Verizon Wireless Community Development Representative noted there are some differences on this item and requested the City Council to defer action on this item to provide an opportunity for staff to meet with their legal counsel to discuss this item. He further noted as the ordinances are written Verizon would be unable to deploy 5G technology in Clayton.

Frank Gavidia expressed concern on the number of antennas needed and inquired if the provider would be paying rent to the City for the use of the public poles for installation of their equipment.

Mayor Catalano closed public comment.

It was moved by Mayor Catalano, seconded by Vice Mayor Pierce, to have the City Clerk read Ordinance No 486 by title and number only and waive further reading. (Passed; 5-0 vote).

The City Clerk read Ordinance No. 486 by title and number only.

It was moved by Vice Mayor Pierce, seconded by Mayor Catalano, to adopt Ordinance No. 486 with amendments finding its adoption will not result in a significant adverse environmental impact. (Passed; 5-0).

It was moved by Vice Mayor Pierce, seconded by Councilmember Wan, to adopt Resolution No. 15-2019 Establishing Design and Development Standards for Wireless Facilities in the Public Right-of-Way, as Authorized by Section 12.05.050 of the City Municipal Code. (Passed; 5-0).

It was moved by Mayor Catalano, seconded by Vice Mayor Pierce, to have the City Clerk read Ordinance No 487 by title and number only and waive further reading. (Passed; 5-0 vote).

The City Clerk read Ordinance No. 487 by title and number only.

It was moved by Vice Mayor Pierce, seconded by Councilmember Wan, to adopt Ordinance No. 487 with amendments finding its adoption will not result in a significant adverse environmental impact. (Passed; 5-0).

8. ACTION ITEMS

- (a) Council Member Wan request to discuss traffic and pedestrian safety around Mt. Diablo Elementary School and Diablo View Middle School in Clayton.

Councilmember Wan presented the report and invited Principal Linn Kissinger to provide feedback.

Principal Linn Kissinger advised she and Principal Patti Bannister spoke and thought increasing safety information around the school and at the Elementary

School adding the Street Smarts program to their assembly programs throughout the school year could help in reminding the students about safety.

Following questions by the Council, Mayor Catalano opened the item to public comment.

Laney Klein King advised safety around the school has been a long standing concern of hers prior to her son being struck by a vehicle on March 22. She noted for many years when she walked her son to school they always crossed with the Crossing Guard Linn, noting her son knew the correct way to cross the street, however that morning he crossed at a short cut as he thought he was late for school. Ms. King is very thankful for the community and the assistance provided to her son that morning. A few years ago her neighbor witnessed a child hit on a motor scooter and previously two sisters were hit in the same area. Although there is a "No Pedestrian Crossing" sign at the Four Oaks and Mitchell Canyon intersection, children continue to cross there with their bikes and scooters. She wonders if there needs to be additional deterrence at that intersection or a formal crossing in that location. Ms. King had contacted the Mt Diablo Unified School District Board and was referred to a Board member who is very passionate about safe routes to school whom referred her to a parent from Ygnacio Elementary who has been looking to reinstate a crossing guard program in Concord. That parent shared with her a ninety-five page report prepared by the Concord Police Department that she shared with Councilmember Wan. She suggested a safe route to school map drafted specifically for Clayton, and sidewalk installation along Pine Hollow may limit pedestrians cutting through Verna Way.

Chuck Delou he had a few ideas at the intersection of Four Oaks and Mitchell Canyon currently there is one "No Pedestrian Crossing" sign on the left, there is not a sign to the right. It appears that the sign was knocked down and wondered if that sign would be replaced. Mr. Delou advised if the missing sign is re-installed there is little room for pedestrians as there is another pole with a "Stop" sign. He also noted there are a number of places that need to be pruned to increase visibility including Pine Hollow, Verna Way, Four Oaks, Mt. Zion and Mitchell Canyon. He felt it would be helpful at Pine Hollow, Mitchell Canyon and Mt. Zion to have an all way stop. At Four Oaks it may be too difficult to replace the missing sign and suggested a small construction project by creating a curb with a sidewalk connection. There is a sign on Mitchell Canyon that says "Narrow Road Yield to Oncoming Traffic" as you approach Pine Hollow, he is unsure why it is there. At Four Oaks if there are ques at certain times of the day where people are trying to circle through that intersection it might be helpful to paint a "Keep Clear" message in the intersection.

Amy Scott has witnessed the traffic, safety education does not help the children if they are using there scooters and bikes, there are no sidewalks available on Mitchell Canyon and Pine Hollow. She also noted the signage is poor, she suggested speed bumps may help and more signage.

Wendy Laughlin, 227 Stranahan Circle, advised parents are frustrated with the traffic; she thinks a light up crosswalk may help. She has seen Vice Principal Bruno try to assist with the school traffic, however it is not enough.

Janice Hester expressed her concern with Quarry Trucks suggesting they have an alternative route. She also remembered some years ago Clayton Valley Charter High School junior or senior students had extra credit to do a safety patrol that helps the crossing guard with whistles and signs.

Jamie Meyer a substitute teacher at Diablo View added there is concern of all the walkers at the Middle School, suggesting a diagonal crosswalk that stops all traffic and a "slow down" sign with a light.

Chris Chreston added enforcement is needed, suggesting a "No Right Turn" on Mitchell Canyon to Pine Hollow in the morning, and "No Left Turn" on Pine Hollow to Mitchell Canyon in the afternoon may help with the traffic.

Mayor Catalano closed public comment.

City Engineer Scott Alman added there are items that need to be addressed at the Pine Hollow and Mitchell Canyon Road intersection and the intersection at Diablo View Middle School. He noted these items are included in the Capital Improvement Project Budget for 2019-2020 for enhancements. He also noted additional funding sources may be needed to help pay for improvements.

City Council provided direction to staff.

- (b) Continued City Council consideration on the formation of a City position letter regarding the "CASA Compact" (Committee to House the Bay Area – February 2019) involving various objectives and resultant state legislation introduced to address the region's housing affordability crisis.

Councilmember Wan presented the report.

Following questions by the Council, Mayor Catalano opened the item to public comment.

It was moved by Vice Mayor Pierce, seconded by Councilmember Wan to approve the City position letter regarding CASA Compact as amended. (Passed 5-0 vote).

- (c) Council Member Diaz request to consider the establishment City Council Policy on elected officials receiving text or email communications from members of the public on agenda items during City Council meetings.

Councilmember Diaz presented the report.

Following questions by the Council, Mayor Catalano opened the item to public comment; no comments were provided.

City Council provided direction to staff.

9. COUNCIL ITEMS – None.

10. CLOSED SESSION

Mayor Catalano announced the City Council will adjourn into Closed Session for the following noticed items (10:39 p.m.):

- (a) Conference with Labor Negotiator
Government Code Section 54957.6

Instructions to City-designated labor negotiator: City Manager

1. Employee Organization: Miscellaneous City Employees (Undesignated Group)

Report out of Closed Session (11:26 p.m.)

Mayor Haydon reported the City Council received information from and provided policy directions to its labor negotiator. There is no public action to report.

11. RETURN TO OPEN SESSION

12. **ADJOURNMENT**– on call by Mayor Catalano, the City Council adjourned its meeting at 11:27 p.m.

The next regularly scheduled meeting of the City Council will be May 21, 2019.

#

Respectfully submitted,

Janet Calderon, City Clerk

APPROVED BY THE CLAYTON CITY COUNCIL

Tuija Catalano, Mayor

#



Agenda Date: 05/21/19

Agenda Item: 3b

Approved


Gary A. Napper
City Manager

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: KEVIN MIZUNO, FINANCE MANAGER, CPA

DATE: 05/21/19

SUBJECT: FINANCIAL DEMANDS AND OBLIGATIONS OF THE CITY

RECOMMENDATION:

It is recommended the City Council, by minute motion, approve the financial demands and obligations of the City for the purchase of services and goods in the ordinary course of operations.

| <u>Report Title</u> | <u>Description</u> | <u>Amount</u> |
|---------------------|---------------------------------------|----------------------|
| Open Invoice Report | Obligations paid via check | 138,848.60 |
| ACH/EFT Activity | Non-check payments for 5/3/19-5/16/19 | 152,411.54 |
| | Total Required | \$ 291,260.14 |

Attachments:

1. Open Invoice Report, dated 5/17/19 (3 pages)
2. ACH/EFT Activity Report (1 page)

City of Clayton Open Invoice Report Check Payments

| Vendor Name | Due Date | Invoice Date | Invoice Number | Invoice Description | Invoice Balance | Potential Discount | Discount Expires On | Net Amount Due |
|---|-----------|--------------|----------------|---|--------------------|--------------------|---------------------|--------------------|
| Ace Sierra Tow | | | | | | | | |
| Ace Sierra Tow | 5/21/2019 | 5/21/2019 | 58432 | Tow decoy car to Corp Yard | \$55.00 | \$0.00 | | \$55.00 |
| | | | | <i>Totals for Ace Sierra Tow:</i> | <u>\$55.00</u> | <u>\$0.00</u> | | <u>\$55.00</u> |
| Big O Tires | | | | | | | | |
| Big O Tires | 5/21/2019 | 5/21/2019 | 005011-153102 | Suspension work to Ford Ranger PW | \$1,799.01 | \$0.00 | | \$1,799.01 |
| | | | | <i>Totals for Big O Tires:</i> | <u>\$1,799.01</u> | <u>\$0.00</u> | | <u>\$1,799.01</u> |
| CA Department of Justice | | | | | | | | |
| CA Department of Justice | 5/21/2019 | 5/21/2019 | 374088 | PD empl screening for database access | \$32.00 | \$0.00 | | \$32.00 |
| | | | | <i>Totals for CA Department of Justice:</i> | <u>\$32.00</u> | <u>\$0.00</u> | | <u>\$32.00</u> |
| Caltronics Business Systems, Inc | | | | | | | | |
| Caltronics Business Systems, Inc | 5/21/2019 | 5/21/2019 | 2761351 | Copier contract coverage 3/30-19-4/29/19 | \$512.06 | \$0.00 | | \$512.06 |
| | | | | <i>Totals for Caltronics Business Systems, Inc:</i> | <u>\$512.06</u> | <u>\$0.00</u> | | <u>\$512.06</u> |
| CCWD | | | | | | | | |
| CCWD | 5/21/2019 | 5/21/2019 | K Series | Water/Irrigation 3/8/19-5/8/19 | \$24,002.80 | \$0.00 | | \$24,002.80 |
| | | | | <i>Totals for CCWD:</i> | <u>\$24,002.80</u> | <u>\$0.00</u> | | <u>\$24,002.80</u> |
| Cintas Corporation | | | | | | | | |
| Cintas Corporation | 5/21/2019 | 5/21/2019 | 4021556800 | PW uniforms through 5/9/19 | \$48.88 | \$0.00 | | \$48.88 |
| Cintas Corporation | 5/21/2019 | 5/21/2019 | 4021131703 | PW uniforms through 5/2/19 | \$120.71 | \$0.00 | | \$120.71 |
| | | | | <i>Totals for Cintas Corporation:</i> | <u>\$169.59</u> | <u>\$0.00</u> | | <u>\$169.59</u> |
| City of Concord | | | | | | | | |
| City of Concord | 5/21/2019 | 5/21/2019 | 77286 | Dispatch services for April 2019 | \$22,148.67 | \$0.00 | | \$22,148.67 |
| City of Concord | 5/21/2019 | 5/21/2019 | 77288 | Dispatch svc retro increase for FY18 | \$12,053.70 | \$0.00 | | \$12,053.70 |
| | | | | <i>Totals for City of Concord:</i> | <u>\$34,202.37</u> | <u>\$0.00</u> | | <u>\$34,202.37</u> |
| City of Lafayette | | | | | | | | |
| City of Lafayette | 5/21/2019 | 5/21/2019 | MC2019 | CCC Mayors' Conference - CW Wolfe | \$55.00 | \$0.00 | | \$55.00 |
| | | | | <i>Totals for City of Lafayette:</i> | <u>\$55.00</u> | <u>\$0.00</u> | | <u>\$55.00</u> |
| Comcast Business (PD) | | | | | | | | |
| Comcast Business (PD) | 5/21/2019 | 5/21/2019 | 80482949 | PD Internet for April 2019 | \$892.92 | \$0.00 | | \$892.92 |
| | | | | <i>Totals for Comcast Business (PD):</i> | <u>\$892.92</u> | <u>\$0.00</u> | | <u>\$892.92</u> |
| Concord Uniforms | | | | | | | | |
| Concord Uniforms | 5/21/2019 | 5/21/2019 | 14798 | PD uniform shirts | \$189.01 | \$0.00 | | \$189.01 |
| | | | | <i>Totals for Concord Uniforms:</i> | <u>\$189.01</u> | <u>\$0.00</u> | | <u>\$189.01</u> |
| Contra Costa Tractor Mobile Svc | | | | | | | | |
| Contra Costa Tractor Mobile Svc | 5/21/2019 | 5/21/2019 | 017976 | Service to Ford 260C Tractor | \$859.45 | \$0.00 | | \$859.45 |
| Contra Costa Tractor Mobile Svc | 5/21/2019 | 5/21/2019 | 018021 | Service to Ford 260C Tractor | \$275.00 | \$0.00 | | \$275.00 |

City of Clayton Open Invoice Report Check Payments

| Vendor Name | Due Date | Invoice Date | Invoice Number | Invoice Description | Invoice Balance | Potential Discount | Discount Expires On | Net Amount Due |
|--|-----------|--------------|-------------------|--|-----------------|--------------------|---------------------|----------------|
| <i>Totals for Contra Costa Tractor Mobile Svc:</i> | | | | | \$1,134.45 | \$0.00 | | \$1,134.45 |
| Contra Costa Transportation Authority | | | | | | | | |
| Contra Costa Transportation Authority | 5/21/2019 | 5/21/2019 | CMA 2019-00000003 | FY 2018 CMA | \$856.00 | \$0.00 | | \$856.00 |
| <i>Totals for Contra Costa Transportation Authority:</i> | | | | | \$856.00 | \$0.00 | | \$856.00 |
| Crossroads Software, Inc | | | | | | | | |
| Crossroads Software, Inc | 5/21/2019 | 5/21/2019 | 6841 | Collision Report Writer software for PD | \$9,500.00 | \$0.00 | | \$9,500.00 |
| <i>Totals for Crossroads Software, Inc:</i> | | | | | \$9,500.00 | \$0.00 | | \$9,500.00 |
| Zenayda Carolina Amaya de Artiga | | | | | | | | |
| Zenayda Carolina Amaya de Artiga | 5/21/2019 | 5/21/2019 | 061519 | Courtyard security deposit refund 6/15/19 | \$73.00 | \$0.00 | | \$73.00 |
| <i>Totals for Zenayda Carolina Amaya de Artiga:</i> | | | | | \$73.00 | \$0.00 | | \$73.00 |
| Dillon Electric Inc | | | | | | | | |
| Dillon Electric Inc | 5/21/2019 | 5/21/2019 | 3913 | Street light maintenance 5/13/19 | \$498.35 | \$0.00 | | \$498.35 |
| <i>Totals for Dillon Electric Inc:</i> | | | | | \$498.35 | \$0.00 | | \$498.35 |
| Geoconsultants, Inc. | | | | | | | | |
| Geoconsultants, Inc. | 5/21/2019 | 5/21/2019 | 19009 | Well monitoring for April 2019 | \$1,546.50 | \$0.00 | | \$1,546.50 |
| <i>Totals for Geoconsultants, Inc.:</i> | | | | | \$1,546.50 | \$0.00 | | \$1,546.50 |
| Graybar Electric Co, Inc | | | | | | | | |
| Graybar Electric Co, Inc | 5/21/2019 | 5/21/2019 | 9309860730 | Light pole | \$1,860.71 | \$0.00 | | \$1,860.71 |
| <i>Totals for Graybar Electric Co, Inc:</i> | | | | | \$1,860.71 | \$0.00 | | \$1,860.71 |
| Harris & Associates, Inc. | | | | | | | | |
| Harris & Associates, Inc. | 5/21/2019 | 5/21/2019 | 39426 | Verna Wy engineering svcs for October 2018 | \$460.00 | \$0.00 | | \$460.00 |
| Harris & Associates, Inc. | 5/21/2019 | 5/21/2019 | 37558 | Verna Wy engineering svcs for April 2018 | \$1,035.00 | \$0.00 | | \$1,035.00 |
| <i>Totals for Harris & Associates, Inc.:</i> | | | | | \$1,495.00 | \$0.00 | | \$1,495.00 |
| LarryLogic Productions | | | | | | | | |
| LarryLogic Productions | 5/21/2019 | 5/21/2019 | 1807 | City council meeting production 5/7/19 | \$575.00 | \$0.00 | | \$575.00 |
| <i>Totals for LarryLogic Productions:</i> | | | | | \$575.00 | \$0.00 | | \$575.00 |
| LEHR | | | | | | | | |
| LEHR | 5/21/2019 | 5/21/2019 | SI28361 | Install flashing lights to F250, PW | \$1,063.07 | \$0.00 | | \$1,063.07 |
| <i>Totals for LEHR:</i> | | | | | \$1,063.07 | \$0.00 | | \$1,063.07 |
| James or Jane Leonard | | | | | | | | |
| James or Jane Leonard | 5/21/2019 | 5/21/2019 | 041619 | EH deposit refund 4/16/19 | \$500.00 | \$0.00 | | \$500.00 |
| <i>Totals for James or Jane Leonard:</i> | | | | | \$500.00 | \$0.00 | | \$500.00 |
| MSR Mechanical, LLC | | | | | | | | |
| MSR Mechanical, LLC | 5/21/2019 | 5/21/2019 | 111314 | EH HVAC maintenance for April 2019 | \$259.50 | \$0.00 | | \$259.50 |

City of Clayton Open Invoice Report Check Payments

| Vendor Name | Due Date | Invoice Date | Invoice Number | Invoice Description | Invoice Balance | Potential Discount | Discount Expires On | Net Amount Due |
|--|-----------|--------------|----------------|---|---------------------|--------------------|---------------------|---------------------|
| <i>Totals for MSR Mechanical, LLC:</i> | | | | | \$259.50 | \$0.00 | | \$259.50 |
| Resource Environmental, Inc | | | | | | | | |
| Resource Environmental, Inc | 5/21/2019 | 5/21/2019 | 19031-1Rev2 | Oak St Bldg Demo minus 5% retainer | \$46,421.75 | \$0.00 | | \$46,421.75 |
| <i>Totals for Resource Environmental, Inc:</i> | | | | | \$46,421.75 | \$0.00 | | \$46,421.75 |
| Riso Products of Sacramento | | | | | | | | |
| Riso Products of Sacramento | 5/21/2019 | 5/21/2019 | 195945 | Copier contract pmt 26 of 60 | \$106.09 | \$0.00 | | \$106.09 |
| <i>Totals for Riso Products of Sacramento:</i> | | | | | \$106.09 | \$0.00 | | \$106.09 |
| Staples Business Credit | | | | | | | | |
| Staples Business Credit | 5/21/2019 | 5/21/2019 | 1623810485 | Office supplies for April 2019 | \$320.91 | \$0.00 | | \$320.91 |
| <i>Totals for Staples Business Credit:</i> | | | | | \$320.91 | \$0.00 | | \$320.91 |
| Verizon Wireless | | | | | | | | |
| Verizon Wireless | 5/21/2019 | 5/21/2019 | 9829226491 | Cell service 4/2/19-5/1/19 | \$163.38 | \$0.00 | | \$163.38 |
| <i>Totals for Verizon Wireless:</i> | | | | | \$163.38 | \$0.00 | | \$163.38 |
| Western Exterminator | | | | | | | | |
| Western Exterminator | 5/21/2019 | 5/21/2019 | 6962770 | Pest control for April 2019 | \$409.50 | \$0.00 | | \$409.50 |
| <i>Totals for Western Exterminator:</i> | | | | | \$409.50 | \$0.00 | | \$409.50 |
| Workers.com | | | | | | | | |
| Workers.com | 5/21/2019 | 5/21/2019 | 124685 | Seasonal workers week end 4/28/19 | \$4,607.59 | \$0.00 | | \$4,607.59 |
| Workers.com | 5/21/2019 | 5/21/2019 | 124735 | Seasonal workers week end 5/5/19 | \$5,342.31 | \$0.00 | | \$5,342.31 |
| <i>Totals for Workers.com:</i> | | | | | \$9,949.90 | \$0.00 | | \$9,949.90 |
| Zee Medical Company | | | | | | | | |
| Zee Medical Company | 5/21/2019 | 5/21/2019 | 724604725 | Organize, restock first-aid cabinet, PW | \$205.73 | \$0.00 | | \$205.73 |
| <i>Totals for Zee Medical Company:</i> | | | | | \$205.73 | \$0.00 | | \$205.73 |
| GRAND TOTALS: | | | | | \$138,848.60 | \$0.00 | | \$138,848.60 |

City of Clayton

ACH / EFT Activity (Non-City Check Payments)

Recurring ACH/EFT payments covering the following timeframe: 5/3/2019 - 5/16/2019

For the City Council meeting dated: **5/21/2019**

The following is a detailed listing of automatic recurring and other ACH/EFT payments other than checks for the period immediately preceding the City Council meeting dated above.

| Payee | Description | Service Period | Payment Date | Amount |
|---|----------------------------------|-----------------|--------------|----------------------------|
| American Fidelity | FSA/dependent care contributions | PPE 5/7/19 | 5/9/2019 | \$ 249.60 |
| CalPERS | Pension plan contributions | PPE 5/7/19 | 5/8/2019 | \$ 14,639.77 |
| ICMA | 457b plan contributions | PPE 5/7/19 | 5/9/2019 | \$ 1,611.53 |
| Nationwide | 457b plan contributions | PPE 5/7/19 | 5/8/2019 | \$ 500.00 |
| Paychex | Payroll | PPE 5/7/19 | 5/7/2019 | \$ 65,243.40 |
| Paychex | Payroll taxes | PPE 5/7/19 | 5/8/2019 | \$ 14,893.00 |
| Paychex | Payroll processing fee | PPE 5/7/19 | 5/8/2019 | \$ 208.79 |
| CalPERS | Employee health premiums | May 2019 | 5/10/2019 | \$ 27,916.69 |
| Comcast | Internet service | 5/10/19-6/9/19 | 5/6/2019 | \$ 386.08 |
| De Lage Landen | Copier lease | 4/15/19-5/14/19 | 5/16/2019 | \$ 304.59 |
| Neopost | Postage meter | N/A | 5/6/2019 | \$ 300.00 |
| PG&E | Gas and electricity | 3/18/19-4/16/19 | 5/13/2019 | \$ 21,737.57 |
| PG&E | Gas and electricity | 3/23/19-4/23/19 | 5/13/2019 | \$ 4,420.52 |
| Total ACH / EFT Activity (other than checks) | | | | <u>\$152,411.54</u> |



Agenda Date: 5-21-2019

Agenda Item: 3c

Approved:


Gary A. Napper
City Manager

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: SCOTT ALMAN, CITY ENGINEER

DATE: May 21, 2019

SUBJECT: A RESOLUTION APPROVING THE CITY OF CLAYTON'S LIST OF LOCAL TRANSPORTATION IMPROVEMENT PROJECTS FOR FISCAL YEAR 2019-20 USING ROAD MAINTENANCE AND REHABILITATION ACCOUNT – LOCAL STREETS AND ROAD FUNDS (RMRA-LSR; SB 1), AND RESCISSION OF PRIOR ROAD MAINTENANCE AND REHABILITATION ACCOUNT RESOLUTION NO. 12-2019.

RECOMMENDATIONS

It is recommended the City Council adopt a Resolution approving the City of Clayton's list of local transportation improvement projects for Fiscal Year 2019-20 using Road Maintenance and Rehabilitation Account – Local Streets and Road Funds (RMRA-LSR; SB 1), and rescinding the prior Road Maintenance and Rehabilitation Account Resolution No. 12-2019.

BACKGROUND

On April 16, 2019, City Council took action and adopted Resolution 12-2019, which approved the City of Clayton's list of local transportation improvement projects for Fiscal Year 2019-20 using Road Maintenance and Rehabilitation Account – Local Streets and Road Funds (RMRA-LSR; SB 1). The adopted Resolution stated that Clayton's 2019-20 RMRA-LSR; SB1 funding was designated to the future Pine Hollow Road Improvement Project.

The City Engineer submitted the adopted Resolution to the California Transportation Commission (CTC) via the CalSMART tracking system as required. On May 7, 2019 the City Engineer received email notification from CTC that Clayton's Resolution 12-2019 was being returned to Clayton by CTC as program staff had deemed the Resolution used for the submittal was noncompliant with the State statute as the Resolution did not specifically include a statutorily compliant project list.

The adopted list was missing the following detail:

- Project Description,
- Project Location
- Useful Life, and
- Completion Schedule

Oddly, the rejected Resolution 12-2019 was verbatim the same wording as the Resolution submitted in 2018 for the same Pine Hollow Road project and the 2018 Resolution was accepted without prejudice by CTC.

DISCUSSION

In order for Clayton to be fully compliant for FY 2019-20 and receive our allocation of RMRA funds, Resolution 12-2019 must be rescinded and a new Resolution containing the missing verbiage must replace it and be uploaded back into the CalSMART tracking system by June 1, 2019.

The proposed Resolution for adoption at this meeting rescinds Resolution 12-2019 and includes the missing project information as required by CTC. Upon approval of the new Resolution, it will be immediately uploaded to the CTC CalSMART system to meet the June 1, 2019 deadline.

FISCAL IMPACT

There is no fiscal impact from adopting the attached Resolution. The only impact would come from not adopting the proposed Resolution and therefore not meeting the requirements of SB1 and losing the City's allocation of RMRA funds for the year.

Clayton's projected RMRA funding for 2019-20 is \$189,202.00.

Attachments: 1. Resolution [3 pp.]

RESOLUTION NUMBER XX- 2019

A RESOLUTION APPROVING THE CITY OF CLAYTON'S LIST OF LOCAL TRANSPORTATION IMPROVEMENT PROJECTS FOR FISCAL YEAR 2019-20 USING ROAD MAINTENANCE AND REHABILITATION ACCOUNT – LOCAL STREETS AND ROAD FUNDS (RMRA-LSR; SB 1), AND RESCISSION OF PRIOR ROAD MAINTENANCE AND REHABILITATION ACCOUNT RESOLUTION NO. 12-2019

**THE CITY COUNCIL
CITY OF CLAYTON, CALIFORNIA**

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the State Legislature and signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of Clayton are aware of the projects proposed for funding in its community and which projects have been completed each fiscal year; and

WHEREAS, Clayton staff has determined the Pine Hollow Road Improvement and Rehabilitation project is the project that should receive street treatment utilizing 2019-20 funds from the Road Maintenance and Rehabilitation Account (RMRA) created by SB 1; and

WHEREAS, the Pine Hollow Road Improvement and Rehabilitation project consists of sustainable street, bicycle and pedestrian improvements including surface treatments, sidewalk gap closure, bicycle lanes, green infrastructure and street striping that is intended to have a useful service life of a minimum of fifty years; and

WHEREAS, the project limits of the Pine Hollow Road Improvement and Rehabilitation project are established as the Clayton City Limit line on the east and the intersection with Mitchell Canyon Road on the west; and

WHEREAS, the Pine Hollow Road Improvement and Rehabilitation project is scheduled to be completed in 2021; and

WHEREAS, it has been calculated the City of Clayton is projected to receive of \$189,202.00 in RMRA funds in Fiscal Year 2019-20 from SB 1; and

RESOLUTION NUMBER XX- 2019

WHEREAS, Clayton staff used the StreetSaver® Pavement Management System to determine its SB 1 Project to ensure revenues are used on the most cost-effective projects that also meet the community's priorities for continual transportation investment; and

WHEREAS, Clayton staff has recommended it is most cost effective to roll the 2019-20 RMRA funds into a future year and construct the Pine Hollow Road Improvement and Rehabilitation project with additional accumulated funds in order to obtain economies of scale of construction costs to match the magnitude of necessary street improvement and rehabilitation; and

WHEREAS, the 2016 California Statewide Local Streets and Roads Needs Assessment found that Clayton's streets are in a "Very Good" condition with an average network Pavement Condition Index (PCI) greater than 80, and this ongoing RMRA revenue will assist the City to maintain and sustain the overall quality of Clayton's street system; and

WHEREAS, Resolution 12-2019 must be rescinded by City Council in order to have the revised Resolution replace it.

NOW THEREFORE, BE IT RESOLVED the City Council of Clayton, California does hereby approve the following:

Section 1. The foregoing Recitals are true and correct statements of fact and in part, along with the accompany staff report, constitute the basis for necessity in authorizing this Resolution.

Section 2. The City Council does herein authorize the assignment of its expectant \$189,202.00 in RMRA funds to be used for its Pine Hollow Road Improvement and Rehabilitation Project, which street project constitutes the City of Clayton's local transportation improvement project to be constructed using its FY 2019-20 RMRA monies.

Section 3. The City Council further herein approves and authorizes the use of its Fiscal Year 2019-20 RMRA monies for construction of its assigned street improvement and rehabilitation project in a subsequent year.

Section 4. The City Council further rescinds Resolution 12-2019 addressing this subject to be replaced by this City Council Resolution.

PASSED, APPROVED and ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 21st day of May 2019 by the following vote:

RESOLUTION NUMBER XX- 2019

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Tujia Catalano, Mayor

ATTEST:

Janet Calderon, City Clerk



Agenda Date: 5-21-2019

Agenda Item: 3d

STAFF REPORT



TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: SCOTT ALMAN, CITY ENGINEER

DATE: MAY 21, 2019

SUBJECT: APPROVE THE ENGINEER'S REPORT AND DECLARE INTENT TO LEVY AND COLLECT REAL PROPERTY ASSESSMENTS FOR THE DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT FOR FISCAL YEAR 2019-20 AND GIVE NOTICE OF THE TIME AND PLACE FOR A PUBLIC HEARING ON THE LEVY OF THE PROPOSED ASSESSMENTS

RECOMMENDATION

Approve the attached Engineer's Report and declare the Council's intent to levy and collect real property assessments for the Diablo Estates at Clayton Benefit Assessment District for Fiscal Year 2019-20, approve the attached Resolution, and give notice of the time and place for a public hearing.

BACKGROUND

The City Council, at its April 7th meeting, initiated the annual levy process or the Diablo Estates at Clayton Benefit Assessment District by officially calling for the preparation of the annual Engineer's Report. The Engineer of Work (City Engineer) has completed the preparation of the report and is submitting the report to the City Council to review and then accept the report.

Tonight, the City Council will set the date and time for the required public hearing to receive and hear any comments from the assessed property owners of Diablo Estates and Clayton.

As required by law, a notice regarding the time and place of the public hearing will be mailed to the property owners. The Engineer's Report will be attached to the public hearing notice. For the benefit of the residents, the Engineer's Report has been expanded to include all of the expenditures of the District through the first nine months of the current fiscal year as well as an accounting of the reserve fund to date and a copy of the Scope of Services provided by the District's management and maintenance consultant, Matrix Management.

Date: May 21, 2019

Page 2 of 2

FISCAL IMPACT

If the annual assessment as shown in the attached Engineer's Report is approved by future City Council action, the City will continue to manage the maintenance duties specified in the Engineer's Report on behalf of the benefited real property owners.

Should the 4.01% CPI increase not be levied as recommended in the Engineer's Report, the automatic CPI increase in the property management contract (Matrix) must then be funded by drawing on District reserves. Further, bypassing the allowable CPI increase can never be recouped by the District in future years as each annual increase allowed is strictly limited to that year's adjustment in annual CPI increase.

CONCLUSION

Staff recommends that City Council approve the attached Engineer's Report and declare the Council's intent to levy and collect real property assessments for the Diablo Estates at Clayton Benefit Assessment District for Fiscal Year 2019-20, approve the attached Resolution, and give notice of the time and place for a public hearing.

Attachments: Resolution confirming Assessments [3 pg.]
Notice to Property Owners [1 pg.]
BAD FY 2019-20 Engineer's Report [41 pg.]

RESOLUTION NO. XX-2019

**A RESOLUTION APPROVING THE ENGINEER'S REPORT AND DECLARING
INTENT TO LEVY AND COLLECT REAL PROPERTY ASSESSMENTS FOR
THE DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT FOR
FISCAL YEAR 2019-20, AND GIVING NOTICE OF THE TIME AND PLACE FOR
A PUBLIC HEARING ON THE LEVY OF THE PROPOSED ASSESSMENTS**

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, by Resolution No. 04-2012, adopted February 7, 2012, the Clayton City Council formed the Diablo Estates at Clayton Benefit Assessment District ("District") pursuant to the provisions of the Landscaping and Lighting Act of 1972 (Government Code Section 22500 et seq.) and the Benefit Assessment Act of 1982 (Government Code Section 54703 et seq.); and

WHEREAS, while the Benefit Assessment Act of 1982 does not require additional actions prior to levying an annual assessment, the Landscaping and Lighting Act of 1972 ("Act") does require the preparation of an annual Engineer's Report and the holding of a public hearing prior to levying of an annual assessment; and

WHEREAS, the City Engineer has prepared the required Engineer's Report and submitted it to the City Council for review and approval; and

WHEREAS, the City Council reviewed the Engineer's Report at its regular public meeting on May 21, 2019 and found it to be satisfactory and in compliance with the Act; and

WHEREAS, it is now necessary for the City Council to formally approve the Engineer's Report, establish the date for a public hearing on the levying of the proposed assessments for fiscal year 2019-20 and to direct the City Clerk to give the required notice of the public hearing.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of Clayton, California as follows:

1. The Engineer's Report dated May 1, 2019, prepared by the City Engineer as the Engineer for the District, and each part thereof, is sufficient in each particular, has fairly and properly apportioned the cost

of the improvement to each parcel of land in the District in proportion to the estimated benefits to be received by each parcel respectively from such improvements, and is hereby approved as filed.

2. The City Council hereby declares its intent to levy and collect a real property assessment of \$3,721.14 on each parcel within the District for a total assessment of \$89,307.60 for fiscal year 2019-20.

3. The Assessment District includes Lots 1 through 24, inclusive, as shown on the map of Subdivision 8719 as was recorded in Book 506 of Maps at Page 45, in the Office of the County Recorder of Contra Costa County and as modified by Lot Line Adjustment Nos. 10-01 (2010-0239196) and 10-02 (2010-0239195).

4. As shown on the Engineer's Report on file with the City Clerk, the District will pay for the cost of maintaining storm drainage collection and treatment facilities, street lighting, landscaping and irrigation, and weed abatement using the proposed assessments during fiscal year 2019-20.

5. **A public hearing is hereby set and will be held on Tuesday, July 16, 2019 at or about the hour of 7:00 p.m., of said day, at a regular City Council public meeting at Hoyer Hall in the Clayton Community Library situated at 6125 Clayton Road, Clayton, California,** the regular public meeting place of the Clayton City Council; any and all persons having any interest in the lands within the Diablo Estates at Clayton Benefit Assessment District, liable to be assessed for the expenses of the District for fiscal year 2018-19, may be heard, and any such persons may also present their protests against the proposed assessments with City Clerk at or before the time set for hearing.

6. The City Clerk shall mail notice of the passage of this Resolution and of the time and place of hearing to each owner of real property within the District, as required by Section 54954.6 of the Government Code.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on 21st day of May 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Tuija Catalano, Mayor

ATTEST:

Janet Calderon, City Clerk

I hereby certify that the foregoing resolution was duly and regularly passed by the City Council of the City of Clayton at a regular public meeting thereof held on May 21, 2019.

Janet Calderon, City Clerk

Diablo Estates at Clayton Benefit Assessment District

NOTICE TO PROPERTY OWNERS FOR LEVY OF ASSESSMENT

Reason for Assessment

At the request of the original project developer, Toll Bros., Inc., the City of Clayton City Council ("Council") approved Resolution No. 04-2012 on February 7, 2012, forming the Diablo Estates at Clayton Benefit Assessment District ("District"). Its purpose is to fund and to pay for the oversight and maintenance of certain facilities solely benefiting land owners in the District, such as the stormwater treatment facilities, storm drain collection system, common area landscape and irrigation, private street lighting and weed abatement of natural slope areas, all as described in the original Engineer's Report approved by the Council on March 20, 2012.

NOTICE

This notice informs you, as a real property owner within the Diablo Estates at Clayton Benefit Assessment District that on May 21, 2019, the Clayton City Council adopted Resolution No. XX-2019 approving the Engineer's Report for FY 2019-20, declaring its intent to levy real property assessments for fiscal year 2019-20 and setting a public hearing on the issue of the proposed assessments:

PUBLIC HEARING

Hoyer Hall (Library Meeting Room)

7:00 p.m. July 16, 2019

6125 Clayton Road

Assessment Information

1. Total District Assessment for the fiscal year beginning on July 1, 2019 and ending June 30, 2020: \$89,307.60
2. Proposed assessment per parcel: The assessment for each parcel is proposed to be \$3,721.14 which includes a 4.01% increase in the existing assessment of \$3,565.94 per year in accordance with the annual adjustment by the applicable Consumer Price Index (Apr. 2018 – Apr. 2019; San Francisco-Oakland- Hayward, CA MSA – All Urban Consumers), as allowed by property owner balloting in 2012.
3. Duration of assessment: The assessment will be levied annually at the rate proposed above and collected via one's real property tax bill in fiscal year 2019-20. The assessment may only be increased (other than the authorized allowable annual CPI-U increase described above) in the future by approval of a majority of the property owners.
4. Protests: Only one protest per property is allowed. The levying of the underlying assessment may not be protested; however, the proposed annual CPI adjustment may be protested. If written protests are received at City Hall prior to or at the public hearing from a majority of the properties (13 of 24), the proposed adjustment of the assessments will not be assessed.
5. Engineer's Report: Attached is a copy of the approved Engineer's Report for fiscal year 2019-20.

Questions

If any questions arise regarding the proposed real property assessments for fiscal year 2019-20, please contact Clayton City Engineer Scott Alman. He may be contacted at (925) 969-8181 and at cityengineer@ci.clayton.ca.us.

ENGINEER'S REPORT

DATE: MAY 21, 2019
TO: CITY COUNCIL
FROM: CITY ENGINEER
RE: **DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT FISCAL YEAR 2019-20**

This Engineer's Report has been prepared in accordance with the requirements of the Landscaping & Lighting Act of 1972 (Section 22500 et seq. of the Government Code).

HISTORICAL REVIEW

In 2012, at the request of Toll Brothers, the developer of the Diablo Estates at Clayton project (Subd. 8719), the City Council formed the Diablo Estates at Clayton Benefit Assessment District ("District" per Resolution No. 04-2012). The purpose of the District is to generate funds for the maintenance of various improvements constructed as part of the development which solely benefit the real property owner(s). The duties specified in the original Engineer's Report (prepared by SCI Consulting Group, dated March 2012) included maintenance of landscaping and irrigation, weed abatement, storm drainage facilities, and private street lighting. In addition to maintenance, the District is responsible for the repair or replacement of any facilities due vandalism, accidents, or age.

The District was formed under the auspices of the Landscaping and Lighting Act of 1972 (Section 22500 et seq. of the Government Code) and the Benefit Assessment Act of 1982 (Section 54703 et seq. of the Government Code). The initial per lot annual assessment, approved by the property owner (Toll Bros.), was \$3,027.62. The approval also allowed for an annual increase in the assessment amount equal to the annual increase in the Consumer Price Index ("CPI"; San Francisco-Oakland-San Jose CA MSA, All Urban Consumers), not to exceed 4% in any one year.

While the Benefit Assessment Act of 1982 does not require further action prior to the levy of annual assessments, the Landscaping and Lighting Act of 1972 requires the preparation of an Engineer's Report and notice to property owners of a public hearing each year. Since no increase, other than the already authorized and approved CPI increase, is proposed, the provisions of Proposition 218 do not apply.

DETERMINATION OF SPECIAL BENEFIT, METHOD OF ASSESSMENT AND DESCRIPTION OF DISTRICT IMPROVEMENTS

See original Engineer's Report attached hereto and made a part hereof.

ESTIMATED COSTS

The original budget included maintenance and District administrative costs, as well as reserve funds for future replacement of the maintained items. See Attachment 2 for the District's expenditures for FY 2018-19.

The relevant CPI adjustment for the twelve month period beginning April 2018 and ending April 2019 is 4.01%. Following is a breakdown of the District's FY 2017-18 and FY 2018-19 budgeted costs incorporating the allowable CPI adjustment:

| Item | FY 2018-19 Budget | CPI Increase (4.01%) | FY 2019-20 Budget |
|----------------------------|--------------------|----------------------|--------------------|
| District Maintenance: | | | |
| Common Area Landscape | \$22,489.58 | \$901.83 | \$23,391.41 |
| Weed Abatement | \$14,073.82 | \$564.36 | \$14,638.18 |
| Storm Drain System | \$6,499.24 | \$260.62 | \$6,759.86 |
| Private Street Lighting | \$1,725.25 | \$69.18 | \$1,794.43 |
| | | | |
| District Administration* | \$19,970.40 | \$800.81 | \$20,771.21 |
| | | | |
| District Reserves | \$21,106.15 | \$846.36 | \$21,952.51 |
| | | | |
| Total Annual Budget | \$85,864.44 | \$3,443.16 | \$89,307.60 |

* Includes Matrix Management fees (monthly site inspections, maintenance oversight and contract services management), City Engineer services, legal notices and mailing costs, County fees for levying and collection of the assessment.

RESERVE FUNDS

The reserve fund balance at the end of FY 2018/19 will be approximately \$135,053. This balance will increase to approximately \$156,865 at the end of FY 2019/20. The purpose of the Reserve is for both scheduled and unexpected replacement of the capital investments, per the original Engineer's Report.

See Attachment 1 for a more detailed discussion of the reserve funds and balances.

PER UNIT ALLOCATION

Based upon the proposed budget, the per-unit assessment will be \$3,721.14 (\$89,307.60 / 24 units).

ASSESSMENT HISTORY

| | |
|-------------------|------------|
| Proposed FY 19-20 | \$3,721.14 |
| FY 18-19 | \$3,565.94 |
| FY 17-18 | \$3,454.70 |
| FY 16-17 | \$3,328.82 |
| FY 15-16 | \$3,241.00 |
| FY 14-15 | \$3,162.00 |
| FY 13-14 | \$3,100.26 |
| FY 12-13 | \$3,027.62 |

ATTACHMENT 1
RESERVE FUND ACCOUNTS

**DIABLO ESTATES AT CLAYTON
BENEFIT ASSESSMENT DISTRICT ("District")
RESERVE FUNDS**

The purpose of the various reserve accounts is to ensure the District will have funds available to repair or reconstruct the facilities that are the responsibility of the District.

The fund amounts were established using the initial cost of construction and amortizing them over the anticipated life of the facilities. In addition, there is a general reserve fund set aside to act as a contingency reserve for any of the District's responsibilities.

The funds as initially established are as follows:

| ITEM | QUANTIT Y | UNIT | UNIT COST | TOTAL COST | SERVICE LIFE (YRS) | ANNUAL DEPOSIT |
|----------------------------------|--------------|------|--------------|---------------|--------------------------|-------------------|
| Tree Replacement | 33 | EA | \$285 | \$9,405 | 40 | \$235 |
| Entry Monument Replacement | 1 | EA | \$4,000 | \$4,000 | 25 | \$160 |
| V-ditch Repair/Replacement | 2038 | LF | \$50 | \$101,900 | 25 | \$4,076 |
| Vortsenry Replacement | 1 | EA | \$100,000 | \$100,000 | 100 | \$1,000 |
| Stormwater Basin Replacement* | 48 | EA | \$2,000 | \$96,000 | 10 | \$9,600 |
| CB/MH/SD Pipe Replacement | 1 | LS | \$79,000 | \$79,000 | 100 | \$790 |
| General | | | | | | \$2,000 |
| | | | | Total** | | \$17,861 |

* Removal and replacement of plants and filter material only

** First year assessment (increased each following year by the CPI increase)

Following are reserve analysis sheets showing each year's contribution to the various funds and the current balance of each fund.

**DIABLO ESTATES AT CLAYTON
 BENEFIT ASSESSMENT DISTRICT
 RESERVE FUNDS ANALYSIS**

FY 2012/2013 (INITIAL YEAR)

| RESERVE FUNDS - FACILITIES | | | | | | |
|-------------------------------------|----------|------|--------------|--------------------|--------------------|-----------------|
| ITEM | QUANTITY | UNIT | UNIT COST | TOTAL COST | SERVICE LIFE (yrs) | ANNUAL DEPOSIT |
| Tree Replacement | 33 | EA | \$285.00 | \$9,405.00 | 40 | \$235.13 |
| Entry Monument Replacement | 1 | EA | \$4,000.00 | \$4,000.00 | 25 | \$160.00 |
| V-Ditch Repairs | 2038 | LF | \$50.00 | \$101,900.00 | 25 | \$4,076.00 |
| Vortsentry Replacement | 1 | EA | \$100,000.00 | \$100,000.00 | 100 | \$1,000.00 |
| Stormwater Basin Replacement/Repair | 48 | EA | \$2,000.00 | \$96,000.00 | 10 | \$9,600.00 |
| CB/MH/SD Pipe replacement | 1 | LS | \$79,000.00 | <u>\$79,000.00</u> | 100 | <u>\$790.00</u> |
| | | | | \$390,305.00 | | \$15,861.13 |

RESERVE FUNDS - GENERAL

Annual General Reserve \$2,000.00

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2013: \$17,861.13

FY 2013/14 (CPI = 2.4% INCREASE)

| RESERVE FUNDS - FACILITIES | | | | | |
|-------------------------------------|--------------------|-------|--------------------|--------------------------|-----------------------|
| ITEM | FY 2012/13 ASSESS. | INCR. | FY 2013/14 ASSESS. | AMT. PRIOR TO FY 2013/14 | AMT. @ END FY 2013/14 |
| Tree Replacement | \$235.13 | 2.40% | \$240.77 | \$235.13 | \$475.89 |
| Entry Monument Replacement | \$160.00 | 2.40% | \$163.84 | \$160.00 | \$323.84 |
| V-Ditch Repairs | \$4,076.00 | 2.40% | \$4,173.82 | \$4,076.00 | \$8,249.82 |
| Vortsentry Replacement | \$1,000.00 | 2.40% | \$1,024.00 | \$1,000.00 | \$2,024.00 |
| Stormwater Basin Replacement/Repair | \$9,600.00 | 2.40% | \$9,830.40 | \$9,600.00 | \$19,430.40 |
| CB/MH/SD Pipe replacement | \$790.00 | 2.40% | <u>\$808.96</u> | \$790.00 | <u>\$1,598.96</u> |
| | | | \$16,241.79 | | \$32,102.92 |

RESERVE FUNDS - GENERAL

Annual General Reserve \$2,000.00
 FY 2013-14 Assess.: \$18,289.79 \$4,048.00

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2014: \$36,150.92

Check #: \$18,289.79

Check #: \$36,150.92

FY 2014/15 (CPI = 2.0% INCREASE)

| RESERVE FUNDS - FACILITIES | | | | | | |
|-------------------------------------|-----------------------|-------|--|----------------------------|--------------------------|--|
| ITEM | FY 2013/14 ASSESS. | INCR. | FY 2014/15 ASSESS. | AMT.PRIOR TO FY 2014/15 | AMT. @ END FY 2014/15 | |
| Tree Replacement | \$240.77 | 2.00% | \$245.58 | \$475.89 | \$721.48 | |
| Entry Monument Replacement | \$163.84 | 2.00% | \$167.12 | \$323.84 | \$490.96 | |
| V-Ditch Repairs | \$4,173.82 | 2.00% | \$4,257.30 | \$8,249.82 | \$12,507.12 | |
| Vortsentry Replacement | \$1,024.00 | 2.00% | \$1,044.48 | \$2,024.00 | \$3,068.48 | |
| Stromwater Basin Replacement/Repair | \$9,830.40 | 2.00% | \$10,027.01 | \$19,430.40 | \$29,457.41 | |
| CB/MH/SD Pipe replacement | \$808.96 | 2.00% | <u>\$825.14</u> | \$1,598.96 | <u>\$2,424.10</u> | |
| | | | \$16,566.63 | | \$48,669.54 | |
| RESERVE FUNDS - GENERAL | | | | | | |
| Annual General Reserve | \$2,048.00 | 2.00% | <u>\$2,088.96</u> | \$4,048.00 | <u>\$6,136.96</u> | |
| | | | FY 2014-15 Assess.: \$18,655.59 | | | |

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2015: \$54,806.50

Check #: \$18,655.59

Check #: \$54,806.50

FY 2015/16 (CPI = 2.5% INCREASE)

| RESERVE FUNDS - FACILITIES | | | | | | |
|-------------------------------------|-----------------------|-------|--|----------------------------|--------------------------|--|
| ITEM | FY 2014/15 ASSESS. | INCR. | FY 2015/16 ASSESS. | AMT.PRIOR TO FY 2015/16 | AMT. @ END FY 2015/16 | |
| Tree Replacement | \$245.58 | 2.50% | \$251.72 | \$721.48 | \$973.20 | |
| Entry Monument Replacement | \$167.12 | 2.50% | \$171.29 | \$490.96 | \$662.25 | |
| V-Ditch Repairs | \$4,257.30 | 2.50% | \$4,363.73 | \$12,507.12 | \$16,870.86 | |
| Vortsentry Replacement | \$1,044.48 | 2.50% | \$1,070.59 | \$3,068.48 | \$4,139.07 | |
| Stromwater Basin Replacement/Repair | \$10,027.01 | 2.50% | \$10,277.68 | \$29,457.41 | \$39,735.09 | |
| CB/MH/SD Pipe replacement | \$825.14 | 2.50% | <u>\$845.77</u> | \$2,424.10 | <u>\$3,269.87</u> | |
| | | | \$16,980.79 | | \$65,650.34 | |
| RESERVE FUNDS - GENERAL | | | | | | |
| Annual General Reserve | \$2,088.96 | 2.50% | <u>\$2,141.18</u> | \$6,136.96 | <u>\$8,278.14</u> | |
| | | | FY 2015-16 Assess.: \$19,121.98 | | | |

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2016: \$73,928.48

Check #: \$19,121.98

Check #: \$73,928.48

FY 2016/17 (CPI = 2.7% INCREASE)

| RESERVE FUNDS - FACILITIES | | | | | |
|-------------------------------------|-----------------------|-------|----------------------------|----------------------------|--------------------------|
| ITEM | FY 2015/16 ASSESS. | INCR. | FY 2016/17 ASSESS. | AMT.PRIOR TO FY 2016/17 | AMT. @ END FY 2016/17 |
| Tree Replacement | \$251.72 | 2.70% | \$258.52 | \$973.20 | \$1,231.72 |
| Entry Monument Replacement | \$171.29 | 2.70% | \$175.92 | \$662.25 | \$838.17 |
| V-Ditch Repairs | \$4,363.73 | 2.70% | \$4,481.55 | \$16,870.86 | \$21,352.41 |
| Vortsentry Replacement | \$1,070.59 | 2.70% | \$1,099.50 | \$4,139.07 | \$5,238.57 |
| Stromwater Basin Replacement/Repair | \$10,277.68 | 2.70% | \$10,555.18 | \$39,735.09 | \$50,290.27 |
| CB/MH/SD Pipe replacement | \$845.77 | 2.70% | <u>\$868.60</u> | \$3,269.87 | <u>\$4,138.47</u> |
| | | | \$17,439.27 | | \$83,089.61 |
| RESERVE FUNDS - GENERAL | | | | | |
| Annual General Reserve | \$2,141.18 | 2.70% | <u>\$2,199.00</u> | \$8,278.14 | <u>\$10,477.14</u> |
| | | | FY 2016-17 Assess.: | | \$19,638.27 |

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2017: \$93,566.75

Check #: \$19,638.27

Check #: \$93,566.75

FY 2017/18 (CPI = 3.78% INCREASE)

| RESERVE FUNDS - FACILITIES | | | | | |
|-------------------------------------|-----------------------|-------|----------------------------|----------------------------|--------------------------|
| ITEM | FY 2016/17 ASSESS. | INCR. | FY 2017/18 ASSESS. | AMT.PRIOR TO FY 2017/18 | AMT. @ END FY 2017/18 |
| Tree Replacement | \$258.52 | 3.78% | \$268.29 | \$1,231.72 | \$1,500.01 |
| Entry Monument Replacement | \$175.92 | 3.78% | \$182.57 | \$838.17 | \$1,020.74 |
| V-Ditch Repairs | \$4,481.55 | 3.78% | \$4,650.96 | \$21,352.41 | \$26,003.37 |
| Vortsentry Replacement | \$1,099.50 | 3.78% | \$1,141.06 | \$5,238.57 | \$6,379.63 |
| Stromwater Basin Replacement/Repair | \$10,555.18 | 3.78% | \$10,954.17 | \$50,290.27 | \$61,244.44 |
| CB/MH/SD Pipe replacement | \$868.60 | 3.78% | <u>\$901.44</u> | \$4,138.47 | <u>\$5,039.91</u> |
| | | | \$18,098.48 | | \$101,188.09 |
| RESERVE FUNDS - GENERAL | | | | | |
| Annual | \$2,199.00 | 3.78% | <u>\$2,282.12</u> | \$10,477.14 | <u>\$12,759.26</u> |
| | | | FY 2017-18 Assess.: | | \$20,380.60 |

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2018: \$113,947.35

Check #: \$20,380.60

Check #: \$113,947.35

FY 2018/19 (CPI = 3.22% INCREASE)

| RESERVE FUNDS - FACILITIES | | | | | |
|-------------------------------------|-----------------------|-------|--|----------------------------|--------------------------|
| ITEM | FY 2017/18 ASSESS. | INCR. | FY 2018/19 ASSESS. | AMT.PRIOR TO FY 2018/19 | AMT. @ END FY 2018/19 |
| Tree Replacement | \$268.29 | 3.22% | \$276.93 | \$1,500.01 | \$1,776.94 |
| Entry Monument Replacement | \$182.57 | 3.22% | \$188.45 | \$1,020.74 | \$1,209.19 |
| V-Ditch Repairs | \$4,650.96 | 3.22% | \$4,800.72 | \$26,003.37 | \$30,804.09 |
| Vortsentry Replacement | \$1,141.06 | 3.22% | \$1,177.80 | \$6,379.63 | \$7,557.43 |
| Stromwater Basin Replacement/Repair | \$10,954.17 | 3.22% | \$11,306.89 | \$61,244.44 | \$72,551.33 |
| CB/MH/SD Pipe replacement | \$901.44 | 3.22% | <u>\$930.46</u> | \$5,039.91 | <u>\$5,970.37</u> |
| | | | \$18,681.25 | | \$119,869.34 |
| RESERVE FUNDS - GENERAL | | | | | |
| Annual | \$2,282.12 | 3.22% | <u>\$2,355.60</u> | \$12,759.26 | <u>\$15,114.86</u> |
| | | | FY 2018-19 Assess.: \$21,036.85 | | |

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2019: \$134,984.20

Check #: \$21,036.85

Check #: \$134,984.20

FY 2019/20 (CPI = 4.01% INCREASE)

| RESERVE FUNDS - FACILITIES | | | | | |
|-------------------------------------|-----------------------|-------|--|----------------------------|--------------------------|
| ITEM | FY 2018/19 ASSESS. | INCR. | FY 2019/20 ASSESS. | AMT.PRIOR TO FY 2019/20 | AMT. @ END FY 2019/20 |
| Tree Replacement | \$276.93 | 4.01% | \$288.04 | \$1,776.94 | \$2,064.98 |
| Entry Monument Replacement | \$188.45 | 4.01% | \$196.00 | \$1,209.19 | \$1,405.19 |
| V-Ditch Repairs | \$4,800.72 | 4.01% | \$4,993.23 | \$30,804.09 | \$35,797.31 |
| Vortsentry Replacement | \$1,177.80 | 4.01% | \$1,225.03 | \$7,557.43 | \$8,782.46 |
| Stromwater Basin Replacement/Repair | \$11,306.89 | 4.01% | \$11,760.30 | \$72,551.33 | \$84,311.63 |
| CB/MH/SD Pipe replacement | \$930.46 | 4.01% | <u>\$967.77</u> | \$5,970.37 | <u>\$6,938.14</u> |
| | | | \$19,430.37 | | \$139,299.71 |
| RESERVE FUNDS - GENERAL | | | | | |
| Annual | \$2,355.60 | 4.01% | <u>\$2,450.06</u> | \$15,114.86 | <u>\$17,564.92</u> |
| | | | FY 2018-19 Assess.: \$21,880.43 | | |

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2019: \$156,864.63

Check #: \$21,880.43

Check #: \$156,864.63

ATTACHMENT 2

BAD PROJECTED BUDGET FOR FY 2019-20

INCLUDING PROJECTED

BAD EXPENDITURES IN FY 2018-19

City of Clayton
 Diablo Estates Benefit Assessment District - Fund 231
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 YTD 3/6/2019 | 2018-19 Projected | 2019-20 Proposed Budget |
|--|---------------------------------|----------------|------------------------|----------------------|-------------------|-------------------------|
| 7335 | Gas & Electric Serv. | 138 | 300 | 96 | 200 | 300 |
| 7338 | Water Service | 4,661 | 9,600 | 2,076 | 5,000 | 5,300 |
| 7381 | Property Tax Admin Cost | 249 | 280 | - | 280 | 280 |
| 7384 | Legal Notices | - | 100 | - | 100 | 100 |
| 7411 | Legal Services Retainer | - | - | - | - | - |
| 7413 | Special Legal Services | - | - | - | - | - |
| 7419 | Other Prof. Services | 57,385 | 59,390 | 36,830 | 58,390 | 59,390 |
| 7420 | Administrative Costs | 2,121 | 2,189 | 2,189 | 2,189 | 2,277 |
| Total Expenditures | | 64,554 | 71,859 | 41,191 | 66,159 | 67,647 |
| 4611 | Fiduciary Fund Assessment | 82,911 | 85,580 | 47,070 | 85,583 | 89,015 |
| 5601 | Interest Income | 1,666 | 1,200 | 1,136 | 2,200 | 2,000 |
| 5606 | Unrealized Investment Gain/Loss | (1,528) | - | - | - | - |
| Total Revenue | | 83,049 | 86,780 | 48,206 | 87,783 | 91,015 |
| Increase (Decrease) in Fund Balance | | 18,495 | 14,921 | 7,014 | 21,624 | 23,368 |
| Beginning Fund Balance | | 98,180 | 112,419 | 112,419 | 116,675 | 138,299 |
| Ending Fund Balance | | 116,675 | 127,340 | 119,433 | 138,299 | 161,667 |

For financial reporting purposes, the Diablo Estates Benefits Assessment District Fund (No. 231) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

| 7419 Other Professional Services | | | | | | |
|----------------------------------|-------------------------------|---------------|---------------|---------------|---------------|---------------|
| | Matrix Association Management | 54,390 | 54,390 | 36,260 | 54,390 | 54,390 |
| | District Engineer Mgt. Fees | 2,995 | 5,000 | 570 | 4,000 | 5,000 |
| | | <u>57,385</u> | <u>59,390</u> | <u>36,830</u> | <u>58,390</u> | <u>59,390</u> |
| | | - | - | - | - | - |

ATTACHMENT 3
INITIAL ENGINEER'S REPORT (19 pp)



CITY OF CLAYTON

**DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT
DISTRICT
FOR LANDSCAPE AND LIGHTING AND BENEFIT ASSESSMENT**

**ENGINEER'S REPORT
FISCAL YEAR 2012-13**

MARCH 2012

PURSUANT TO
THE LANDSCAPING AND LIGHTING ACT OF 1972,
THE BENEFIT ASSESSMENT ACT OF 1982, AND
ARTICLE XIID OF THE CALIFORNIA CONSTITUTION

ENGINEER OF WORK:
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CITY OF CLAYTON

MAYOR

Howard Geller

CITY COUNCIL

Joseph A. Medrano

Julie K. Pierce

David T. Shuey

Hank Stratford

CITY MANAGER

Gary Napper

CITY ENGINEER

Rick Angrisani

CITY ATTORNEY

Malathy Subramanian

CITY CLERK

Laci Jackson

ENGINEER OF WORK

SCI Consulting Group

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INTRODUCTION

BACKGROUND

Formation of the "Diablo Estates at Clayton Benefit Assessment District" (the "Assessment District") within the City of Clayton (the "City") is proposed to provide funding for the maintenance, operation and improvement of the landscaping, street lighting, drainage and stormwater treatment facilities to benefit the properties in the Diablo Estates at Clayton subdivision that forms the Assessment District. The Diablo Estates at Clayton subdivision consists of 24 parcels east of Regency Drive and north of Rialto Drive with an approximate area of 19 acres.

This Engineer's Report (the "Report") was prepared to establish the budget for the services and improvements that would be funded by the proposed 2012-13 assessments and to determine the benefits received from the maintenance and improvements by property within the Assessment District and the method of assessment apportionment to lots and parcels. This Report and the proposed assessments have been made pursuant to the Landscaping and Lighting Act of 1972 and the Benefit Assessment Act of 1982 (the "Acts") and Article XIID of the California Constitution (the "Article").

Following submittal of this Report to the City of Clayton City Council (the "City Council") for preliminary approval, the City Council may call for an assessment ballot proceeding and Public Hearing on the proposed establishment of assessments for the improvements.

If it is determined at the public hearing that the assessment ballots submitted in opposition to the proposed assessments do not exceed the assessment ballots submitted in favor of the assessments (weighted by the proportional financial obligation of the property for which ballots are submitted), the City Council may take action to form the Assessment District and approve the levy of the assessments for fiscal year 2012-13. If the assessments are so confirmed and approved, the levies would be submitted to the County Auditor/Controller in August 2012 for inclusion on the property tax roll for Fiscal Year 2012-13.

LEGISLATIVE ANALYSIS

PROPOSITION 218

The Right to Vote on Taxes Act was approved by the voters of California on November 6, 1996, and is now Article XIII C and XIII D of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property. This Assessment District will be balloted and approved by property owners in accordance with Proposition 218.

SILICON VALLEY TAXPAYERS ASSOC., INC. V SANTA CLARA COUNTY OPEN SPACE AUTHORITY

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. vs. Santa Clara County Open Space Authority (SVTA). This ruling is the most significant court case in further legally clarifying the substantive assessment requirements of Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special benefits to property, not general benefits.
- The services and/or improvements funded by assessments must be clearly defined.
- Assessment districts must be drawn to contain all parcels that receive a special benefit from a proposed public improvement.
- Assessments paid in the assessment district must be proportional to the special benefit received by each such parcel from the improvements and services funded by the assessment.

This Engineer's Report and the process used to establish these proposed assessments for fiscal year 2012/2013 are consistent with the SVTA decision and with the requirements of Article XIII C and XIII D of the California Constitution based on the following factors:

1. The Assessment District is narrowly drawn to include only the properties that receive special benefit from the specific improvements and services. Thus, zones of benefit are not required and the assessment revenue derived from real property in each Assessment District is extended only on the services in the Assessment District.
2. The improvements which are constructed and/or maintained with assessment proceeds in the Assessment District are located in close proximity to the real property subject to the assessment. The improvements and services provide illumination to streets and sidewalks

enabling improved access to the owners, residents, and guests of such assessed property. The proximity of the Improvements to the assessed parcels and the improved access and increased safety provided to of the residents of the assessed parcels by the Improvements provides a special benefit to the parcels being assessed pursuant to the factors outlined by the Supreme Court in that decision.

3. Due to their proximity to the assessed parcels, the Improvements and Services financed with assessment revenues in the Assessment District benefit the properties in the Assessment District in a manner different in kind from the benefit that other parcels of real property in the City derive from such Improvements and Services, and the benefits conferred on such property in the Assessment District are more extensive than a general increase in property values.
4. The assessments paid in the Assessment District are proportional to the special benefit that each parcel within that Assessment District receives from the Services because:
 - a. The specific lighting Improvements and maintenance Services and utility costs thereof in the Assessment District and the costs thereof are specified in this Report; and
 - b. The cost of the Services in the Assessment District is allocated among different types of property located within the Assessment District, and equally among those properties which have similar characteristics, such as single-family residential parcels, multi-family residential parcels, commercial parcels, or industrial parcels.

DAHMS V. DOWNTOWN POMONA PROPERTY

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms the Court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

BONANDER V. TOWN OF TIBURON

On December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of

the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

BEUTZ V. COUNTY OF RIVERSIDE

On May 26, 2010 the 4th District Court of Appeal issued a decision on the Steven Beutz v. County of Riverside ("Beutz") appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.

COMPLIANCE WITH CURRENT LAW

This Engineer's Report is consistent with the requirements of Article XIII C and XIII D of the California Constitution and with the *SVTA* decision because the Improvements to be funded are clearly defined; the Improvements are directly available to and will directly benefit property in the Assessment District; and the Improvements and Services provide a direct advantage to property in the Assessment District that would not be received in absence of the Assessments.

This Engineer's Report is consistent with *Beutz* and *Dahms* because the Improvements and Services will directly benefit property in the Assessment District and the general benefits have been explicitly calculated and quantified and excluded from the Assessments. The Engineer's Report is consistent with *Bonander* because the Assessments have been apportioned based on the overall cost of the Improvements and Services and proportional special benefit to each property.

PLANS & SPECIFICATIONS

The work and improvements proposed to be undertaken by the City of Clayton and the Diablo Estates at Clayton Benefit Assessment District (the "Assessment District"), and the costs thereof paid from the levy of the annual assessments, provide special benefit to Assessor Parcels within the Assessment District as defined in the Method of Assessment herein. Consistent with the Landscaping and Lighting Act of 1972 and the Benefit Assessment Act of 1982 (the "Acts"), the work, services and improvements are generally described as follows:

Maintenance and servicing of public improvements, including but not limited to, storm drain system, landscaping and lighting and all necessary appurtenances, and labor, materials, supplies, utilities and equipment, and incidental costs as applicable, for property within the Assessment District that is owned or maintained by the City of Clayton (the "Improvements"). Any plans and specifications for these improvements will be filed with the City Engineer of the City of Clayton and are incorporated herein by reference. More specifically the improvements and associated plans are the storm drain system in the Improvement Plans, Diablo Pointe by David Evans and Associates Inc., the lighting in the Joint Trench Composite Plan, Diablo Pointe by Lighthouse Design Inc., and the shared landscaping, fencing, irrigation and entry monument in the Diablo Estates at Clayton Landscape Improvements plan by Thomas Bank and Associates LLP.

As applied herein, "maintenance" means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any improvement, including repair, removal or replacement of all or any part of any improvement; providing for the life, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste; the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti; the cleaning and replacement of storm drain pipes, drop inlets, catch basins and manholes.

"Servicing" means the cost of maintaining any facility used to provide any service, the furnishing of electric current, or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements; or water for the irrigation of any landscaping, or the maintenance of any other improvements.

The figure shown below displays the improvements, maintenance, replacement costs and services to be provided with the Diablo Estates at Clayton Benefit Assessment District.

FIGURE 1 – SUMMARY OF ESTIMATED ANNUAL COSTS FOR DIABLO ESTATES AT CLAYTON

| CITY OF CLAYTON | |
|--|--------------------|
| Diablo Estates at Clayton Benefit Assessment District | |
| Summary of Estimated Annual Cost | |
| Fiscal Year 2012-13 | |
| Installation, Maintenance & Servicing Costs | |
| Common Landscaping | \$19,426.99 |
| Weed Abatement (On-lot) | \$11,910.00 |
| Storm Drain System | \$27,966.00 |
| Street Lighting | \$1,460.00 |
| Subtotal - Installation, Maintenance and Servicing | \$60,762.99 |
| Incidental Expenses and Administration Costs | \$11,900.00 |
| Totals for Installation, Maintenance, Servicing and Incidentals | \$72,662.99 |
| Net Cost of Maintenance, Servicing and Incidentals (Net Amount to be Assessed) | \$72,662.99 |
| Budget Allocation to Property | |
| Total Assessment Budget | \$72,662.99 |
| Single Family Equivalent Benefit Units | 24 |
| Assessment per Single Family Equivalent Unit | \$3,027.62 |

ESTIMATE OF COST AND BUDGET – FISCAL YEAR 2012-13

FIGURE 2 – COST ESTIMATE BREAKDOWN FOR DIABLO ESTATES AT CLAYTON

| CITY OF CLAYTON Diablo Estates at Clayton Benefit Assessment District Estimate of Maintenance, Replacement, and Administrative Costs | | | | | |
|--|-----------------|--------------|----------------------|--------------------|---------------------|
| Item | Units | Unit Cost | Service Life (years) | Annual Cost | Annual Cost per Lot |
| Common Landscaping | | | | | |
| Landscape Maintenance | 24,600 SF | \$0.30 | | \$7,380.00 | |
| Landscape Replacement | 24,600 SF | \$0.05 | | \$1,230.00 | |
| Tree Maintenance | 33 EA | \$95.00 | | \$3,135.00 | |
| Tree Replacement - Materials | 33 EA | \$285.00 | 40 | \$235.13 | |
| Water Usage | 1,476 100CF | \$2.86 | | \$4,221.36 | |
| Meter Charges | 12 Mo | \$51.00 | | \$812.00 | |
| Irrigation Maintenance & Repair | 24,600 SF | \$0.03 | | \$738.00 | |
| Fence Maintenance & Repair | 1,870 LF | \$0.65 | | \$1,215.50 | |
| Entry Monument Maintenance | 1 EA | \$500.00 | | \$500.00 | |
| Entry Monument Repair | 1 LF | \$4,000.00 | 25 | \$160.00 | |
| | | | | \$19,426.99 | \$809.46 |
| Weed Abatement (On-lot) | | | | | |
| Weed Abatement | 397,000 SF | \$0.03 | | \$11,910.00 | |
| | | | | \$11,910.00 | \$496.25 |
| Storm Drain System | | | | | |
| Ditch - debris removal & maint | 1 LS | \$1,000.00 | | \$1,000.00 | |
| Ditch Repair | 2,038 LF | \$50.00 | 25 | \$4,078.00 | |
| Vorsentry Maintenance | 1 LS | \$1,500.00 | | \$1,500.00 | |
| Vorsentry Replacement | 1 LS | \$100,000.00 | 100 | \$1,000.00 | |
| Bio-Retention Basin Maintenance* | 48 EA | \$ | | \$0.00 | |
| Bio-Retention Basin Replacement | 48 EA | \$2,000.00 | 10 | \$9,600.00 | |
| Stormwater Reporting Fee | 1 LS | \$5,000.00 | | \$5,000.00 | |
| Annual City Report Fee | 1 LS | \$2,000.00 | | \$2,000.00 | |
| Catch Basin/Manhole Cleaning | 15 EA | \$200.00 | | \$3,000.00 | |
| CBMH/pipe repair | 1 LS | \$79,000.00 | 100 | \$790.00 | |
| | | | | \$27,966.00 | \$1,185.25 |
| Street Lighting | | | | | |
| Maintenance and Repair | 1 LS | \$500.00 | | \$500.00 | |
| Electricity | 4 EA | \$240.00 | | \$960.00 | |
| | | | | \$1,460.00 | \$60.83 |
| Annual Administration | | | | | |
| Property Manager | 12 Mo | \$600.00 | | \$7,200.00 | |
| Annual City Engineer Services | 1 LS | \$2,500.00 | | \$2,500.00 | |
| Legal Notice/Mailing | 1 LS | \$100.00 | | \$100.00 | |
| County Collection | 1 LS | \$100.00 | | \$100.00 | |
| General Reserve | 1 LS | \$2,000.00 | | \$2,000.00 | |
| | | | | \$11,900.00 | \$495.83 |
| Total | | | | \$72,662.99 | \$3,027.62 |
| | Number of Lots: | | | 24 | |
| | Cost per Lot: | | | \$3,027.62 | |
| * Homeowner responsibility | | | | | |
| ** assumes covenant with Toll Brothers, Inc. for 5 year maintenance period | | | | | |
| Unit costs per direction of City of Clayton City Engineer | | | | | |

METHOD OF APPORTIONMENT

METHOD OF APPORTIONMENT

This section of the Engineer's Report includes an explanation of the benefits to be derived from the installation, maintenance and servicing of improvements and the methodology used to apportion the total assessment to properties within the Assessment District.

The Diablo Estates at Clayton Benefit Assessment District consists of all Assessor Parcels within the boundaries as defined by the Assessment Diagram included within this Report and the Assessor Parcel Numbers listed within the included Assessment Roll. The method used for apportioning the assessments is based upon the proportional special benefits to be derived by the properties in the Diablo Estates at Clayton Benefit Assessment District over and above general benefits conferred on real property or to the public at large. The apportionment of special benefit is a two step process: the first step is to identify the types of special benefit arising from the Improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

DISCUSSION OF BENEFIT

In summary, the assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner's use of the District's storm drain system, streets and sidewalks, corridor landscaping, lighting, or a property owner's specific demographic status. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the Improvements."

The Benefit Assessment Act of 1982 states in Government Code Section 54711:

"The amount of the assessment imposed on any parcel of property shall be related to the benefit to the parcel which will be derived from the provision of service"

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

The following benefit categories summarize the types of special benefit to residential, commercial, industrial and other lots and parcels resulting from the installation, maintenance and servicing of the improvements to be provided with the assessment proceeds. These categories of special benefit are derived in part from the statutes passed by the California Legislature and other studies which describe the types of special benefit received by property from the installation, maintenance and servicing of improvements such as those proposed by the City of Clayton and the Diablo Estates at Clayton Benefit Assessment District. These types of special benefit are summarized as follows:

- Creation of individual lots for residential use that, in absence of the services and improvements to be funded by the assessments, would not be created.
- Improved utility and usability of property
- Improved safety and security lighting for property
- Enhanced visual experience, and desirability of the area.
- Protection of views, scenery and other resources values and environmental benefits enjoyed by residents and guests and preservation of public assets maintained by the City
- Moderation of temperatures, dust control, and other environmental benefits.

These benefit factors, when applied to property in the Assessment District, specifically increase the utility of the property within the Assessment District. For example, the assessments will provide funding to maintain lighting that improves safety and access to the property after dark and landscaping that provides visual and environmental benefits to the properties within the Assessment District. Such improved and well-maintained public facilities enhance the overall usability, quality, desirability and safety of the properties. Moreover, funding for the maintenance and servicing of such public facilities is a condition of development of Diablo Estates at Clayton that is needed to mitigate the negative impacts of this development on the City. Without the Assessment District, this condition of development would not be satisfied, which could affect the approval of new homes on the property. This is another special benefit to the properties in the Assessment District.

GENERAL VERSUS SPECIAL BENEFIT

The proceeds from the Diablo Estates at Clayton Benefit Assessment District would be used to fund improvements and increased levels of maintenance to the public facilities that serve and benefit the properties in the Assessment District. In absence of the Diablo Estates at Clayton Benefit Assessment District, such improvements would not be properly maintained. Therefore, the Assessment District is specifically proposed to ensure that the necessary and beneficial public facilities for property in the Assessment District are properly maintained and repaired over time. The assessments will ensure that landscaping and street lighting within and adjacent to the Assessment District are functional, well maintained, clean and safe. These public resources directly benefit the property in the Assessment District and will confer distinct and special benefits to the properties within the Assessment District.

In absence of the assessments, a condition of development would not be met and future home construction in the Assessment District could be denied. The creation of residential lots and the approval for the construction of homes in Diablo Estates at Clayton is the overriding clear and distinct special benefit conferred on exclusively on property in the Assessment District and not enjoyed by other properties outside the Assessment District. Moreover, benefits to the public at large, if any, will be offset by benefits residents within the Assessment District receive from the use of other similar public facilities not funded by the Assessment District. Therefore, the assessments solely provide special benefit to property in the Assessment District (100% special benefit) over and above the general benefits conferred to the public at large or properties outside the Assessment District.

METHOD OF ASSESSMENT

This process of apportioning assessments for each property involves determining the relative benefit received by each property in relation to a single family home, or, in other words, on the basis of Single Family Equivalent dwelling units (SFE). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefit and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this Engineer's Report, all properties are designated an SFE value, which is each property's relative benefit in relation to a single family home on one parcel. In this case, the "benchmark" property is the single family detached dwelling which is one Single Family Equivalent unit or one SFE.

ASSESSMENT APPORTIONMENT

The proposed assessments for the Diablo Estates at Clayton Benefit Assessment District would provide direct and special benefit to properties in the Assessment District. Diablo Estates at Clayton is a residential single family development project consisting of a total of 24 single family homes, each on a separate parcel. As such, each residential property receives similar benefit from the proposed Improvements. Therefore, the Engineer has determined that the appropriate method of apportionment of the benefits derived by all parcels is on a dwelling unit or single family residence basis. All improved properties or properties proposed for development are assigned an SFE factor equal to the number of dwelling units developed or planned for the property. In other words, developed parcels and vacant parcels with proposed development will be assessed 1 SFE. The assessments are listed on the Assessment Roll in Appendix A.

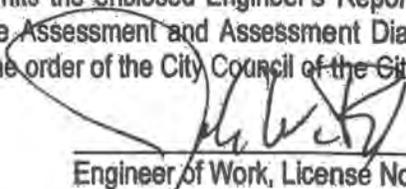
APPEALS AND INTERPRETATION

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Clayton City Engineer or his or her designee. Any such appeal is limited to correction of an assessment during the then current or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the City of Clayton City Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the City of Clayton City Engineer or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the City of Clayton City Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any property owner who disagrees with the decision of the City of Clayton City Engineer or her or his designee may refer their appeal to the City Council of the City of Clayton and the decision of the City Council of the City of Clayton shall be final.

CERTIFICATES

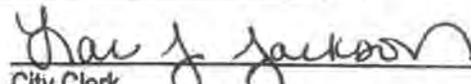
DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT

1. The undersigned respectfully submits the enclosed Engineer's Report and does hereby certify that this Engineer's Report, and the Assessment and Assessment Diagram herein, have been prepared by me in accordance with the order of the City Council of the City of Clayton.



Engineer of Work, License No. C052091

2. I, the City Clerk, City of Clayton, County of Contra Costa, California, hereby certify that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was filed and recorded with me on March 14, 2012.



City Clerk

3. I, the City Clerk, City of Clayton, County of Contra Costa, California, hereby certify that the Assessment in this Engineer's Report was approved and confirmed by the City Council on _____, 2012, by Resolution No. _____

City Clerk

4. I, the City Clerk of the City of Clayton, County of Contra Costa, California, hereby certify that a copy of the Assessment and Assessment Diagram was filed in the office of the County Auditor of the County of Contra Costa, California, on _____, 2012.

City Clerk

5. I, the County Auditor of the County of Contra Costa, California, hereby certify that a copy of the Assessment Roll and Assessment Diagram for fiscal year 2012-13 was filed with me on _____, 2012.

County Auditor, County of Contra Costa

And I do hereby assess and apportion said net amount of the cost and expenses of said Improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within said Diablo Estates at Clayton Benefit Assessment District in accordance with the special benefits to be received by each parcel or lot from the Improvements, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The assessments are made upon the parcels or lots of land within the Diablo Estates at Clayton Benefit Assessment District in proportion to the special benefits to be received by the parcels or lots of land, from said Improvements.

The assessments are subject to an annual adjustment tied to the Consumer Price Index for Urban Consumers (CPI-U) for the San Francisco Bay Area as of April of each succeeding year, with the maximum annual adjustment not to exceed 4%. In the event that the annual change in the CPI exceeds 4%, any percentage change in excess of 4% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 4%.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Contra Costa for the fiscal year 2012-13. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Rolls, the amount of the assessment for the fiscal year 2012-13 for each parcel or lot of land within the said Diablo Estates at Clayton Benefit Assessment District.

Dated: March 6, 2012



Engineer of Work

By [Signature]
John W. Bliss, License No. C052091

ASSESSMENT

WHEREAS, the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the assessment districts and an assessment of the estimated costs of the improvements upon all assessable parcels within the assessment district;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Acts and the order of the City Council of the City of Clayton, hereby make the following assessment to cover the portion of the estimated cost of said improvements, and the costs and expenses incidental thereto to be paid by the assessment district.

The amounts to be paid for said improvements and the expense incidental thereto, to be paid by the Diablo Estates at Clayton Benefit Assessment District for the fiscal year 2012-13, are generally as follows:

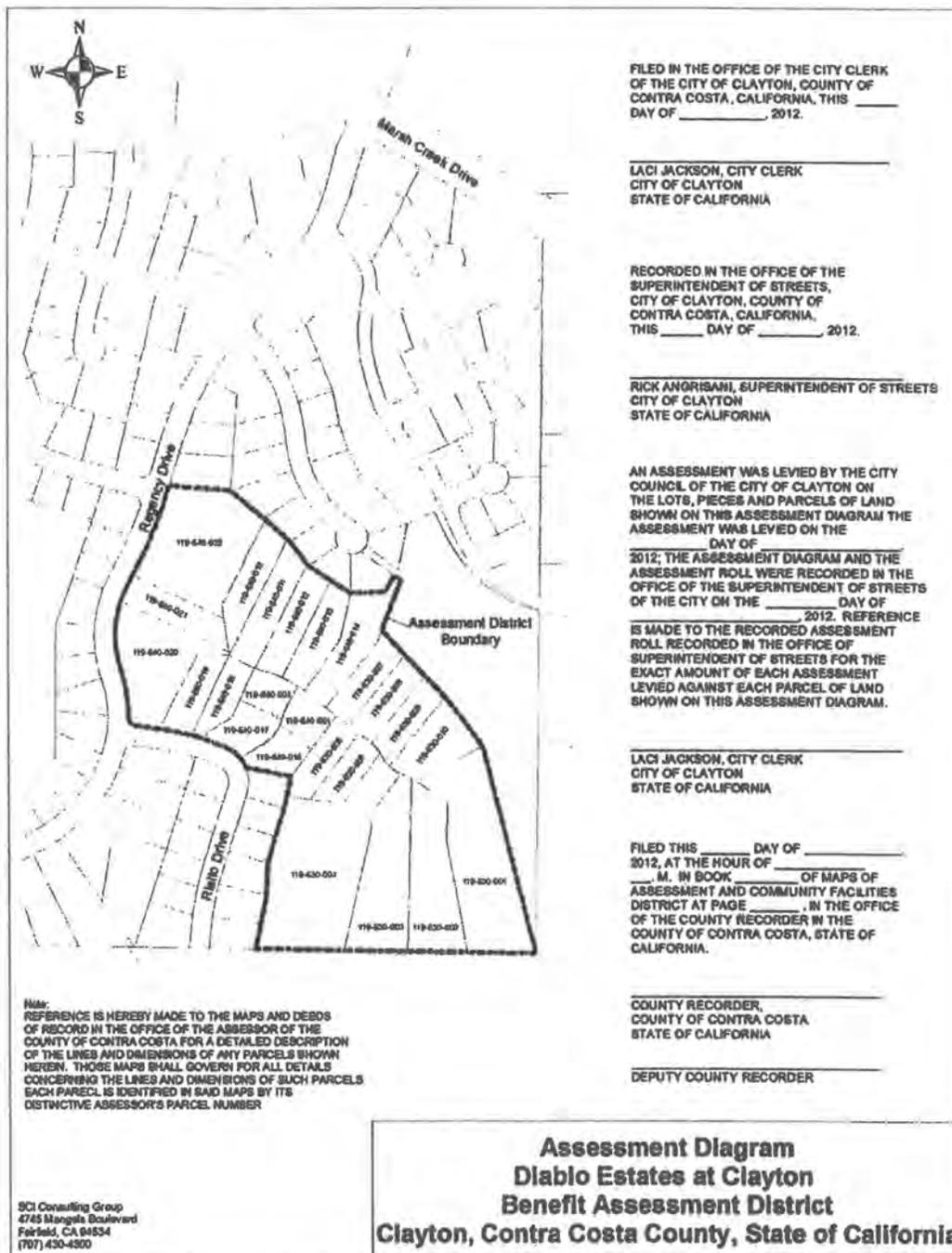
FIGURE 3 – SUMMARY COST ESTIMATES – FISCAL YEAR 2012-13

| CITY OF CLAYTON | |
|--|-------------------|
| Diablo Estates at Clayton Benefit Assessment District | |
| Summary Cost Estimate FY 2012-13 | |
| Installation, Maintenance & Servicing Costs | \$60,763 |
| Incidental Costs | \$11,900 |
| Total Budget | \$72,663 |
| <hr/> | |
| Budget to Assessment | |
| Total Budget | \$72,663 |
| Total SFE Units | 24 |
| Rate per SFE Unit | \$3,027.62 |

As required by the Acts, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Diablo Estates at Clayton Benefit Assessment District. The distinctive number of each parcel or lot of land in said Diablo Estates at Clayton Benefit Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

ASSESSMENT DIAGRAM

The boundaries of the Diablo Estates at Clayton Benefit Assessment District are displayed on the following Assessment Diagram.



APPENDICES

APPENDIX A – ASSESSMENT ROLL, FISCAL YEAR 2012-13

An Assessment Roll (a listing of all parcels assessed within the Assessment District and the amount of the assessment) will be filed with the City Clerk and is, by reference, made part of this Report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this Report. These records shall govern for all details concerning the description of the lots or parcels.

FIGURE 4 – ASSESSMENT ROLL

CITY OF CLAYTON
Diablo Estates at Clayton Assessment District
Assessment Roll

| PARCEL NUMBER | OWNER | SITUS | SFE Units | ASSESSMENT |
|---------------|-----------------|---------------------------------------|-----------|-------------|
| 119-630-001 | TOLL CA XIX L P | 27 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-630-002 | TOLL CA XIX L P | 26 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-630-003 | TOLL CA XIX L P | 22 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-630-004 | TOLL CA XIX L P | 18 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-630-005 | TOLL CA XIX L P | 14 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-630-006 | TOLL CA XIX L P | 10 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-630-007 | TOLL CA XIX L P | 9 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-630-008 | TOLL CA XIX L P | 15 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-630-009 | TOLL CA XIX L P | 19 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-630-010 | TOLL CA XIX L P | 23 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-001 | TOLL CA XIX L P | 6 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-004 | TOLL CA XIX L P | 7 PROMONTORY PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-010 | TOLL CA XIX L P | 16 PROMONTORY PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-011 | TOLL CA XIX L P | 12 PROMONTORY PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-012 | TOLL CA XIX L P | 8 PROMONTORY PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-013 | TOLL CA XIX L P | 4 PROMONTORY PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-014 | TOLL CA XIX L P | 5 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-016 | TOLL CA XIX L P | 2 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-017 | TOLL CA XIX L P | 3 SEMINARY RIDGE PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-018 | TOLL CA XIX L P | 11 PROMONTORY PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-019 | TOLL CA XIX L P | 17 PROMONTORY PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-020 | TOLL CA XIX L P | 21 PROMONTORY PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-021 | TOLL CA XIX L P | 24 PROMONTORY PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| 119-640-022 | TOLL CA XIX L P | 20 PROMONTORY PL CLAYTON CA 94517 | 1 | \$3,027.62 |
| | | | 24 | \$72,662.88 |

ATTACHMENT 4
MAINTENANCE MANAGEMENT SCOPE OF SERVICES

EXHIBIT "A"
SCOPE OF SERVICES

PROPERTY MANAGEMENT SERVICES

The property management duties to be included in this contract shall generally include, but not necessarily limited to, the following:

- a) Contracting with, overseeing and being responsible for, various State-licensed contractors as needed to complete the maintenance services specified below. Consultant shall provide copies of all executed contracts (including detailed scopes of work, and work, manpower and payment schedules) and contractor insurance certificates;
- b) Periodic inspections of the property and improvements to verify current conditions and to ensure satisfactory performance of the various contractors hired by the Proposer to complete the maintenance duties specified in the maintenance document;
- c) Periodic inspections of the property and improvements to ensure satisfactory performance of the homeowners in providing the maintenance services specified below as being the homeowners' responsibility.;
- d) Preparation and submittal of a monthly report to the City Engineer describing the findings of the periodic inspections, the maintenance work completed that month and anticipated for the following month;
- e) Satisfaction of Regional Water Quality Control Board requirements relating to the operation and maintenance of stormwater treatment facilities, including the preparation and submittal of annual reports.

COMMON LANDSCAPING (ALONG REGENCY AND RIALTO DRIVES)

DESCRIPTION AND DETAILED SCOPE OF WORK

Description

As part of the projects approval conditions, the Developer was required to install landscaping and irrigation over a strip of land adjacent to the sidewalks along the project's frontage on Regency and Rialto Drives. The strip of land is variable in width (but generally 25 feet wide, more or less, from the back of sidewalk) and is delineated by an open wire fence except along the frontage of Lot 9 where it is delineated by a wooden "Good Neighbor" fence.

Along with the perimeter fencing, the improvements include trees, shrubs, groundcover and a complete automatic irrigation system. In addition, a subdivision entry monument has been constructed on Lot 8. All of the land covered by the improvements has been encumbered by a recorded landscape maintenance easement in favor of the City of Clayton.

Detailed Scope of Work – City's Responsibility

Maintenance of the Common Landscaping shall occur twice a month by a maintenance crew comprised of at least 3 men for a period of at least 4 hours on each visit.

Trees

The scope of normal tree care shall include, but not be limited to, the following:

- Pruning will be performed under the direction of a qualified maintenance supervisor using appropriate tools and equipment in general accordance with industry standards.

- Pruning shall promote structural strength and accentuate the plants natural forms and features within the limitation of space.
- Trees stakes and guides will be checked regularly and removed or replaced as necessary.
- Minor pesticide application.
- Tree pruning over the 12 foot height.
- Insect and disease control including pest control spraying.
- Deep root feeding on an annual basis.
- Replacement of dead trees.

Shrubs and Groundcover

The scope of shrub and groundcover care shall include, but not be limited to, the following:

- On a continual basis, shrubs shall be checked for appropriate pruning and thinning, shearing or hedging. Hard pruning or cutting back will be done in winter to allow new growth or flushing out during the oncoming spring season.
- On a continual basis, ground covers shall be checked for proper coverage within the planting areas, and general health and condition. Required mowing or shearing of ground covers will be done in the winter to allow new growth during the spring season.
- Shrub pruning, thinning and trimming shall be accomplished on a regular basis to maintain a neat appearance.
- Shrubs shall be pruned to promote strength and accentuate the shrubs natural forms and features, minimize balling, shearing, etc.
- Ground covers shall be mowed on an annual basis as necessary.
- Plant material shall be fertilized on a regular basis before showing any sign of nutritional deficiencies.
- Minor pesticide application.
- Replacement of dead shrubs and groundcover plantings.

Irrigation

The scope of the irrigation check shall include, but not be limited to, the following:

- The system shall be routinely checked twice each month.
- Adjust programming to apply water in accordance with plant requirements based upon weather and soil conditions, and to minimize water runoff.
- Clean and adjust the sprinkler heads and nozzles as needed. Adjust spray patterns to insure coverage and prevent overspray on to the paved areas and buildings.
- Remote control valves shall be checked for proper operation. Valve boxes shall be cleared on top and clean on the inside.
- Minor irrigation repairs (e.g., pipe cracks, joint leaks, damaged spray heads or nozzles, etc.) shall be repaired immediately. The need for more significant repairs shall be brought to the attention of the City for authorization prior to the work being undertaken.

WEED ABATEMENT

DESCRIPTION AND DETAILED SCOPE OF WORK

Description

The City has placed significant restrictions on the use of the large sloped areas within each of the lots. These areas are intended to remain unimproved and covered with "native" vegetation installed by the Developer. Such vegetation tends to become a fire hazard during the summer months if left unchecked.

The Contra Costa Fire District requires that all vegetation be maintained at a height of no more than 3 inches. Weeds and grasses must be mowed with the material raked, bagged, and removed from the

property. This work must be accomplished by the end of June, at the very latest. Re-growth could necessitate additional abatement during the fire season.

Detailed Scope of Work – City's Responsibility

The scope of weed abatement work shall include, but not be limited to, the following:

- Each spring, prior to the date established by the Contra Costa Fire District, all sloped areas between the open wire fences at the rear of each building pad and the lot property line, shall be mowed by hand to a height of less than 3 inches. The excess materials generated by the mowing shall be raked, placed in bags, and legally disposed of offsite.
- When needed due to re-growth of the vegetation, the process as specified shall be repeated.

STORM DRAINAGE FACILITIES

DESCRIPTION AND DETAILED SCOPE OF WORK

Description

As part of the subdivision construction, a storm drainage system has been constructed within the streets of the project. The system includes concrete collection ditches (known as "J" and "V" ditches), storm drain pipes interconnecting and running between manholes and catch basins. The system also includes five large storage pipes (36" and 48" in diameter with a total length of 728 feet). The storage pipes also include observation structures for inspection and cleaning, if required. These storage pipes have been designed to collect the storm runoff from the streets and delay the discharge of the runoff into the remainder of the storm drain system by metering the discharge flows. The intent of this delay is to keep the peak flow rate of the storm water discharge leaving the project at the same or lower rate that existed prior to construction of the project.

In order to continue to work as designed, the system must be kept clear of sediment, trash and debris.

Detailed Scope of Work – City's Responsibility

The scope of storm drain facility maintenance work shall include, but not be limited to, the following:

- Each year, by October 15th, each storm drain structure and facility (concrete ditches, manholes, catch basins, and storage pipes) shall be inspected for build-up of sediment and debris.
- Each structure shall be cleaned as necessary using a truck-mounted vacuum system.
- The concrete ditches shall be cleaned of all weeds and trash by hand. The materials generated shall be placed in bags, and legally disposed of offsite.
- Cracks in the concrete ditches and structures shall be repaired.
- If necessary, the structures shall be treated for vector (mosquitoes) infestation as necessary with Larvicide dunks.
- Upon completion of the inspection and work, the contractor shall file a written report, including photos of the findings and maintenance work, with the City indicating the results of the inspection and work, including a description of amount and type of debris removed, depth of sediment observed in the structures, and a description of repairs that the Contractor believes necessary to maintain the integrity of the storm drainage facilities.
- Any major repairs deemed necessary by the City shall be performed under separate written authorization.

STORMWATER TREATMENT FACILITIES

DESCRIPTION AND DETAILED SCOPE OF WORK

Description

As part of the subdivision construction, stormwater treatment facilities have been constructed both in the street and on each lot. The in-street facility consists of a single Vortech 3000 Hydrodynamic Separator unit located near Rialto Drive. The on-lot treatment facilities consist of one or two bioretention filtration planters ("planters") on each lot as well as small collection pipes which convey the runoff to the planters. In addition, the collection systems on some lots may include trench drains adjacent to the end of the driveways to collect runoff from the driveways.

The planters have been sized to accept and treat all of the on-lot runoff from impervious surfaces. The planters include 18" of filter soils placed on top of a thick layer of permeable rock. The runoff that enters the planter is cleaned as it percolates through the filter soils and into the permeable rock. The permeable rock layer includes a 24" storage pipe and smaller perforated drains to collect the runoff. The outflow from the storage pipes is metered by a small orifice opening to limit the rate of discharge as required by the latest stormwater regulation.

In addition to the filter soils, treatment of the runoff is accomplished by the vegetation planted in the filter soils. It is the responsibility of the individual property owners to maintain the vegetation and surface condition of the planters as well as the on-lot collection pipe system. It should be understood that the types of plantings installed by the Developer were selected from a pre-approved list of plant materials published by the Contra Costa Clean Water Program. Any vegetation that must be replaced, at any time, can only be replaced with the same or another pre-approved plant.

The stormwater treatment regulations require routine and annual inspections of all facilities, the results of which are required to be reported to the Regional Water Quality Control Board. If these inspections note that the property owner has not properly maintained the on-lot collection system, planters or vegetation, or replaced any plantings with non-approved types, a notice of deficiency will be issued to the property owner. If the property owner fails to satisfy the notice of deficiency within the time period specified on the notice, such failure shall be reported to the Regional Water Quality Control Board and may subject the property owner to fines as high as \$10,000 per day.

Detailed Scope of Work – Homeowners' Responsibility

The scope of the property owners' responsibility shall include, but not be limited to, the following routine work:

- Inspect the driveway trench drain, its entrances (grates) and exits. Look for obstructions, vegetation, debris, litter, sediment, etc., blocking the entrances and exits of the trench drain. If necessary, clear trench drain, exits and entrances by hand and with hand tools. Ensure that water flows freely into and out of the trench drain.
- Inspect for large vegetation growing within 4" of the trench drain entrance or exit. Remove any invasive plants, weeds, shrubs, or any plant with a woody stem within 4" of trench drain entrance or exit.
- Inspect the outlets of the collection system in each of the planters for plugging caused by debris. Look for evidence of erosion in the planter surface. Inspect side soils and/or rocks placed around the edges of the planters. Repair and/or replace any erosion or missing rocks. Clear outlets as necessary.
- Examine vegetation to ensure it is healthy and dense enough to provide filtering and to protect soils from erosion. Replenish mulch as necessary, remove fallen leaves and debris, prune large

shrubs or trees. Replace dead plants and remove invasive vegetation. Confirm that the irrigation is adequate and not excessive.

Detailed Scope of Work – City's Responsibility

The scope of the City's responsibility shall include, but not be limited to, the following:

- Each year, prior to the rainy season, the City, or its contractor, shall undertake a complete inspection and testing of the in-street and on-lot stormwater treatment systems in accordance with the project's Stormwater Control Operation & Maintenance Manual.
- Maintain Vortech 3000 Hydrodynamic Separator unit in accordance with the manufacturer's operation and maintenance requirements. This work shall include removal and disposal of accumulated sediment. Monitor and treat for vector (mosquitoes) infestation as necessary with Larvicide dunks.
- Upon completion of the inspection and work, the contractor shall file a written report, including photos of the findings and the maintenance work, with the City indicating the results of the inspection and work, including a description of amount and type of debris removed, depth of sediment observed in the structures, and a description of repairs that the Contractor believes necessary to maintain the integrity of the stormwater treatment facilities.
- Standard City fees will be paid to the City directly by the BAD and are not a part of this contract.
- Any major repairs deemed necessary by the City shall be performed under separate written authorization.

STREET LIGHTING FACILITIES

DESCRIPTION AND DETAILED SCOPE OF WORK

Description

As part of the subdivision construction, a street lighting system, consisting of four street lights and associated wiring and boxes, was installed.

Detailed Scope of Work – City's Responsibility

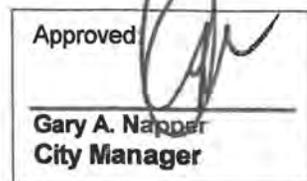
The scope of streetlighting system work shall include, but not be limited to, the following:

- Routinely inspect and replace parts as needed
- Payment for the supply of electricity from PG&E. (Note: the electrical billing for the street lights will be paid by the City directly to PG&E and is not a part of the contract)



Agenda Date: 5-21-2019

Agenda Item: 7a



AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: Justin Ezell, Director of Public Works, City of Concord

DATE: May 21, 2019

SUBJECT: Public Hearing to consider the proposed multi-year increases to the various annual real property sewer services rates for the operation and maintenance of the Clayton municipal sewer system

RECOMMENDATION

Open the Public Hearing, receive public testimony, review the benched correspondence, and make a determination as to whether or not a majority protest exists. If not, then it is recommended the City Council adopt the proposed Resolution.

BACKGROUND

The City of Clayton owns its sanitary sewer system and for decades has contracted with the City of Concord for operation and maintenance of the system. One of the responsibilities contracted to the City of Concord is setting annual sewer service charges. Beginning in 2018 the City of Concord initiated a rate study to evaluate the operational and maintenance needs and necessary rate increases to effectively operate the sanitary sewer systems of both Clayton and Concord. The study concluded that existing sewer rates will not produce sufficient revenue requirements in future years. Due to the forecasted shortfalls, the cash reserves of the Sewer Enterprise operated by the City of Concord will be exhausted by FY 2022. An increase to the various annual sewer service charges is necessary to maintain solvency and long-term financial health of the Sewer Enterprise.

The City of Concord's Sewer Enterprise contracts with Central Contra Costa Sanitary District (CCCSD) to provide waste water treatment and disposal of sewage at CCCSD's treatment plant. Clayton and Concord pay a proportionate share of the maintenance, operation, and capital improvement costs at the treatment plant, and the Household Hazardous Waste Facility. The proportionate share is based on flow volumes. Clayton and Concord's combined flow volume represents approximately 32%-34% of the volume of waste treated by CCCSD. CCCSD's 10-Year Capital Improvement Plan includes major treatment plant improvements to meet new regulatory requirements. Clayton and Concord are required to pay their 32-34% proportional share of these projects as they are built.

The large number of capital improvement projects CCCSD planned for its treatment plant is primarily due to aging infrastructure and new regulatory requirements for environmental

compliance, CCCSD embarked on a master planning effort and developed a long-term capital plan needed for collection system and treatment plant improvements. Clayton and Concord will be required to pay their proportional share of the treatment plant costs through Concord's agreement with CCCSD. Concord continues to work with CCCSD ensuring that its Sewer Enterprise budget is not impacted by unforeseen expenditures incurred in CCCSD's capital programs. As part of this effort, Concord staff received budget proposals from CCCSD and attended its Board meetings as needed. CCCSD has been cooperative in providing budget information as it becomes available. Approximately 75% of the amount property owners pay for their real property sewer services goes toward paying for CCCSD costs.

The City of Concord's 10-Year Sewer Enterprise financial forecast includes scheduled rate increases every year to fund additional anticipated requirements for operations, maintenance, and capital improvements for both Clayton and Concord sewer facilities, in addition to the improvements at CCCSD (Attachment 1). The Budget currently proposes annual \$45 rate increases for Fiscal Years 2020 through 2023. The proposed rate increases for the next four fiscal years are to (1) offset rate increases by CCCSD, (2) maintain the system reserve funds, and (3) allow for needed capital improvements. The proposed increase was noticed in a Proposition 218 notification that was mailed to all property owners in Clayton whose real properties are connected to the municipal sanitary sewer system (Attachment 2). The annual sewer service charges that Clayton property owners pay are currently in the lower tier of rates compared to neighboring communities, and would remain so after the proposed FY 2019-20 increase (9th lowest out of 24, as shown in Attachment 3).

FISCAL IMPACT

If increases to Concord's various annual sewer service charges do not occur, by 2022 there will not be a reserve available to cover the operating expenditures of future years.

CONCLUSION

Clayton and Concord pay 32%-34% of CCCSD's costs for treatment plant operations and capital improvements. These costs make up about 75% of the total cost property owners pay for sewer service. An increase to the various annual sewer service charges is necessary in order to continue paying for these costs while maintaining solvency and long-term financial health of the Sewer Enterprise.

Staff recommends the City Council open the Public Hearing, receive public testimony, review the benched correspondence, and make a determination as to whether or not a majority protest exists opposing the recommended increases in the minimum annual sewer services charge from \$592 to \$637 in FY 2019-20, \$682 in FY 2020-21, \$727 in FY 2021-22, and to \$772 in FY 2022-23 and increasing other corresponding charges (as shown in Attachment 2).

- Attachments: 1. Ten-Year Financial Forecast [1 pg.]
2. Proposition 218 Notice mailed to real property owners in Clayton [2 pp.]
3. Residential Sewer Service Charge Comparison Chart [1 pg.]
4. City Resolution and Attachment A [5 pp.]

Sewer Enterprise
Ten Year Projection
for the Year Ending June 30, 2019

| | Estimated Fee Inc. \$45 |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 |
| Fund Balance 7/01 | \$10,382,713 | \$10,454,922 | \$12,782,921 | \$19,592,694 | \$19,518,238 | \$17,874,718 | \$16,864,652 | \$18,285,623 | \$17,584,777 | \$20,614,554 | \$20,322,594 |
| Revenues | | | | | | | | | | | |
| Sewer Service Fees | 35,823,981 | 38,711,327 | 41,622,643 | 44,552,101 | 47,556,720 | 50,597,516 | 53,665,421 | 56,768,784 | 59,967,901 | 63,205,807 | 66,482,876 |
| Miscellaneous Revenue | 1,255,383 | 1,468,725 | 1,533,101 | 1,785,355 | 2,051,015 | 2,086,361 | 1,698,647 | 1,470,035 | 1,740,100 | 1,750,371 | 1,760,708 |
| Total Revenues | \$37,079,364 | \$40,180,052 | \$43,155,744 | \$46,337,456 | \$49,607,734 | \$52,683,877 | \$55,364,068 | \$58,238,819 | \$61,708,001 | \$64,956,178 | \$68,243,584 |
| Operating Expenditures | | | | | | | | | | | |
| City of Concord Costs: | | | | | | | | | | | |
| Maintenance and Operations | 4,562,320 | 4,699,189 | 4,840,165 | 4,985,370 | 5,134,931 | 5,288,979 | 5,447,648 | 5,611,078 | 5,779,410 | 5,952,792 | 6,131,376 |
| Sanitary Sewer Repairs | 140,000 | 144,200 | 148,526 | 152,982 | 157,571 | 162,298 | 167,167 | 172,182 | 177,348 | 182,668 | 188,148 |
| Subtotal City of Concord Costs | \$4,702,320 | \$4,843,389 | \$4,988,691 | \$5,138,352 | \$5,292,502 | \$5,451,277 | \$5,614,815 | \$5,783,260 | \$5,956,758 | \$6,135,460 | \$6,319,524 |
| City of Concord Debt | | | | | | | | | | | |
| 2012 Wastewater Refunding | 753,581 | 751,981 | 749,581 | 752,981 | 756,081 | 752,356 | 751,856 | 755,187 | 752,175 | 753,750 | 748,050 |
| 2018 Wastewater Refunding | 767,570 | 765,400 | 768,200 | 765,200 | 766,950 | 762,450 | 766,950 | 764,950 | 761,700 | 767,200 | 760,950 |
| Subtotal City of Concord Debt | \$1,521,151 | \$1,517,381 | \$1,517,781 | \$1,518,181 | \$1,523,031 | \$1,514,806 | \$1,518,806 | \$1,520,137 | \$1,513,875 | \$1,520,950 | \$1,509,000 |
| CCCSD Costs | | | | | | | | | | | |
| Capital Projects Reimbursement | 7,259,589 | 11,635,577 | 10,108,965 | 17,212,596 | 20,370,908 | 18,645,971 | 15,715,053 | 22,746,739 | 18,494,860 | 22,008,498 | 13,333,708 |
| Treatment Plant Operations | 15,679,891 | 14,573,836 | 15,249,958 | 15,997,641 | 16,759,216 | 17,554,923 | 17,535,149 | 18,296,978 | 19,085,902 | 19,921,096 | 20,475,331 |
| Household Hazardous Waste | 759,204 | 956,870 | 985,576 | 1,015,143 | 1,045,597 | 1,076,965 | 1,109,274 | 1,142,552 | 1,176,829 | 1,212,134 | 1,248,498 |
| Subtotal CCCSD Costs | \$23,698,684 | \$27,166,283 | \$26,344,499 | \$34,225,380 | \$38,175,721 | \$37,277,859 | \$34,359,476 | \$42,186,269 | \$38,757,591 | \$43,141,728 | \$35,057,537 |
| Total Operating Expenditures | \$29,922,154 | \$33,527,053 | \$32,850,971 | \$40,881,913 | \$44,991,254 | \$44,243,942 | \$41,493,097 | \$49,489,666 | \$46,228,224 | \$50,798,138 | \$42,886,061 |
| Net Income (Loss) | \$7,157,209 | \$6,652,999 | \$10,304,773 | \$5,455,543 | \$4,616,480 | \$8,439,935 | \$13,870,971 | \$8,749,153 | \$15,479,778 | \$14,158,039 | \$25,357,523 |
| Capital Projects | | | | | | | | | | | |
| City Projects | 7,085,000 | 4,325,000 | 3,495,000 | 5,530,000 | 6,260,000 | 4,450,000 | 4,450,000 | 4,450,000 | 4,450,000 | 4,450,000 | 4,450,000 |
| Potential Future Capital Costs | 0 | 0 | 0 | 0 | 0 | 5,000,000 | 8,000,000 | 5,000,000 | 8,000,000 | 10,000,000 | 20,000,000 |
| Total Capital Projects | \$7,085,000 | \$4,325,000 | \$3,495,000 | \$5,530,000 | \$6,260,000 | \$9,450,000 | \$12,450,000 | \$9,450,000 | \$12,450,000 | \$14,450,000 | \$24,450,000 |
| Other Financing Sources (Uses) | | | | | | | | | | | |
| Transfers In | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfers Out | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other Financing Sources (Uses) | \$0 |
| Fund Balance - 6/30 with Contingency | \$10,454,922 | \$12,782,921 | \$19,592,694 | \$19,518,238 | \$17,874,718 | \$16,864,652 | \$18,285,623 | \$17,584,777 | \$20,614,554 | \$20,322,594 | \$21,230,116 |
| Less 10% O&M Contingency | \$5,680,300 | \$6,402,000 | \$6,266,700 | \$7,872,800 | \$8,693,700 | \$8,545,900 | \$7,994,900 | \$9,594,000 | \$8,942,900 | \$9,855,500 | \$8,275,500 |
| Fund Balance - 6/30 without Contingency | \$4,774,622 | \$6,380,921 | \$13,325,994 | \$11,645,438 | \$9,181,018 | \$8,318,752 | \$10,290,723 | \$7,990,777 | \$11,671,654 | \$10,467,094 | \$12,954,616 |



ATTACHMENT 2

City of Clayton
6000 Heritage Trail
Clayton, CA 94517
www.ci.clayton.ca.us

PRSR STD
U.S. POSTAGE
PAID
CONCORD, CA
PERMIT NO. 207

Notice of Proposed Rate Increases & Public Hearing on Tuesday, May 21, 2019 at 7:00 p.m. Clayton Community Library - Hoyer Hall 6125 Clayton Road



Notice to Property Owners
of a Proposed Four-Year Increase in the Annual Sewer Service Charge



Notice to Property Owners

The City of Clayton owns its sanitary sewer system, but has always contracted with the City of Concord for operation and maintenance of the system, including the calculation of operation and maintenance fees. Central San then treats Concord and Clayton's sewage. The City of Concord is

proposing an increase to the fees that property owners pay for these services. The fee is proposed to increase each year over the next four years. Since your property is connected to Clayton's sanitary sewer system, this increase will affect you.

Annual Sewer Charges by Occupancy **Sewer Service Charge**



Sewer Service Charge

The current annual Sewer Service Charge for residential properties is \$592, which is insufficient to cover the increasing operational costs of conveying and treating sewage. Your sewage is treated by Central San. New regulations and aging infrastructure are also driving up its operational costs. Therefore, the Sewer Service Charge for residential properties is proposed to increase to: \$637 for Fiscal Year (FY) 2019-20; \$682 for FY2020-21; \$727 for

FY2021-22; and \$772 for FY2022-23. Commercial rates are proposed to increase as well, but are based upon water usage and may vary from these amounts.

The amount of the fee calculated by Concord in order to fairly apportion applicable costs amongst sewer users is according to the cost of providing service to that user; a detailed rate study was prepared to calculate the proposed charges.



Services Covered by the Sewer Service Charge

The majority of the Sewer Enterprise Fund's expenses is attributed to the daily treatment of Concord and Clayton's sewage at the Central Contra Costa Sanitary District's (Central San) treatment plant. The costs include the maintenance, operation, and capital improvements at the treatment plant; and a proportional share (based upon

population), of the cost is to operate Central San Household Hazardous Waste Facility (HHWF). 75% of the amount you pay for sewer services goes to Central San for these items. The remaining expenses include the cost of operating the municipal sanitary sewer system, routine maintenance, replacement and repair, and emergency reserves.

| Charge Classification | Existing Charge | | Proposed Charge | | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
| Residential Owners | | | | | |
| Minimum rate for any premises | \$592.00 | \$637.00 | \$682.00 | \$727.00 | \$772.00 |
| Each single-family dwelling unit | \$592.00 | \$637.00 | \$682.00 | \$727.00 | \$772.00 |
| Each dwelling unit in a multiple dwelling structure | \$592.00 (per unit) | \$637.00 | \$682.00 | \$727.00 | \$772.00 |
| Mobile Home Park | \$592.00 (per space) | \$637.00 | \$682.00 | \$727.00 | \$772.00 |
| Commercial Owners - Charge based upon quantity of water used in cubic feet | | | | | |
| Minimum rate for any premises | \$592.00 | \$637.00 | \$682.00 | \$727.00 | \$772.00 |
| Bowling Alleys (per HCF) | \$5.23 | \$5.63 | \$6.03 | \$6.43 | \$6.83 |
| Car Washes (per HCF) | \$5.23 | \$5.63 | \$6.03 | \$6.43 | \$6.83 |
| Health Studios and Gymsnasiums | \$5.23 | \$5.63 | \$6.03 | \$6.43 | \$6.83 |
| Hospitals - Convalescent (per HCF) | \$5.23 | \$5.63 | \$6.03 | \$6.43 | \$6.83 |
| Multiple Lodging Structures (per HCF) | \$5.23 | \$5.63 | \$6.03 | \$6.43 | \$6.83 |
| Laundromats and Laundries (per HCF) | \$5.23 | \$5.63 | \$6.03 | \$6.43 | \$6.83 |
| Restaurants (per HCF) | \$10.41 | \$11.20 | \$11.99 | \$12.78 | \$13.57 |
| Restaurants w/ pretreatment (per HCF) | \$5.92 | \$6.37 | \$6.82 | \$7.27 | \$7.72 |
| Bakeries | Determined Individually |
| All others (per HCF) | \$5.92 | \$6.37 | \$6.82 | \$7.27 | \$7.72 |
| Institutional Owners | | | | | |
| Minimum rate for any premises | \$592.00 | \$637.00 | \$682.00 | \$727.00 | \$772.00 |
| As defined in Section 13.05.010 of the Concord Municipal Code (except for Convalescent Hospitals noted above) (per HCF) | \$5.92 | \$6.37 | \$6.82 | \$7.27 | \$7.72 |
| Industrial Owners | | | | | |
| Minimum rate for any premises | \$592.00 | \$637.00 | \$682.00 | \$727.00 | \$772.00 |
| Flow (per million gallons) | \$4,593.00 | \$4,942.00 | \$5,291.00 | \$5,640.00 | \$5,990.00 |
| Biochemical Oxygen Demand (BOD) (per thousand pounds) | \$1,079.00 | \$1,161.00 | \$1,243.00 | \$1,325.00 | \$1,407.00 |
| Suspended Solid (SS) (per thousand pounds) | \$919.00 | \$989.00 | \$1,059.00 | \$1,129.00 | \$1,198.00 |



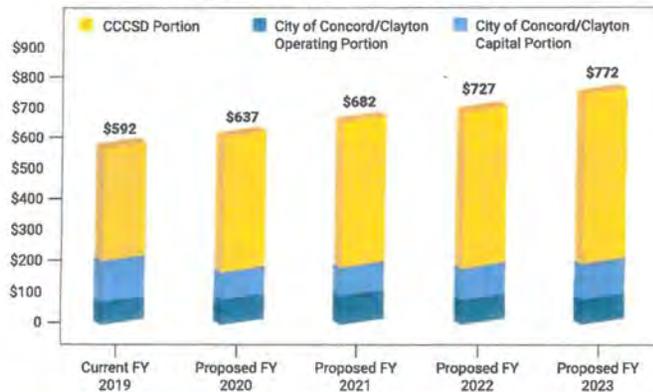
Reasons for Proposed Increase

These rates are charged to customers in order to fund the costs of constructing, operating, and maintaining the sewer and sewage treatment system. It is necessary to increase the Sewer Service Charge due to several factors:

- 1 Central San is planning upgrades to its treatment plant, of which the Sewer Fund has to pay its proportional share. The upgrades are necessary to comply with regulations and are increasing your rates.
- 2 Central San's cost to treat sewage is increasing. There are a number of items related to this, such as chemicals, energy (electricity and natural gas), labor and disposal. The proportional share of these costs is passed onto the cities of Concord and Clayton by Central San.
- 3 The cost to operate Central San's Household Hazardous Waste Facility (a State mandated requirement), increases approximately three percent each year.
- 4 Portions of the sanitary sewer system are reaching the end of their useful life and need to be replaced. The City of Concord is planning several rehabilitation projects over the next four years, including structural repairs and capacity upgrades of the sanitary sewer system, which also serves Clayton.
- 5 The Sewer Enterprise Reserve Fund needs to be increased so that money is available in the event of an emergency, such as a catastrophic sewer line failure.



Projected Annual Residential Sewer Bill



75% of the total amount you pay for sewer services goes to Central San.



Sewer Service Collection

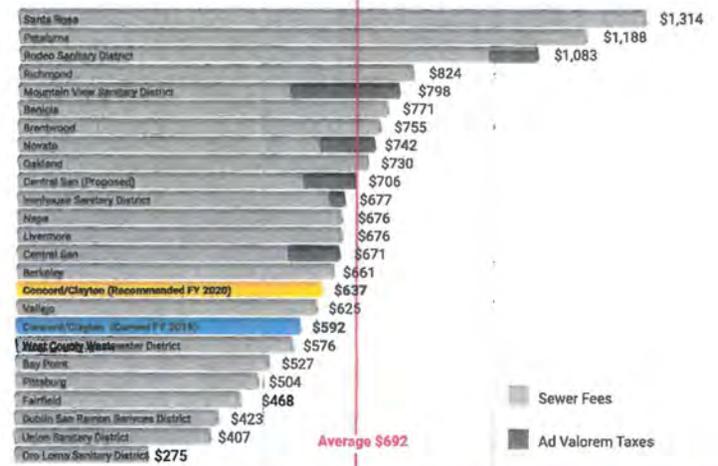
The Sewer Service Charge is collected annually via your property taxes. It appears in the "Special Taxes

& Assessments" portion of the Property Tax Bill as either "Clayton Res Sewer" or "Clayton Com Sewer."



Sewer Service Comparisons

FY 18-19



Currently, Concord and Clayton's Residential Sewer Charge is one of the lowest in the area (see chart). The annual average residential sewage charge for neighboring jurisdictions is \$692 for this year.

NOTICE IS HEREBY GIVEN, that the City Council of the City of Clayton will hold a PUBLIC HEARING on this matter in Hoyer Hall, Clayton Community Library, 6125 Clayton Road, on **Tuesday, May 21, 2019, at 7:00 p.m.** (or as soon thereafter as the matter can be heard), at which time and place interested persons may appear and be heard.

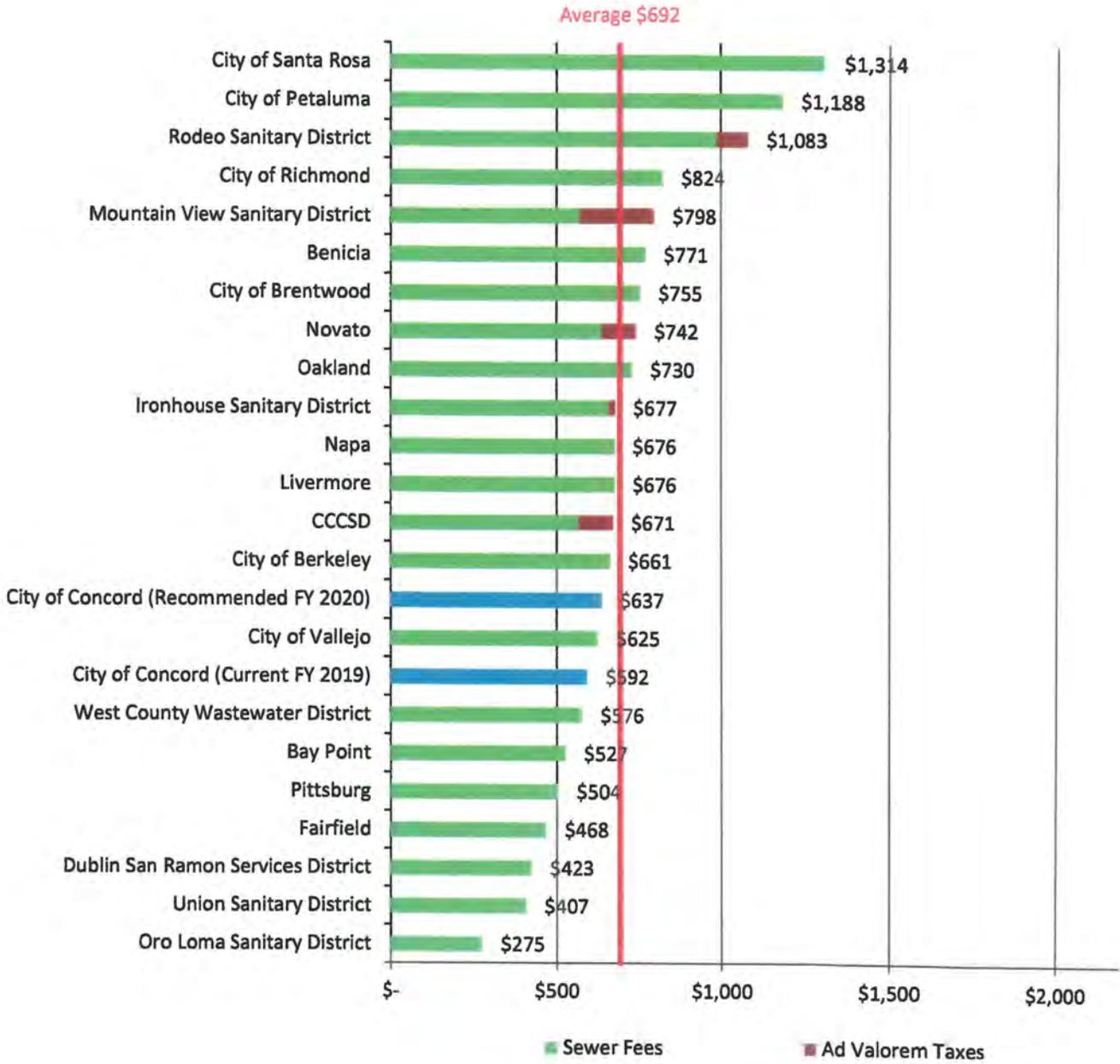
Written protests on the proposed increase in the annual sewer service charge may be mailed or delivered to the City Clerk at 6000 Heritage Trail, Clayton, CA 94517. Your letter must identify the real property you own by the service address or assessor's parcel number. Your letter must be legibly signed by any one of the current property owners or customers on record and must be received prior to the close of the Public Hearing on May 21, 2019. Only one protest per parcel will be

counted. The sewer service charge cannot be increased if a majority protest of the levied parcels is received before the close of the public hearing.

Please be advised that in the event that you challenge the City Council's decision on this matter in court you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Council at, or prior to, the close of the public hearing.

For further information on the proposed increase, please call the City of Concord Public Works Department at (925) 671-3448. The proposed charges for the next four years are listed on the back of this booklet.

ATTACHMENT 3 Residential Sewer Service Charge Comparison



RESOLUTION NO. xx - 2019

A RESOLUTION APPROVING AND IMPOSING ANNUAL SEWER SERVICE CHARGES ON REAL PROPERTIES WITHIN THE CITY OF CLAYTON COMMENCING FISCAL YEAR 2019-20 THROUGH FISCAL YEAR 2022-23

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, since its incorporation in 1964, the City of Clayton has owned and has a municipal sewerage system of collection and transmission gravity-flow lines which ultimately result in the treatment and lawful discharge of effluent through the off-site permitted treatment plant of Contra Costa Sanitary Sewer District; and

WHEREAS, since 1966 the City of Clayton has contracted with the City of Concord for connection to its sewerage transmission line system for connection to the off-site treatment plant, and all residents of Clayton and Concord who use Concord's sanitary sewer system will share equally in the operation and maintenance of that system on a self-sustaining basis; and

WHEREAS, in 1991 a new Sewer Services Agreement was approved between the cities of Clayton and Concord in which Concord agreed to furnish all sewer services to Clayton after construction of any new municipal sewer lines, mains, and laterals by Clayton, and all portions of the sewerage system within Clayton shall be maintained and repaired by Concord in the same manner and extent to similar conditions as the sewerage system within Concord, and which Agreement further stipulated that all connection fees and annual service charges imposed by the City of Concord within Clayton shall be identical to those rates imposed within the City of Concord; and

WHEREAS, Chapter 13.08 of the *Clayton Municipal Code* provides among other matters that Clayton residents receiving sewer services from Concord shall pay all fees and charges lawfully imposed by Concord for such services; and

WHEREAS, in 2014 the San Francisco Regional Water Quality Control Board declared Clayton is a separate municipal sewerage system from the City of Concord and for the first time assigned Clayton a distinct CIWQS WDID number thereby holding Clayton accountable and responsible for its own system; and

WHEREAS, over these years the City of Concord periodically calculates the annual sewer service rates it requires to operate and maintain both sewerage systems, and to contract for and pay for combined sewage influent treatment and lawful discharge through the Contra Costa Sanitary Sewer District; and

WHEREAS, the revenues derived from the sewer service charges will not exceed the funds required to provide the services for which the sewer service charges are imposed, and will be used exclusively for the operation and maintenance of the City's sewer systems, as applicable; and

WHEREAS, the sewer service charges are equitable to all customer classes; and

WHEREAS, the amount of the sewer service charges will not exceed the proportional cost of the service attributable to each parcel upon which they are proposed for imposition;

WHEREAS, the sewer service charges will not be imposed on a parcel unless the service for which such charge is imposed, is actually used by, or immediately available to, the owner of the parcel;

WHEREAS, article XIII D, section 6 of the California Constitution ("Article XIII D") requires that prior to imposing any increase to the Charges, the City shall provide written notice (the "Notice") by mail of the new or increased Charges to the record owner of each parcel upon which the Charges are proposed for imposition and any tenant directly liable for payment of the Charges, the amount of the Charges proposed to be imposed on each parcel, the basis upon which the Charges were calculated, the reason for the Charges, and the date time and location of a public hearing (the "Hearing") on the proposed Charges;

WHEREAS, pursuant to Article XIII D such Notice is required to be provided to the affected property owners and any tenant directly liable for the payment of the Charges not less than forty-five days prior to the Hearing on the proposed Charges;

WHEREAS, in its contracted fiduciary responsibility the City of Concord has performed the incumbent work to determine the annual sewer service charges by occupancy in Clayton and in Concord for the next four (4) fiscal years, and did mail the Notice to all real property owners in Clayton on 03 April 2019 informing a Public Hearing under Proposition 218 will be held in Clayton on Tuesday, 21 May 2019 at 7:00 p.m. in Hoyer Hall of the Clayton Community Library; and

WHEREAS, the duly-noticed Public Hearing under the provisions of Proposition 218 was held 21 May 2019 in the place, manner and time duly noticed and at which an oral and written staff presentation was made to the Clayton City Council on the proposed annual increase in the various annual sewer service charges over the next four (4) fiscal years, as specifically listed in Attachment A to this Resolution as if fully set forth herein, and public comment was received with respect thereto; and

WHEREAS, at the time of this writing the City of Clayton did receive one (1) written protest to the proposed annual increase to the various annual sewer service charges it does intend to impose, and during the Public Hearing additional protest numbering (xxx) were received; and

WHEREAS, at the conclusion of the Proposition 218 Public Hearing the Clayton City Council has determined the number of protests received to the proposed four-year annual sewer rate increases are insufficient in number to override the City Council's necessity to impose the proposed annual sewer rate increases in the interest of public health, safety and welfare;

NOW, THEREFORE, BE IT RESOLVED that the City Council of Clayton, California does hereby find, determine and approve as follows:

Section 1. The above Recitals are true and correct facts pertaining to this matter before the Clayton City Council and were relied upon in part as to its determination in this matter.

Section 2. The four (4) fiscal years' annual sewer service rates as listed in Attachment A, a true and correct copy of which is attached hereto as if fully incorporated herein, are hereby approved and herein authorized for annual levy upon each real property within the city of Clayton according to its occupancy. In the event the sewer service rates included in Attachment A hereto are inconsistent with any other fee or charge of the City, it is the express intent of the City Council that the sewer service rates listed in Attachment A shall supersede.

Section 3. The City of Concord is hereby requested and duly authorized to implement the levy of each respective annual sewer service rate upon each real property within the city of Clayton and to manage said annual revenues pursuant to terms and provisions of the existing Sewer Services Agreement between the two cities.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 21st day of May 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Tuija Catalano, Mayor

ATTEST:

Janet Calderon, City Clerk

Attachment:

A. Four (4) Fiscal Year Annual Sewer Service Charges

**ATTACHMENT A
CITY OF CLAYTON
ANNUAL SEWER SERVICE CHARGES**

| Charge Classification | Charge | |
|--|-------------------------|-------------------------|
| | FY 2019-20 | FY 2020-21 |
| Residential Owners | | |
| Minimum rate for any premises | \$637.00 | \$682.00 |
| Each single family dwelling unit | \$637.00 | \$682.00 |
| Each dwelling unit in a multiple dwelling structure | \$637.00 per unit | \$682.00 per unit |
| Mobile Home Park | \$637.00 per space | \$682.00 per space |
| Commercial Owners – Charge Based upon quantity of water used in cubic feet: | | |
| Minimum rate for any premises | \$637.00 | \$682.00 |
| Bowling Alleys | \$5.63/100 cu. ft. | \$6.03/100 cu. ft. |
| Car Washes | \$5.63/100 cu. ft. | \$6.03/100 cu. ft. |
| Health Studios & Gymnasiums | \$5.63/100 cu. ft. | \$6.03/100 cu. ft. |
| Hospitals – Convalescent | \$5.63/100 cu. ft. | \$6.03/100 cu. ft. |
| Multiple Unit Lodging (Hotels, Motels & Rooming Houses) | \$5.63/100 cu. ft. | \$6.03/100 cu. ft. |
| Laundromats & Laundries | \$5.63/100 cu. ft. | \$6.03/100 cu. ft. |
| Restaurants | \$11.20/100 cu. ft. | \$11.99/100 cu. ft. |
| Restaurants with pretreatment facilities approved annually | \$6.37/100 cu. ft. | \$6.82/100 cu. ft. |
| Bakeries | Determined individually | Determined individually |
| All others | \$6.37/100 cu. ft. | \$6.82 /100 cu. ft. |
| Institutional Owners | | |
| Minimum rate for any premises | \$637.00 | \$682.00 |
| As defined in Section 13.05.010, except for Convalescent Hospitals | \$6.37/100 cu. ft. | \$6.82/100 cu. ft. |
| Industrial Owners – Charge based upon quantity of water used and quality of effluent: | | |
| Minimum rate for any premises | \$637.00 | \$682.00 |
| Flow/Million Gallons | \$4,942.00 | \$5,291.00 |
| Biochemical Oxygen Demand (B.O.D.) per 1,000 pounds | \$1,161.00 | \$1,243.00 |
| Suspended solid (S.S.) per 1,000 pounds | \$989.00 | \$1,059.00 |

| Charge Classification | Charge | |
|--|---------------------|---------------------|
| | FY 2021-22 | FY 2022-23 |
| Residential Owners | | |
| Minimum rate for any premises | \$727.00 | \$772.00 |
| Each single family dwelling unit | \$727.00 | \$772.00 |
| Each dwelling unit in a multiple dwelling structure | \$727.00 per unit | \$772.00 per unit |
| Mobile Home Park | \$727.00 per space | \$772.00 per space |
| Commercial Owners – Charge Based upon quantity of water used in cubic feet: | | |
| Minimum rate for any premises | \$727.00 | \$772.00 |
| Bowling Alleys | \$6.43/100 cu. ft. | \$6.83/100 cu. ft. |
| Car Washes | \$6.43/100 cu. ft. | \$6.83/100 cu. ft. |
| Health Studios & Gymnasiums | \$6.43/100 cu. ft. | \$6.83/100 cu. ft. |
| Hospitals – Convalescent | \$6.43/100 cu. ft. | \$6.83/100 cu. ft. |
| Multiple Unit Lodging (Hotels, Motels & Rooming Houses) | \$6.43/100 cu. ft. | \$6.83/100 cu. ft. |
| Laundromats & Laundries | \$6.43/100 cu. ft. | \$6.83/100 cu. ft. |
| Restaurants | \$12.78/100 cu. ft. | \$13.57/100 cu. ft. |

| | | |
|--|-------------------------|-------------------------|
| Restaurants with pretreatment facilities approved annually | \$7.27/100 cu. ft. | \$7.72/100 cu. ft. |
| Bakeries | Determined individually | Determined individually |
| All others | \$7.27/100 cu. ft. | \$7.72 /100 cu. ft. |
| Institutional Owners | | |
| Minimum rate for any premises | \$727.00 | \$772.00 |
| As defined in Section 13.05.010, except for Convalescent Hospitals | \$7.27/100 cu. ft. | \$7.72/100 cu. ft. |
| Industrial Owners – Charge based upon quantity of water used and quality of effluent: | | |
| Minimum rate for any premises | \$727.00 | \$772.00 |
| Flow/Million Gallons | \$5,640.00 | \$5,990.00 |
| Biochemical Oxygen Demand (B.O.D.) per 1,000 pounds | \$1,325.00 | \$1,407.00 |
| Suspended solid (S.S.) per 1,000 pounds | \$1,129.00 | \$1,198.00 |



Agenda Date: 5-21-2019

Agenda Item: 8a

STAFF REPORT

Approved:

Gary A. Napper
City Manager

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: KEVIN MIZUNO, FINANCE MANAGER, CPA

DATE: MAY 21, 2019

**SUBJECT: PROPOSED CITY, SPECIAL FUNDS, AND CIP BUDGETS
FISCAL YEAR 2019-2020**

RECOMMENDATION

Following introduction and presentation of the proposed operations and capital improvements budgets for the fiscal year ending June 30, 2020 (FY 2019-20) and receipt of public comments, it is recommend the City Council provide any policy direction and amendments accordingly, and then by motion set Tuesday, June 4, 2019 at 7:00 pm in Hoyer Hall as the date, time, and location of a public hearing on the proposed City Budgets.

BACKGROUND

On an annual basis, the City Council adopts a budget with the goal of matching the various needs of the community with the limited financial resources required to provide those services. This City Council also adopts a Capital Improvement Program (CIP) that appropriates funds for various capital projects based on priority. City staff has prepared the attached City of Clayton FY 2019-20 Proposed Budget, which includes the operational budgets for the City's General Fund, Special Funds, and Fiduciary Funds as well as the five year rolling CIP budget.

The Council-appointed budget sub-committee of Council Member Diaz and Council Member Wan met with the City Manager and the Finance Manager on April 23, 2018 to review and critique the assembled budget information and available materials. The budget figures discussed have the approval of the sub-committee for submittal to the City Council, which have been incorporated into the attached Proposed Budget.

DISCUSSION

A substantive discussion of the contents of the Proposed Budget begins on page 1 (Budget Message) of the attached Proposed Budget.

FISCAL IMPACT

The fiscal impact of the Proposed Budget is detailed in the attached budget document.

Attachments: Proposed FY 2019-2020 City Budget and 5-Year CIP Budget

PROPOSED BUDGET

2019 - 2020

THE CITY COUNCIL

TUJIA CATALANO, MAYOR
JULIE K. PIERCE, VICE MAYOR
JIM DIAZ, COUNCILMEMBER
JEFF WAN, COUNCILMEMBER
CARL "CW" WOLFE, COUNCILMEMBER

* * *

RECOMMENDED BY:

GARY A. NAPPER, CITY MANAGER

PREPARED AND PRESENTED BY:

KEVIN MIZUNO, FINANCE MANAGER, CPA

CITY OF CLAYTON, CALIFORNIA
94517
www.ci.clayton.ca.us



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**BACKGROUND
INFORMATION
2019-20**

OUR MISSION

To be of exemplary service to the Clayton community with an emphasis on:

- Health and safety
- Responsive customer service
- Highly trained team of employees
- A cooperative work environment

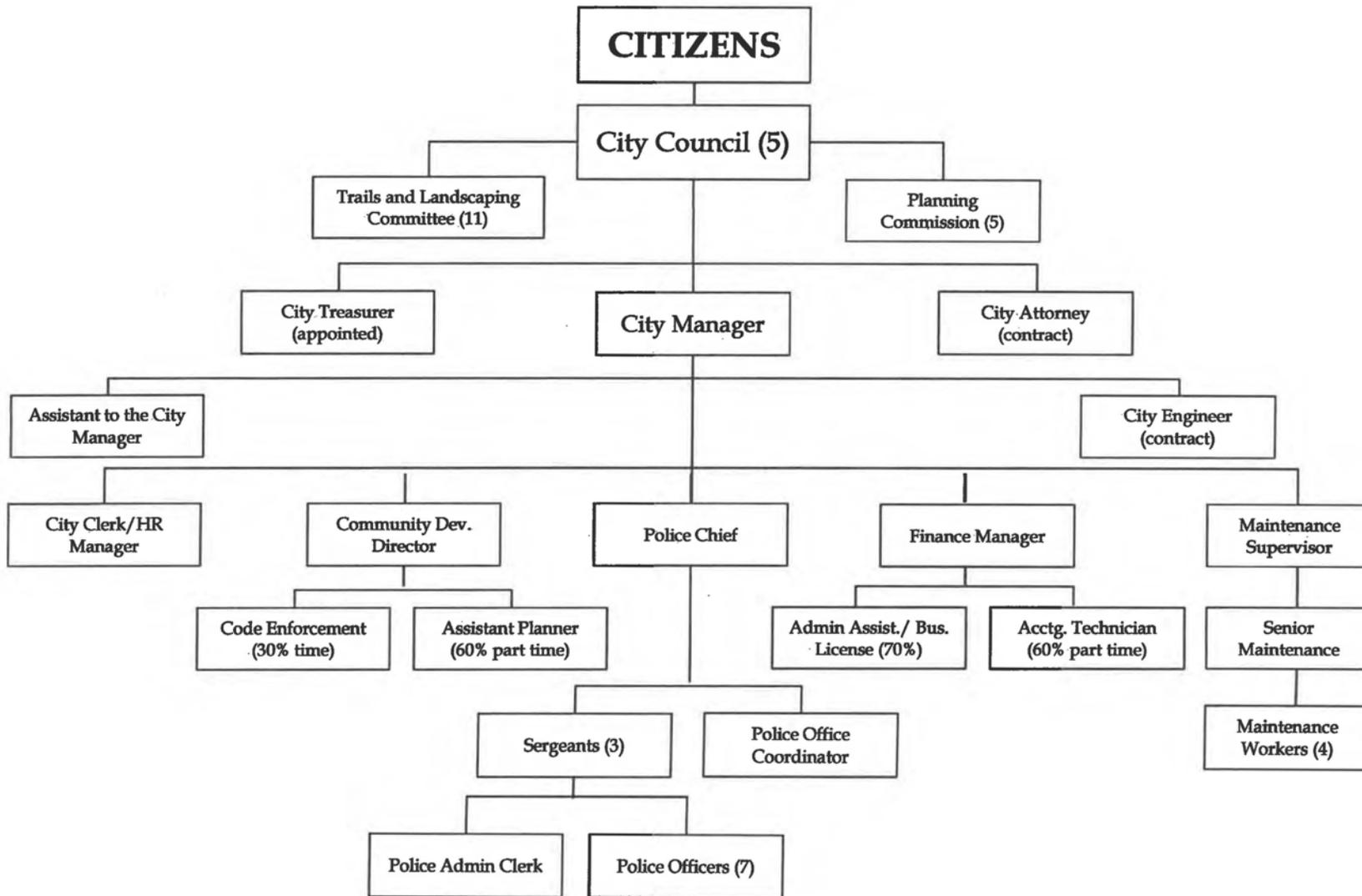
OUR VALUES

- Courtesy
- Creativity
- Diversity
- Employee participation
- Ethical behavior
- Fiscal responsibility
- Inclusiveness
- Informed risk taking
- Open communication
- Professionalism
- Trustworthiness

OUR VISION

The City of Clayton organization will be recognized as a premier small city. Customer service will be our hallmark; organizational processes will be a model of efficiency and effectiveness; innovation will be common place; and excellence of work product will be the norm. The employees will enjoy their work environment, and each will be a valued and respected member in his or her field of work. All residents and the City Council will be proud of their City government.

CITY OF CLAYTON ORGANIZATIONAL CHART



ii

DIRECTORY OF OFFICIALS AND ADVISORY BODIES

CITY COUNCIL

Tuija Catalano, Mayor
Julie K. Pierce, Vice Mayor
Jim Diaz, Councilmember
Jeff Wan, Councilmember
Carl "CW" Wolfe, Councilmember

COMMISSIONS

Planning Commission

COMMITTEES

Trails and Landscaping Committee

APPOINTED OFFICIALS AND DEPARTMENT HEADS

| | |
|---------------------|--|
| Gary A. Napper | City Manager |
| Malathy Subramanian | City Attorney (contract) |
| Laura Hoffmeister | Assistant to the City Manager |
| Elise Warren | Chief of Police |
| Janet Calderon | City Clerk / HR Manager |
| T. Kevin Mizuno | Finance Manager |
| Hank Stratford | City Treasurer |
| David Woltering | Community Development Director (interim) |
| Scott Alman | City Engineer (contract) |
| Jim Warburton | Maintenance Supervisor |



Demographics and Economic Characteristics

| | |
|-------------------------------------|-----------------|
| Date of Incorporation | March 18, 1964 |
| Form of Government (General Law) | Council-Manager |
| Number of authorized City positions | 27 |

Population:

| | |
|-------------------------|-----------|
| Population | 11,653 |
| Median age | 46.1 |
| Median household income | \$150,436 |
| Registered voters | 8,017 |
| Area in square miles | 4.3 |

Miles of Streets:

| | |
|--------------------------------|-----------------------------|
| Lane miles | 44.9 |
| Pavement Condition Index (PCI) | 84/100 ["Very Good" rating] |

Fire Protection: (Contra Costa County Fire Protection District)

| | |
|-------------------------------------|---|
| Number of stations (Station No. 11) | 1 |
|-------------------------------------|---|

Police Protection:

| | |
|---------------------------|----|
| Number of stations | 1 |
| Number of patrol vehicles | 10 |
| Number of sworn personnel | 11 |

Public Education:

| | |
|---------------------------|---|
| Elementary School | 1 |
| Mt Diablo Elementary | |
| Middle School | 1 |
| Diablo View Middle School | |

Library: (Contra Costa County Library System)

| | |
|--|---|
| Number of branch libraries (City-owned facility) | 1 |
|--|---|

Parks & Community Facilities:

| | |
|-----------------------------|--------|
| Park sites | 7 |
| Park acreage | 19.07 |
| Open space acreage | 515.51 |
| Open space trail miles | 20 |
| Creekside trail miles | 7 |
| Endeavor Hall | 1 |
| Hoyer Hall (in the library) | 1 |
| City Hall Conference Room | 1 |

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BUDGET MESSAGE

2019-20

BUDGET SUMMARY

Presented herein for public review and consideration is the City's proposed budgets for FY 2019-20. It is an annually balanced budget as required by law, and the General Fund displays a balance of projected revenues exceeding expenditures resulting in a planned operating surplus of **\$39,750** (0.83%). The City's General Fund budget does not contain any appropriation for a "contingency" account. The chart below captures a five (5) year history of our City's overall expenditure budgets:

| BUDGET AREA | FY 2019-20 | FY 2018-19 | FY 2017-18 | FY 2016-17 | FY 2015-16 |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| GENERAL FUND | \$ 4,774,450 | \$ 4,587,220 | \$ 4,455,050 | \$ 4,261,720 | \$ 4,095,928 |
| OTHER FUNDS* | 4,739,491 | 5,420,805 | 4,817,118 | 5,689,924 | 4,377,355 |
| CAPITAL IMPROVEMENT PROGRAM | 2,996,371 | 2,746,513 | 2,471,256 | 2,919,565 | 1,696,863 |
| SUCCESSOR AGENCY (former RDA) | 867,351 | 692,490 | 711,957 | 1,125,996 | 676,521 |
| TOTAL | \$ 13,377,663 | \$ 13,447,028 | \$ 12,455,381 | \$ 13,997,205 | \$ 10,846,667 |

*Includes the City's twelve (12) special revenue, three (3) internal service, one (1) enterprise, and eight (8) fiduciary funds (excluding the Successor Agency fiduciary fund reported separately in the table).

The combined financial program proposed for the General Fund, the City's Other Funds, the Capital Improvement Program (CIP), and the Successor Agency is \$13,377,663, an overall negligible decrease of \$69,365 (0.52%) from last year's adopted total budget. This decrease results primarily from a sharp decline in proposed appropriations in the "Other Funds" category above, attributable mostly to the Measure J restricted-use special revenue fund. Following the successful completion of the Keller Ridge Dr. Collector Street Rehabilitation Project (CIP 10425) as well as the 2018 Neighborhood Streets Project (CIP 10436) during FY 2018-19, Measure J fund reserves have largely been utilized as directed by the City Council. This utilization of restricted-use reserves is demonstrated by the Measure J projected to start FY 2019-20 with an opening reserve balance of only \$54,834, compared to a balance of \$656,889 one year ago on June 30, 2018. Despite two large street projects having been financed in FY 2018-19, the CIP budget still reflects an increase in proposed appropriations by 9.10% with the addition of several new projects entering the planning and design phase as well as the planned completion of the previously-approved Pine Hollow Road Upgrade (CIP 10379) and El Molino Dr. Sanitary Sewer Improvement Project (CIP 10422).

Comparable to prior year's adopted General Fund budget, the proposed fiscal plan for next year anticipates continued restoration and growth in the local share of real property taxes with expectations of a local and national economy continuing to expand. It is expected the City's base economy of desirable family-friendly residential real estate will continue to flourish consistent with the overall increase in real property assessed valuations experienced in FY 2018-19.

**City of Clayton
Budget Message
General Fund Revenues**

GENERAL FUND REVENUES

FY 2018-19 Revenue Projections

Although the current fiscal year has not closed at the time of budget preparations for the upcoming year, sufficient information is available to forecast what year-end FY 2018-19 revenues will look like. At this time, General Fund revenue is expected to total approximately **\$4,705,925** by the close of FY 2018-19. This projection reflects a modest favorable variance of **\$16,735** (0.36%) over total estimated General Fund revenues in the FY 2018-19 adopted budget suggesting the revenue forecasting methodologies and assumptions used last year were generally reliable. Despite unsurprising favorable variances in secured property tax revenue sources as well as an unexpected favorable variance in interest earnings, this positive news was largely offset by unfavorable variances in other revenue sources such as certain franchise fees (Comcast and PG&E) and the City's share of Redevelopment Property Tax Trust Fund (RPTTF) tax increment.

Higher than budgeted growth in secured property tax revenues is clearly visible in the local ad valorem secured property taxes and the property taxes in-lieu of vehicle license fees (VLF) from the State of California. This favorable result is explained by actual assessed property values growing by 4.67%, exceeding the City's cautious projection of 2.0% in FY 2018-19. The FY 2018-19 assessment roll was not published by the Contra Costa County Assessor's Office until June 28, 2018, which followed the adoption of the City's FY 2018-19 budget. The positive budgetary variance in interest revenues is primarily attributable to the continuing trend of rising interest rates carrying over into FY 2018-19 from the prior fiscal year. Despite being diversified and risk averse, the City's investment portfolio has benefited from this phenomenon with a weighted average interest rate of 2.11% for the quarter ended March 31, 2019, compared to a rate of 1.72% that same quarter one year ago (22.6% increase).

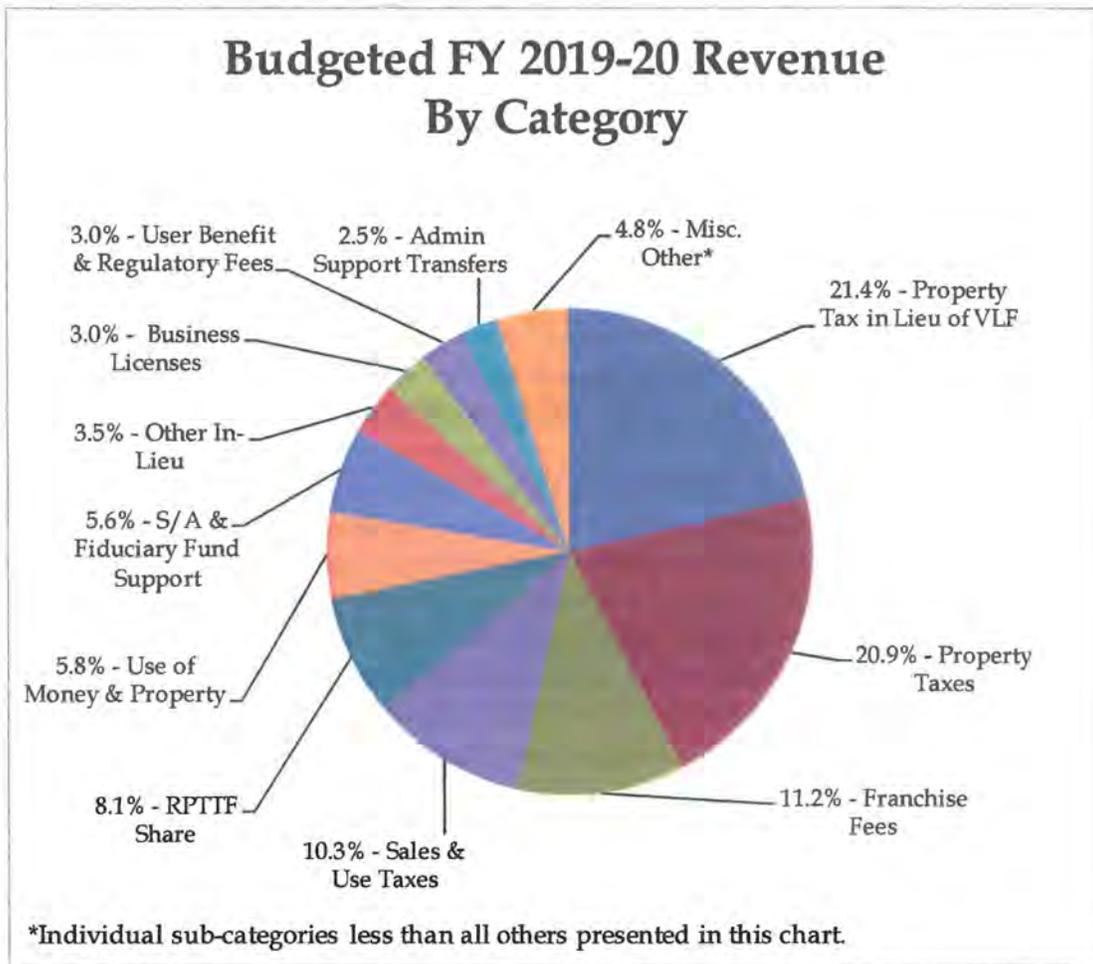
As noted previously, this positive revenue news was largely offset by negative variances elsewhere. For instance, both the Comcast and PG&E franchise fees for FY 2018-19 are projected to come in 7%-8% under budget. The negative trend for Comcast franchise fees is a result of decreased cable subscribership likely attributable to residents gradually transitioning from cable-based television packages to web-based options such as Netflix, Amazon Prime, and Hulu, to name a few from a continuously growing list of options. The unfavorable variance for RPTTF revenues was caused by an unfortunate and unavoidable budgetary forecasting overstatement for this line item. In April 2018, the Contra Costa County Auditor-Controller's Office published their estimate of RPTTF property tax increment revenue expected to be available for distribution for the ROPS 2018-19A period (first half of FY 2018-19). Following ordinary protocol, this County publication was used in forecasting local RPTTF revenues for the upcoming year's budget. Unfortunately, in June 2018, following completion of the City's FY 2018-19

**City of Clayton
Budget Message
General Fund Revenues**

budget, the County issued revised calculation of ROPS 2018-19A RPTTF revenues reflecting an overstatement of the April 2018 by 8%.

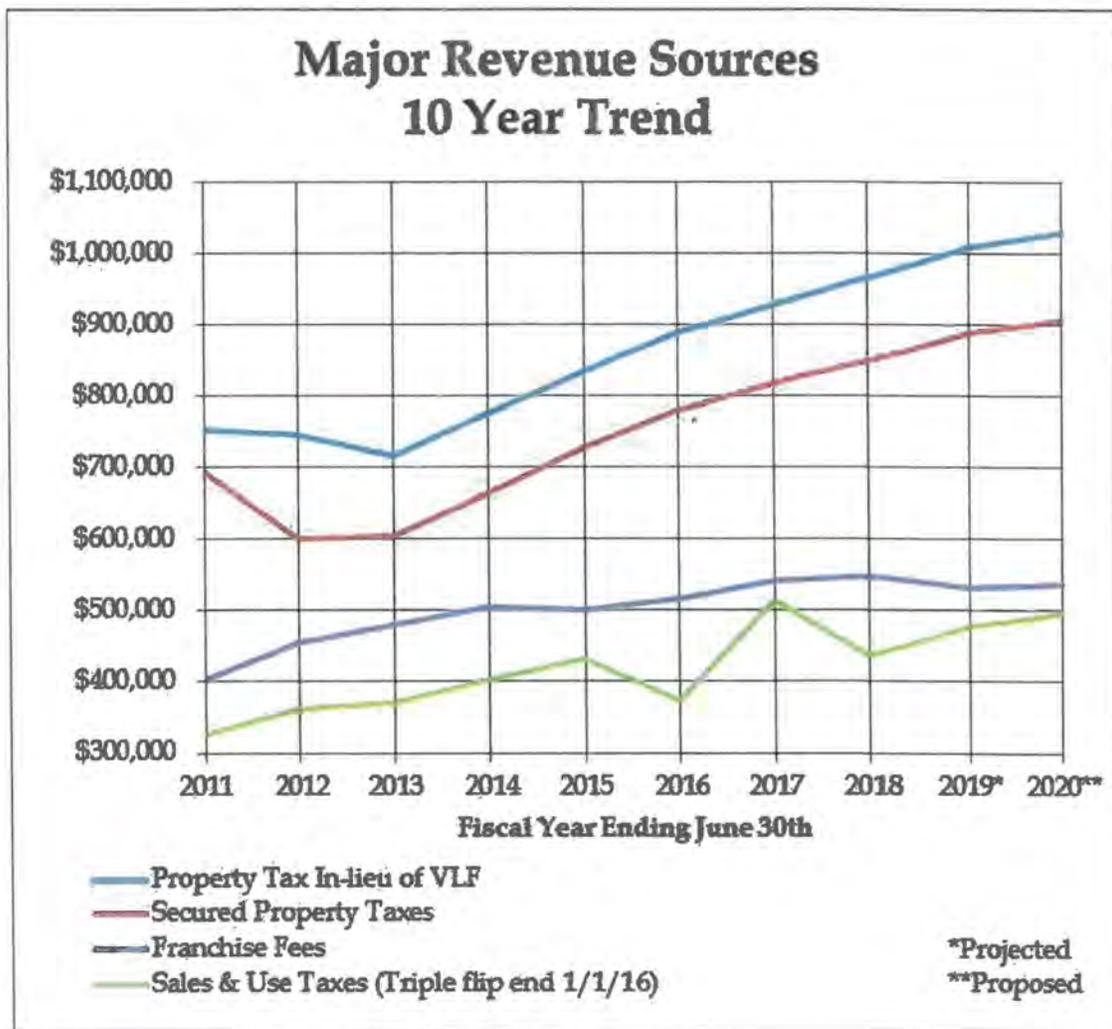
FY 2019-20 Revenue Projections

The FY 2019-20 proposed budget estimates total General Fund revenues of **\$4,814,200**. This is an increase of **2.67%** over the prior year adopted budget. This growth projection is supported by actual FY 2018-19 operational revenue results to-date and is reflective of current statistics suggesting a continued expansion of the local and national economies. Despite slowing growth in key economic indicators such as gross domestic product, unemployment, and wages, the economy continues to expand. In fact, the United States of America is approaching a big milestone. If the U.S. economy continues to expand until July 2019, it would be the longest period of growth on record, or one decade. At the local level, reflecting this nationwide growth, real property values and sales commerce continue to steadily rise. The chart below depicts the proportional share of each major revenue category of the General Fund for FY 2019-20:



**City of Clayton
Budget Message
General Fund Revenues**

As illustrated in the previous pie chart, a noteworthy portion (63.8% of General Fund revenues) is concentrated in four different sources. The “slice of the pie” of these four major revenue sources remained consistent with the prior year’s budget. In order of significance these four key revenue sources include: (1) property tax in-lieu of vehicle license fees (VLF), (2) local secured ad valorem property taxes, (3) sales & use taxes, and (4) franchise fees. The following chart illustrates the ten year trend of these four major revenue sources for the City:



This trend analysis illustrates the gradual recovery of local revenue sources following the “Great Recession.” Revenue sources with delayed downturns arising from the recession (i.e. property tax in-lieu of VLF and general property taxes) have made a comeback and have exceeded pre-recession levels since approximately FY 2014-15.

**City of Clayton
Budget Message
General Fund Revenues**

The following section provides background and analysis of the City's most significant revenue sources.

Property Tax in Lieu of Vehicle License Fees

The largest revenue source, making up 21.4% of General Fund budgeted revenues for FY 2019-20, is property tax in-lieu of vehicle license fees (VLF). The VLF is an annual value tax on the ownership of registered vehicles. It is collected by the California Department of Motor Vehicles and then distributed to cities and counties. In 2004, the California State Legislature permanently reduced the tax rate from 2.0% to 0.65% of a vehicle's current market value. The reduction in VLF revenue to cities and counties was offset by an increased transfer of the state's share of local secured property taxes. The City is projecting revenue of \$1,031,100 in FY 2019-20, which is an increase of approximately 2.0% over projected actuals for FY 2018-19 and 4.7% over last year's budgeted figure. This growth rate reflects the cautious projection of a local economy that is still growing. One significant milestone is this individual local revenue sources is projected to exceed \$1 million for the first time ever.

Local Secured Ad Valorem Property Taxes

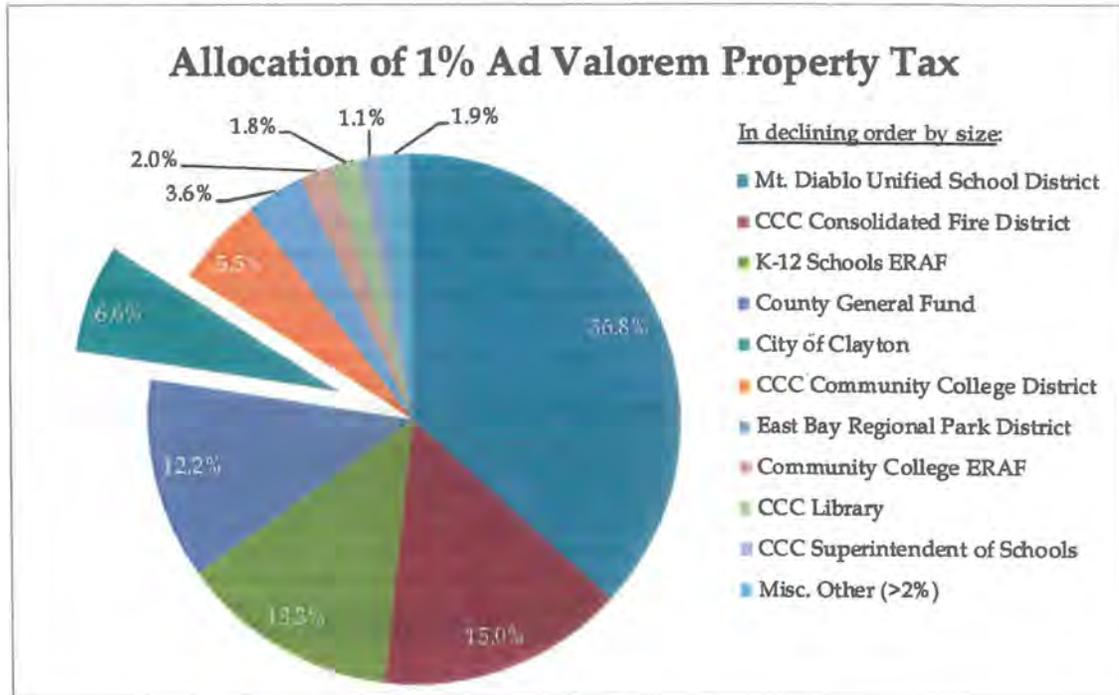
The second largest revenue source, making up 20.9% of General Fund budgeted revenues for FY 2019-20, is the City's share of the local ad valorem secured property taxes. Secured property taxes are tax imposed on the calculated and controlled value of real property such as land and permanently attached improvements. Proposition 13 (1978) limits the real property tax rate to one percent (1%) of a property's assessed value for ad valorem tax purposes. Furthermore, Proposition 13 also restricts annual assessed property value growth to an inflationary factor equal to the lesser of the annual October to October California Consumer Price Index or two percent (2%). For FY 2019-20, the Proposition 13 secured property tax cap of 2% was once again in effect considering the October 2018 inflationary factor published by the California Board of Equalization was an astounding 3.847%. Following the County Assessor's Office completion of the annual assessment roll, individual parcel taxes are calculated by the County Auditor-Controller's Office (ACO) and levied and collected by the County Tax Collector's Office. The County ACO then allocates taxes levied to local taxing agencies pursuant to a statutory allocation formula applicable to the tax rate area (TRA) the underlying parcel is located within.

The City of Clayton has ten (10) such TRAs, with the largest TRA by current assessed value returning only 6.63% of the full one percent tax back to the General Fund. Comparatively, the City is considered a "low property tax city" stemming from the original implementation of Proposition 13 in 1978. For FY

**City of Clayton
Budget Message
General Fund Revenues**

2019-20, the City's share of secured local property tax revenues is projected to be \$907,800, which is an increase of approximately 2.0% over projected actuals for FY 2018-19 and 4.7% over last year's budgeted figure.

The following illustration summarizes the statutory allocation of the 1% general ad valorem secured property tax to each taxing entity:



Franchise Fees

The third largest revenue source, making up 11.2% of General Fund budgeted revenues for FY 2019-20, is franchise fees. Franchise fees are rent paid by utilities or other businesses for the privilege of using the City's right-of-way (i.e. streets, sidewalks, etc.) to locate utility lines, operate vehicles, and/or conduct private business for profit. The City currently collects a 1% franchise fee from Pacific Gas & Electric and a 5% franchise fee from cable operators (i.e. Comcast and AT&T/Pacific Bell). In addition, the City collects a 10% franchise fee from Republic Services for its collection, transportation, disposal and diversion of solid waste and recyclable materials.

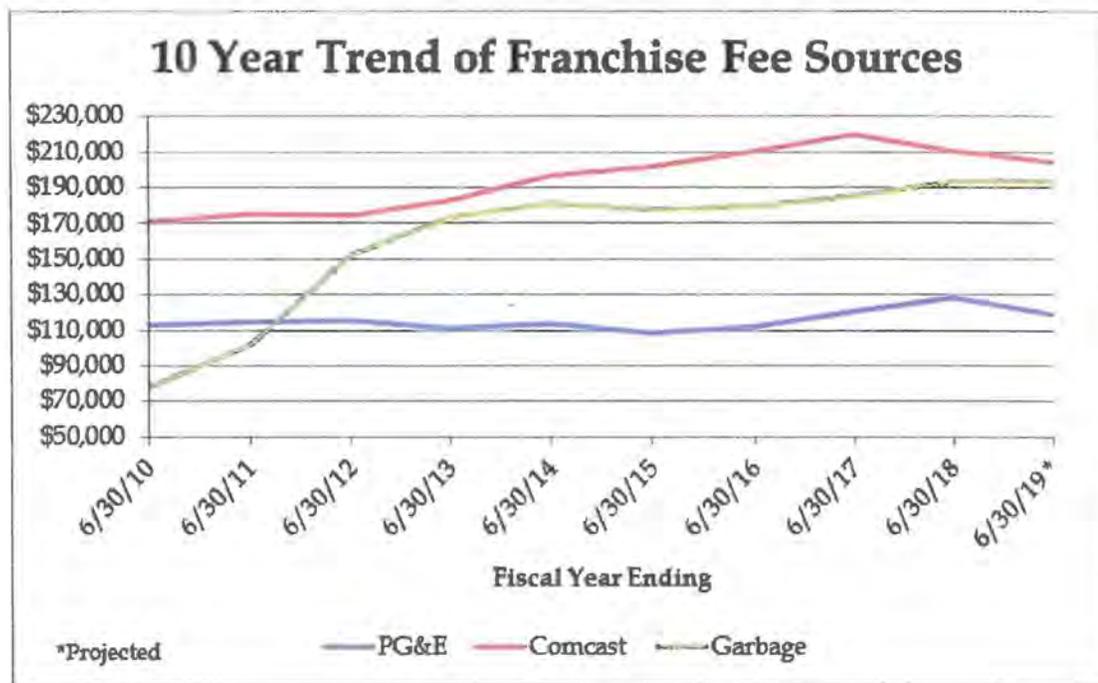
In the City's long-term forecasting of franchise revenues, staff had previously identified and communicated a risk the emergence of wireless operations may eventually negatively impact the Comcast franchise fee as a reliable revenue source to local governments. This risk has now become a reality with FY 2018-19

**City of Clayton
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Comcast franchise fee revenues expecting to fall short of the budget by \$16,200 (7.3%), which is the most significant year-to-year decrease in at least ten years. Again, this reduction is due to consumer migration to alternative cable-less options.

Despite bill rates growing approximately 10% annually in recent years paired with the restructuring of the rate plan to a "time of use" and tiered system, PG&E franchise fee revenues are also projected to significantly decrease, with FY 2018-19 franchise fee revenues falling short of the budget by \$10,900 (8.4%). The reasoning for this decline is difficult to pinpoint on a single factor, more likely being attributable to multiple factors. As households continue to install photovoltaic residential solar units in the community and improve energy conservation efforts and reduce consumption, the volume of energy purchases from PG&E will continue to decline. Furthermore, and even less predictable, fluctuations in year-to-year average seasonal temperatures can adversely impact this revenue source as well.

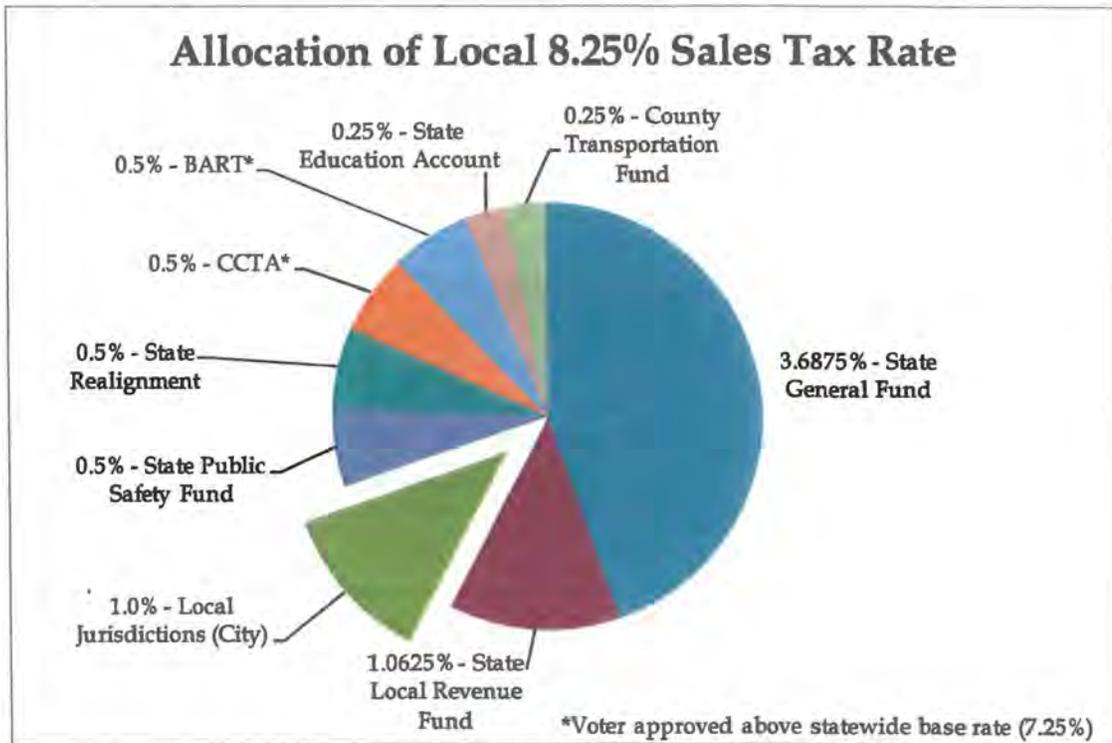
In the aggregate, however, it is expected total franchise fee revenues from all sources will remain relatively flat-lined growing by less than one percent (0.9%) in FY 2019-20 to a total of \$538,400. The following chart depicts the ten (10) year trend of the City's three major franchise fee revenues by source:



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Sales & Use Taxes

The fourth largest revenue source, making up 10.3% of General Fund budgeted revenues for FY 2019-20, is sales & use taxes. This is a tax imposed on the total retail price of any tangible personal property, unless deemed specifically exempt by the California Department of Tax and Fee Administration (CDTFA), as well as the use or storage of such property when sales tax is not paid. Although the unadjusted general state-wide sales tax rate applied to transactions is 7.25%, the basic local rate (aka "Bradley-Burns" rate) returned to local agencies (i.e. City of Clayton) is only one percent (1%). This local share is unrestricted and must be received into the General Fund. In the City of Clayton, the applicable sales tax rate is currently 8.25% due to a combination of other additional local and regional voter-approved measures. The following is a pie chart depicting the current allocation of the 8.25% sales tax rate applied to all taxable transactions in the City of Clayton:



The City is projecting sales & use tax revenue of \$497,100 in FY 2019-20, which is an increase of approximately 4.0% over projected actuals for FY 2018-19. This growth rate is supported by historical local revenue trends as well as state-wide sales tax growth rates published this year by the State of California. On a regional level the economic outlook for the Bay Area continues to look promising

**City of Clayton
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General Fund Revenues**

and inflationary growth in the annual April 2018 to April 2019 local consumer price index coming in at 4.01%.

Arguably the most significant and most uncertain factor impacting this key revenue source is the California state legislature's passage of Assembly Bill 147 (AB 147) on April 25, 2019. This bill authorized the CDTFA to enforce the collection of sales and use taxes on online retailers with "significant nexus" effective April 1, 2019. Consistent with the U.S. Supreme Court's *South Dakota v. Wayfair* decision, AB 147 defines significant nexus as online sales of tangible property in excess of \$500,000 during the preceding or current calendar year. Given the City of Clayton's limited presence of "brick and mortar" retail businesses generating sales taxes, this new legislation may result in a noticeable increase in sales & use tax revenues. However the specific amount and timing of this increase is highly uncertain absent an in-depth (and costly) analysis of online sales transactions generated in city limits. Considering the other positive economic and historic factors described previously, a growth factor of 4.0% utilized in the proposed budget is expected to be both reliable and conservative. City staff will continue to monitor for unexpected fluctuations in this revenue source and recommend budgetary action to the City Council, if necessary, once new sales tax information incorporating the provisions of AB 147 becomes available.

Redevelopment Property Tax Trust Fund Revenue

The fifth largest revenue source, making up 8.1% of General Fund budgeted revenues for FY 2019-20, is the City's share of the Redevelopment Property Tax Trust Fund (RPTTF) tax increment. Pursuant to Assembly Bill 1 26x, with the Clayton Redevelopment Agency's (RDA) dissolution in February 2012 (FY 2011-12), the Clayton "Successor Agency" became the heir to the RDA. The Successor Agency receives funds through the RPTTF sufficient to pay/retire debt service and enforceable obligations of the former RDA as requested through the semi-annual "Recognized Obligation Payment Schedule" (ROPS) process, which is subject to approval by the California Department of Finance (DOF). Prior to the City of Clayton receiving its share of RPTTF taxes levied by the County, monies are first used to pay County administrative fees, required tax sharing payments (i.e. pass through payments), and approved enforceable obligations on the Successor Agency's ROPS. Thereafter, the residual balance of the County RPTTF is distributed by the County to the school entities, city, county, and special districts based on their proportionate share of property tax revenues. The City of Clayton's share of this residual balance is approximately 6.96%.

The amount of RPTTF residual balance allocated to the City is negatively correlated with the amount of state-approved obligations included in each ROPS.

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General Fund Revenues**

For FY 2019-20, after incorporating the state-approved ROPS and pass-through payments as well as total RPTTF expected to be available in the County pool for funding, it is projected the City will receive approximately \$389,000 in RPTTF revenues. FY 2019-20 budgeted RPTTF revenues are expected to increase by approximately 2.9% over projected actuals for FY 2018-19 but decrease by 6.0% from last year's budgeted figure. As previously described, due to the process by which the amount of RPTTF distributable to the City is calculated, historical allocations of RPTTF to the City are not germane in predicting future allocations.

Fiduciary Funds Administrative Service Charges

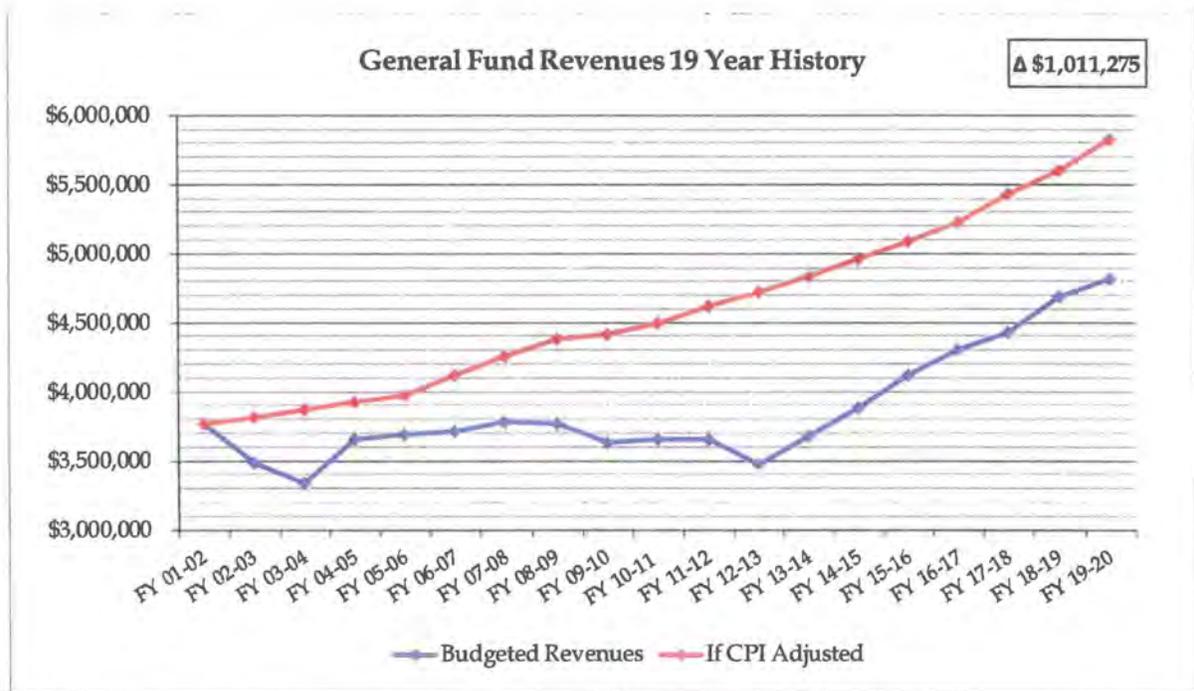
The sixth largest revenue source making up 5.6% of General Fund budgeted revenues for FY 2019-20 is derived from administrative support charges from the Successor Agency and other fiduciary funds of the City. Since the creation of the Successor Agency in 2012, the City has received \$250,000 on an annual basis for administrative support services in accordance with *California Health & Safety Code* Section 34171(b). However, a few years following dissolution of the Successor Agency, the Governor's May 2015 trailer bill (AB 113) placed additional restrictions on the amount of administrative allowance an administering agency may receive, potentially resulting in a cap substantially less than the previous \$250,000 floor amount. The most detrimental impact of this trailer bill was to apply an administrative allowance cap of 50% to RPTTF monies actually "received" in the prior year, rather than to the total amount of "approved" enforceable obligations. The City experienced its first loss from this new state decree in FY 2016-17 when the City was allocated only \$231,915 for Successor Agency administrative support purposes.

Pursuant to the April 11, 2019 Determination Letter issued by the California Department of Finance (DOF) approving the Successor Agency's 2019-20 Recognized Obligation Payment Schedule (ROPS), the City will be receiving its full administrative allowance of \$250,000 for FY 2019-20. Beginning FY 2022-23, these Successor Agency administrative allowance revenues are projected to drop permanently and fluctuate annually between \$196,000 and \$199,000 until the dissolution of the Successor Agency in FY 2025-26 following the maturity of the 2014 refunding Tax Allocation Bonds. Including administrative cost recovery from the other fiduciary funds of the City, the total Fiduciary Funds Administrative Charges line item is expected to be \$271,270. This reflects a 6.5% increase from projected actuals for FY 2018-19 resulting from the statutory cap imposed by the DOF on the FY 2018-19 administrative allowance. Despite the County's assumption of the Oversight Board role effective July 1, 2018 pursuant to state law, the City has and will presumably continue to receive its annual administrative recovery revenue until dissolution of the Successor Agency. At this point no information has been made publicly available suggesting the

**City of Clayton
Budget Message
General Fund Revenues**

elimination of this revenue, which would be catastrophic to the City's annual General Fund operating budget. However, given the City's exposure and the risk level, staff will continue to monitor legislative action by the state and report significant developments to the City Council.

Overall, the principal sources of General Fund operating revenue are growing steadily, suggesting the local economy is healthy. However, when looking at a nineteen (19) year history of General Fund budgeted revenues, actual revenue growth has clearly not kept pace with inflation. The following line chart, updated and presented annually, illustrates the growing difference between General Fund budgeted revenues versus FY 2001-02 base year revenues adjusted for annual changes in the consumer price index for the San Francisco-Oakland-Hayward region, with the difference in FY 2019-20 being \$1,011,275:



**City of Clayton
Budget Message
General Fund Expenditures**

GENERAL FUND EXPENDITURES

The proposed FY 2019-20 budget incorporates total General Fund appropriations of \$4,774,450, which reflects an overall increase of 4.08% compared to the prior year's adopted budget.

FY 2018-19 Expenditure Projections

The starting point for developing next year's budget is forecasting current year results and analyzing how actual results compare to the budgetary projections. General Fund operational expenditures are expected to total approximately \$4,510,285 by the close of FY 2018-19. If realized, this projection will result in a small but favorable budgetary variance with operational expenditures coming in \$76,935 (1.68%) less than the adopted FY 2018-19 General Fund budget of \$4,587,220. This modest variance suggests departments were generally successful in controlling their budgets within the constraints of the City Council approved legally enforceable departmental budgets.

FY 2019-20 Proposed Appropriations

The following table provides a year-to-year comparison of proposed General Fund appropriations at the department level:

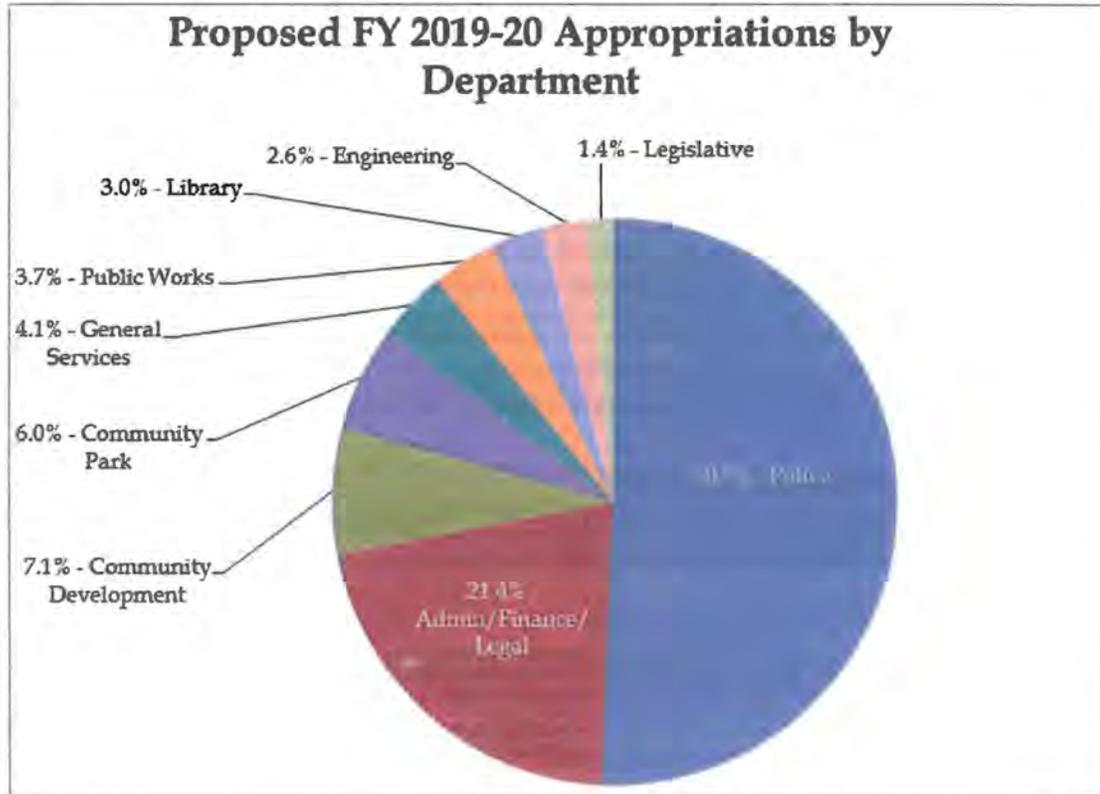
GENERAL FUND DEPARTMENTAL ADOPTED BUDGETS

| <u>DEPARTMENT</u> | <u>FY 2019-20</u> | <u>FY 2018-19</u> | <u>% CHANGE</u> |
|-------------------------|---------------------|---------------------|-----------------|
| LEGISLATIVE | \$ 67,290 | \$ 75,820 | -11.25% |
| ADMIN / FINANCE / LEGAL | 1,019,940 | 1,027,820 | -0.77% |
| PUBLIC WORKS | 176,820 | 168,510 | 4.93% |
| COMMUNITY DEVELOPMENT | 341,340 | 325,840 | 4.76% |
| GENERAL SERVICES | 193,900 | 193,360 | 0.28% |
| POLICE | 2,419,500 | 2,266,590 | 6.75% |
| LIBRARY | 143,740 | 136,690 | 5.16% |
| ENGINEERING | 125,750 | 122,320 | 2.80% |
| COMMUNITY PARK | 286,170 | 270,270 | 5.88% |
| TOTAL | \$ 4,774,450 | \$ 4,587,220 | 4.08% |

The bulk (82%) of the increase in proposed appropriations pertains to the General Fund's Police Department budget, which is analyzed and discussed in greater detail later. Despite the proposed increase in appropriations exceeding this year's inflationary consumer price index rate as well as the operational revenue growth rate, it should be noted the proposed FY 2019-20 budget plans for the City providing once again the same level of public services to the community with no reductions or cuts.

**City of Clayton
Budget Message
General Fund Expenditures**

The following pie chart illustrates each department's proportionate share of total proposed General Fund appropriations for FY 2019-20:



The order of departmental appropriations by proportional share of the General Fund is consistent with the prior year's adopted budget, suggesting no significant policy direction change in the priority of City programs. Last year, it was emphasized the Police Department's slice of the General Fund's operational budget falling below one half (49.4%) of total appropriations was both unusual and non-recurring. It was highlighted the main cause of this non-recurring decrease resulted from a non-recurring decrease in the CalPERS unfunded actuarial liability (UAL) fixed dollar contribution requirement for the Public Safety "Classic" Tier I retirement plan following the full amortization of the corresponding side fund UAL. This resulted in an immediate and non-recurring decrease to the Police Department's PERS Retirement - Unfunded Liability expense line item by a massive \$138,900 (49.26%).

As anticipated, the Police Department's share of proposed General Fund appropriations in FY 2019-20 is rebounding back to a majority share of total appropriations at 50.7% following the normalization of CalPERS UAL employer contributions as well as the approval of a new Police Officers Association (POA) labor agreement covering the three year timeframe ending June 30, 2021. As such, when considering the departmental

**City of Clayton
Budget Message
General Fund Expenditures**

distribution of appropriations, it is important to note for every \$1.00 paid by taxpayers as general tax revenue to the City, slightly over one-half of the tax monies (~51¢ of every \$1) is used to provide local law enforcement services to the community.

As a service-provider organization, unsurprisingly the cost for personnel services comprises the bulk of General Fund appropriations. The proportion of expenditures related to personnel services remained relatively steady decreasing only slightly by 0.28% to a total of approximately 65.82% of the overall proposed General Fund budget. This is largely due to the current status quo assumption for the Miscellaneous Employee labor agreement, covering sixteen (16) of the City's twenty-seven (27) benefited employees. Overall the proportion of General Fund appropriations attributable to labor-related costs has been controlled and remained relatively steady at approximately two-thirds of the General Fund budget over the past six-plus years.

Legislative Department (No. 01)

This is the smallest General Fund department making up 1.4% of proposed budgeted expenditures. Services funded by this department generally include: City Council members to set policy goals and objectives for the community, regular and special meetings of the City Council and recordings thereof, administering elections, and steering City promotional activities. Proposed appropriations of this department reflect a decrease of 11.25% as there will not be a general municipal election occurring in FY 2019-20, as was the case in FY 2018-19.

Admin / Finance / Legal Department (No. 02)

This department makes up 21.4% of proposed General Fund budgeted expenditures. By its nature, the Admin/Finance/Legal Department provides essential administrative, oversight, and supportive services for all of the City's direct-cost programs including but not limited to: police, community development, parks and landscape maintenance services, capital improvements, etc. Comprised of approximately 5.3 permanent full-time equivalent employees, functions funded by this department include, but are not limited to: executive management and policy execution; legal counsel; human resources; financial, budgetary and compliance reporting; treasury and investment management; payroll and benefits administration; disbursements; revenue collection; records retention management and public records act facilitation; and facility rentals. Proposed appropriations reflect a slight decrease of 0.77% from the prior year adopted budget. The primary explanation for this minor decrease is the assumption of status quo labor agreement terms with the expiration of the three year Miscellaneous Employee Group's on July 1, 2019 as well as a decrease in this department's assumed proportional share of the legal services retainer with Best,

**City of Clayton
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Best & Krieger from 60% to 55% based on a review of historical departmental cost allocations.

Public Works Department (No. 03)

This department makes up 3.7% of proposed General Fund budgeted expenditures. Services funded by the Public Works Department include the maintenance of city hall and the adjacent corporation yard as well as maintenance of the City's five neighborhood parks (El Molino, Lydia Lane, North Valley, Stranahan, Westwood). Proposed appropriations of this department reflect an increase of 4.93% over the prior year primarily attributable to an increase in Capital Equipment Replacement Fund (CERF) charges to more adequately fund the replacement of maintenance vehicles. Furthermore, the increase is explained by an assumed increase in gas and electrical utility rates with PG&E caused by the new rate/tier structure as well as uncertainty pertaining to ongoing litigation and PG&E's bankruptcy filing in January 2019.

Community Development Department (No. 04)

This department makes up 7.1% of proposed General Fund budgeted expenditures. Comprised of approximately 1.9 permanent full-time equivalent employees, services funded by the Community Development Department generally include, but are not limited to: long-range planning and special studies (i.e. transportation, housing, zoning, etc.); ensuring compliance of land development and private party design proposals with local, state, and federal regulations; municipal code enforcement; and administration of the city's low to moderate income housing program. Proposed appropriations reflect an increase of 4.76% over the prior year adopted budget. The increase in this department is primarily attributable to this department's assumed proportional share of the fixed legal services retainer with Best, Best & Krieger increasing from 20% to 30% to reflect true historical retainer charges.

General Services Department (No. 05)

This department makes up 4.1% of proposed General Fund budgeted expenditures. By its nature, the General Services Department captures essential support costs shared amongst all of the City's departments and funds. Functions funded by this department include, but are not limited to: city-wide risk management and insurance premiums; computer, software, and network technology support; and office supplies and shared printer/copy/scanning costs (excluding those of the police department which is tracked separately). Proposed appropriations for this department are expected to remain relatively flat-lined and increase by only 0.28% over the prior year adopted budget. Despite an increase in budgeted City information technology services funded by

**City of Clayton
Budget Message
General Fund Expenditures**

this department, savings offsets are expected to be realized in insurance premiums through the Municipal Pooling Authority (MPA) of Northern California resulting from positive shared risk experience trends of other MPA member cities.

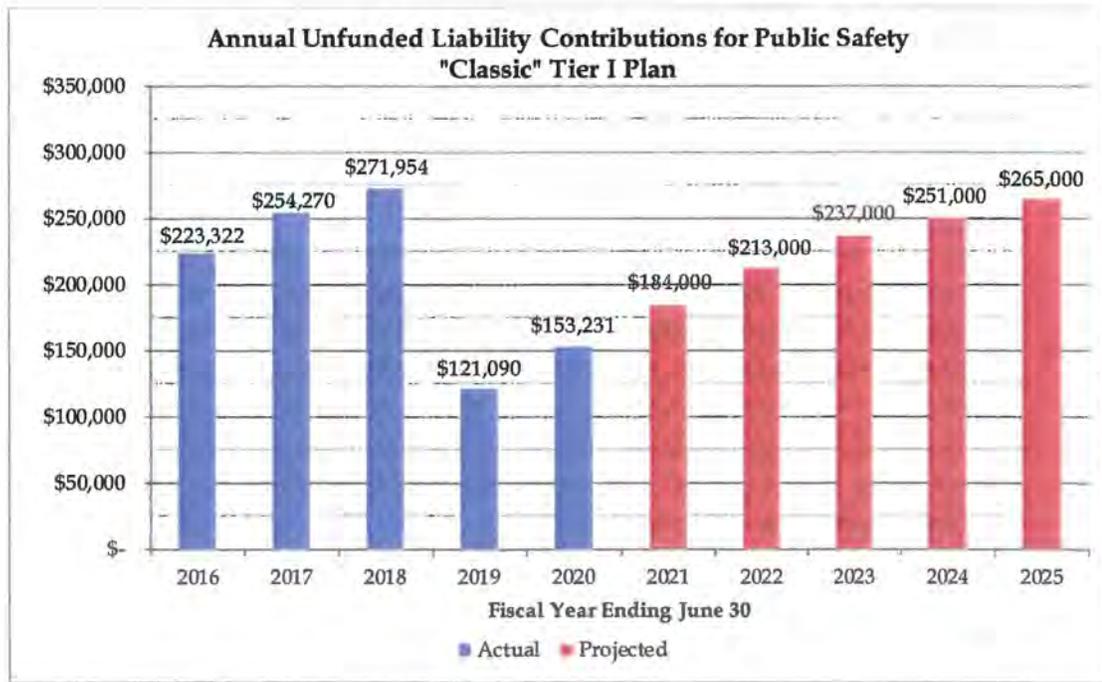
Police Department (No. 06)

This is by far the largest General Fund department making up 50.7% of proposed General Fund budgeted expenditures. Services funded by the Police Department include, but are not limited to: traffic enforcement, vehicle collision investigation, crime investigation, animal control (contract), dispatch services (contract), and police records management. This department is comprised of twelve (12) permanent full-time equivalent employees, ten (10) of which are permanent full-time sworn police officers (including the Chief of Police) and two (2) of which are police operations support personnel. The City's eleventh (11th) sworn police officer is and has long been funded by the Supplemental Law Enforcement Services Fund (SLESF) restricted-use funding source, which is tracked in the City's Grants Fund and discussed in greater detail later.

Proposed appropriations for this department reflect a noteworthy spike of 6.75% over the prior year adopted budget. As noted previously, this increase is primarily explained by the non-recurring decrease in the CalPERS unfunded actuarial liability (UAL) fixed dollar contribution requirement for the Public Safety "Classic" Tier I retirement plan in the prior year (FY 2018-19) following the full amortization of the corresponding side fund UAL.

As highlighted in the prior year's Budget Narrative, the immediate impact of the full amortization of the Tier I side fund UAL was evidenced by a decrease to the FY 2018-19 Police Department budget's PERS Retirement - Unfunded Liability expense line item by \$138,900 (49.26%) to a total budgeted line item expenditure of \$143,100. The savings realized in FY 2018-19 is considered non-recurring as the latest CalPERS actuarial reports made publicly available in August 2018 reveal a continuous increase in expected future employer contributions into the foreseeable future. This upward trend projection is illustrated in the bar graph on the following page.

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Although the CalPERS “claw back” of FY 2018-19 UAL contribution savings is gradual and does not return to the pre-side fund payoff level until after FY 2024-25, there are some long-term variables to consider. Chiefly, this chart excludes the impact of normal cost pension contributions rates based on a percentage of pensionable wages for which rates are already scheduled to increase through FY 2020-21. Secondly, these CalPERS estimates assume a long-term investment return of 7.0% from FY 2019-20 onward. Should CalPERS cost sharing pool investment return fall short of this discount rate, actual contribution requirements could differ from the projections shown in the previous chart.

Library Department (No. 07)

This department makes up 3.0% of proposed General Fund budgeted expenditures. Services funded by the Library Department include but are not limited to: City maintenance of the City-owned Clayton Community Library building, grounds and equipment, and funding Sunday and weekday County Library staffing hours beyond the County’s base of 35 hours a week. Proposed appropriations reflect an increase of 5.16% over the prior year’s budget. This increase reflects assumed increases in gas and electrical utility rates resulting from PG&E’s new rate/tier structure as well as uncertainty pertaining to ongoing litigation connected to the recent tragic northern California wildfires and PG&E’s subsequent filing for bankruptcy in January 2019.

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General Fund Expenditures**

Engineering Department (No. 08)

This department makes up 2.6% of proposed General Fund budgeted expenditures. Services funded by the contract Engineering Department include but are not limited to: administration of the City's capital improvement program, plan check and review of construction/development plans, administration of the City's encroachment permit program, and management of several benefit assessment districts. On August 21, 2018 the City Council approved an amendment to the professional engineering services agreement with Harris & Associates for contract city engineering services set to expire August 31, 2019. Appropriations of this department are proposed to increase by 2.8% over the prior year adopted budget reflecting the terms of latest contract amendment with Harris & Associates.

Clayton Community Park Department (No. 09)

This department makes up 6.0% of General Fund appropriations included in the Proposed Budget. Services funded by the Clayton Community Park Department include but are not limited to: landscaping of the park grounds, maintenance of recreational sporting fields and related equipment/facilities, repairs and maintenance of 6%+ water irrigation network, and trash removal. Appropriations of this department are proposed to increase by 5.88% largely to capture the impact of water rate increases recently approved by the Contra Costa Water District Board covering the timeframe February 1, 2019 to January 31, 2020.

**City of Clayton
Budget Message
General Fund Reserves**

GENERAL FUND RESERVES

FY 2018-19 Projected Operational Excess

The prior year adopted City Budget anticipated an operational excess resulting from operations of \$101,970. Due to favorable budgetary variances on both the revenue and expenditure sides, it is projected FY 2018-19 will close with an operational excess of \$195,640. Although the results of both General Fund revenues and expenditures are projected to come in better than budgeted, the favorable budgetary variance on the expenditures side is the primary driver for the projected operational excess in FY 2018-19. Favorable budgetary expenditure variances overall were a result of operations being controlled within the confines of the City Council approved budget across various General Fund departments, particularly in the Admin/Finance Legal and Police Departments.

General Fund Reserve Earmarks Authorized by the City Council

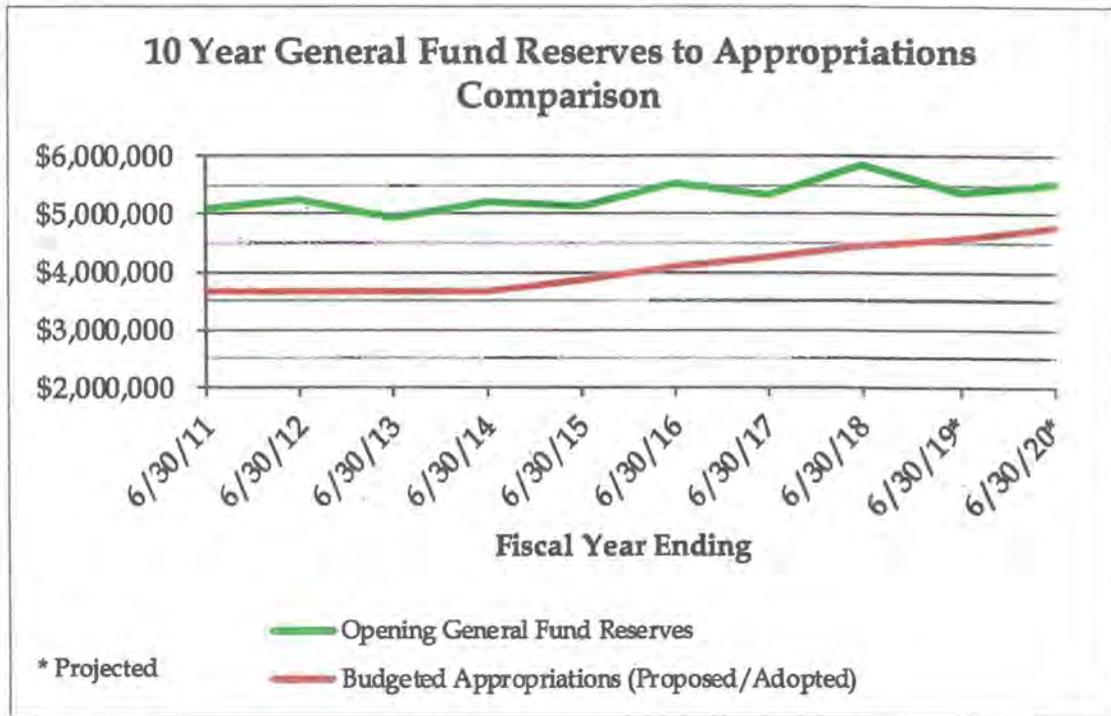
Concurrent with the City's independent auditing firm, Cropper Accountancy Corporation, issuing a "clean" opinion on the City's Comprehensive Annual Financial Report (CAFR), the presentation of these results to the City Council on November 20, 2018 also highlighted FY 2017-18 operations closed with excess reserves of \$181,500 in the General Fund. In this same CAFR, the City's General Fund reported a total positive fund balance of \$5,666,471, of which \$281,930 was reported as "assigned" for purposes as authorized by the City Council. Net of this assigned fund balance, the General Fund reserve balance at June 30, 2018 exceeded appropriations of the adopted FY 2018-19 General Fund operating budget by approximately 1.17 times. In contrast, this same ratio of reserves to operating budget for Lafayette and Moraga is 0.71 and 0.36, respectively. This means unlike these fine neighboring cities, the City of Clayton could operate for one fiscal year entirely on reserves alone in an emergency scenario.

With the General Fund shouldering the bulk of public services to our community and for the operations of the municipality, it is often difficult if not impossible to address larger fiscal needs into the annual budget while maintaining the City Council's policy of producing an annually-balanced budget with operating surplus. Therefore, the General Fund's unassigned reserve is multipurpose in its function as the City's "savings account." On one hand it may be instrumental in helping address unforeseen needs in an emergency or disaster situation. On the other hand it may be prudent to use a calculated and cautionary amount of excess reserves to underwrite one-time operational or capital needs merely too large and non-recurring in nature to fit into a normal balanced operating budget.

The following line chart illustrates a ten year comparison, by fiscal year, of opening General Fund reserves to adopted appropriations for that same fiscal year. For purposes of this analysis, General Fund reserves are defined as total General Fund

**City of Clayton
Budget Message
General Fund Reserves**

balance per the underlying audited financial statements less any outstanding City Council-approved assignments or commitments of excess reserves.



Given the relatively healthy position of reserves and the need to address some non-recurring unmet needs of the City, the elected City Council has periodically directed staff to utilize General Fund annual excess for specific critical technological, infrastructural, and operational purposes. Since the specific needs approved by the City Council would not be sustainable in an ordinary balanced operating budget, the utilization of recent excesses is a responsible use of built-up reserves presuming there remains a sufficient balance to cover next year's General Fund operational budget in an emergency situation. Categorized as being non-recurring and non-operational in nature, expenditures pertaining to the completion of these specific authorized projects are not incorporated as part of the operational budget but tracked separately. The following is a summary of the previous four (4) actions taken by the City Council to earmark the General Fund excesses for specific purposes:

Earmark of FY 2014-15 General Fund Annual Excess

On February 3, 2016 the City Council took action to utilize the General Fund excess (\$389,895) supported by the FY 2014-15 audited financial statements to address pressing one-time needs of the City. By the close of FY 2018-19, it is projected all but one of the fourteen original projects approved by the City Council will have been completed, leaving a residual balance of \$36,393 rolling into FY 2019-20 for

**City of Clayton
Budget Message
General Fund Reserves**

completion. The following table summarizes the annual progress on each of the one-time projects funded by the General Fund's FY 2014-15 excess:

| Project Description | Original Amount Authorized | Amount Rolled to FY 2016-17 to Complete | Amount Rolled to FY 2017-18 to Complete | Amount Rolled to FY 2018-19 to Complete | Amount Rolled to FY 2019-20 to Complete (Est.) |
|---|----------------------------|---|---|---|--|
| 1. Exterior repaint of city hall | \$ 6,900 | \$ - | \$ - | \$ - | \$ - |
| 2. Exterior/interior repaint of Endeavor Hall | 12,240 | - | - | - | - |
| 3. Refinish oak wood floor at Endeavor Hall | 5,473 | - | - | - | - |
| 4. Reseal Endeavor Hall concrete walkway | 1,250 | 1,250 | - | - | - |
| 5. Ten (10) additional trash receptacles at CCP | 18,322 | - | - | - | - |
| 6. Replace three (3) grills at CCP | 1,724 | - | - | - | - |
| 7. Clean/reseal two (2) restroom floors at CCP | 4,900 | 4,900 | - | - | - |
| 8. Purchase new public works mini-excavator | 46,243 | - | - | - | - |
| 9. Keller outhouse demolition | 20,000 | 18,668 | 18,668 | - | - |
| 10. Police cameras at city entry/exit points | 132,983 | 132,817 | 132,817 | - | - |
| 11. Police labor overlap and training for attrition | 38,237 | 20,881 | - | - | - |
| 12. Upgrade city website and IT services | 47,000 | 47,000 | 15,346 | - | - |
| 13. Electronic records management (laserfiche) | 48,337 | 48,337 | 48,337 | 48,337 | 36,393 |
| 14. Searchable online municipal code | 5,000 | 5,000 | 5,000 | 5,000 | - |
| | \$ 388,609 | \$ 278,853 | \$ 220,168 | \$ 53,337 | \$ 36,393 |

Earmark of FY 2015-16 General Fund Annual Excess

On February 21, 2017 the City Council took action to utilize the General Fund excess (\$203,325) supported by the FY 2015-16 audited CAFR. This annual excess helped address an updated priority list of pressing one-time needs. Specific needs included additional funding for the newly-established pension rate stabilization fund as well as replacement of the failing city hall HVAC and boiler unit. Both of these projects were fully funded and completed by the close of FY 2017-18.

Earmark of FY 2016-17 General Fund Annual Excess

On January 16, 2018 the City Council took action to utilize the General Fund excess (\$299,000) supported by the FY 2016-17 audited CAFR to address an updated priority list of one-time needs of the City. All but one of the six projects approved by the City Council to be financed with these excess reserves is expected to have been completed by the close of FY 2018-19. The only project expected to roll into FY 2019-20 for completion is the state-mandated development of a City-wide green infrastructure plan, of which a contract for consultant services was awarded on April 16, 2019 (\$42,317). The following table summarizes the annual progress of each of the projects funded by this action:

| Project Description | Original Amount Authorized | Amount Rolled to FY 2018-19 to Complete | Amount Rolled to FY 2019-20 to Complete (Est.) |
|---|----------------------------|---|--|
| 1. Replace mobile data terminals - 9 Units | \$ 96,000 | \$ 96,000 | \$ - |
| 2. Install new AT&T line for DOJ data connect | 25,000 | 23,220 | - |
| 3. Consultant to re-evaluate open space fee | 25,000 | 23,099 | - |
| 4. Green infrastructure plan | 50,000 | 50,000 | 50,000 |
| 5. Update local hazard mitigation plan | 45,000 | 19,075 | - |
| 6. Augment pension rate stabilization fund | 58,000 | - | - |
| | \$ 299,000 | \$ 211,394 | \$ 50,000 |

**City of Clayton
Budget Message
General Fund Reserves**

Earmark of FY 2017-18 General Fund Annual Excess

Most recently, on February 19, 2019, the City Council took action to earmark \$100,000 of General Fund annual excess supported by the FY 2017-18 audited CAFR to augment the City's Pension Rate Stabilization fund. Following inter-departmental outreach as well as consultation with the City Council Budget Sub Committee, this was identified as the most pressing need of the City at this time. A transfer to the Pension Rate Stabilization Fund addressing this City Council directive was completed during FY 2018-19.

FY 2019-20 General Fund Reserves Status

By set City Council formal policy, a minimum General Fund reserve has been set at \$250,000 for never-to-be-expended "catastrophic" purposes. In practice this has been implemented and easily complied with, indicating perhaps this floor requirement should be re-evaluated and possibly elevated at some point. However, the practicing Policy Goal of the City Council is to establish and retain an undesignated reserve of 50% relative to the annual General Fund Budget. The FY 2019-20 proposed budget projects total General Fund reserves, net of unspent City Council earmarks of excess reserves, to be \$5,524,695 as of July 1, 2019. This reserve balance is 1.16 times the proposed General Fund appropriations for FY 2019-20. Subtracting the "untouchable" minimum reserve of \$250,000 to reflect true reserve equity lowers this ratio to a still healthy 1.12 (\$5,324,695). This measurement demonstrates the effectiveness of the City's prudent fiscal policies over the long-run.

**City of Clayton
Budget Message
Special Revenue Funds**

SPECIAL REVENUE FUNDS

An appendage to the General Fund operations of the City, the City Council and staff are charged with stewardship over the provision of public services employing restricted-use monies accounted for in *special revenue funds*. In accordance with the Government Accounting Standards Board (GASB), special revenue funds are “governmental funds used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.” In total, the City currently has twelve (12) such special revenue funds that account for such restricted use monies. Strict controls and regulations are placed on the City’s special revenue funds’ express purpose and expenditure. These funds are in essence self-contained operations yet form a critical portion of the overall City Budget as these funds underwrite much of the public service and improvement mission of the City. The following section provides a discussion of the fiscal status of each of these special revenue funds.

A. HUTA Gas Tax Fund - No. 201

Derived from layers of state transportation taxes on the sale of gasoline [*California Street and Highway Code*, Sections 2105, 2106, 2107 and 2107.5; voter-approved Proposition 42 “Traffic Congestion Relief Act” monies], this group of revenues is deposited into a fund referred to as the City’s “Highway Users Tax Account (HUTA) Gas Tax Fund”. Local HUTA funds in the past have been a reliable source of funding for cities since the 1970s and are universally used to fund local road maintenance and repairs. The use of HUTA gas taxes is restricted by Article XIX of the California State Constitution and by *California Streets and Highways Code* section 2101. All HUTA gas taxes must be expended for the following:

- The research, planning, construction, improvement, maintenance, and operation of public streets and highways (and their related public facilities for non-motorized traffic), including the mitigation of their environmental impacts, the payment for property taken or damaged for such purposes, and the administrative costs necessarily incurred in the foregoing purposes.
- The research and planning for exclusive public mass transit guideways (and their related fixed facilities), the payment for property taken or damaged for such purposes, and the administrative costs necessarily incurred in the foregoing purposes.
- The construction and improvement of exclusive public mass transit guideways (and their related fixed facilities), including the mitigation of their environmental effects, the payment for property taken or damaged for such purposes, the administrative costs necessarily incurred in the foregoing purposes, and the maintenance of the structures and the immediate right-of-way for the public mass transit guideways.

**City of Clayton
Budget Message
Special Revenue Funds**

- The payment of principal and interest on voter-approved bonds issued for the purposes specified above.

Historically, the City of Clayton has generally used HUTA monies to perform annual street re-striping and safety re-markings, traffic regulation and warning signs and replacements, resealing of street cracks, sidewalk and gutter repairs, replacement of street name signs, operation and repair of arterial street lights, and traffic signal maintenance.

Due to the City's pattern of heavy reinvestment of HUTA tax funds into maintenance and repair of local streets and roads, our City has been successful in its upkeep of this infrastructure. In total, the City has invested approximately \$1,585,000 of HUTA tax monies into street repaving and improvements capital projects over the last ten fiscal years (since FY 2009-10). This accomplishment has enabled Clayton to consistently remain in the Top 5 best average pavement condition streets within Contra Costa County and greater Bay Area. Clayton is currently ranked No. 2 in all of the Bay Area and tied for No. 1 in Contra Costa County with a PCI of 84. This Pavement Condition Index (PCI) ranks Clayton's overall street system in the "Very Good" category, with the average Bay Area PCI being 66. Pavements are rated from 0 to 100 with 100 being the index assigned to a newly paved street.

Utilizing the latest projections published by the League of California Cities, FY 2019-20 HUTA gas tax revenues are estimated to total \$305,890, reflecting a slight decrease of approximately 0.9% from FY 2018-19 HUTA taxes. This substantial increase is a result of the implementation of Senate Bill 1 (SB1) during FY 2018-19 with FY 2019-20 being the first full fiscal year incorporating the new gas tax provisions of the law. SB1 resulted in a noticeable increase in Section 2103 taxes.

The City's HUTA Gas Tax Fund is projected to open FY 2019-20 with positive reserve balance of \$201,905. In the adopted FY 2018-19 budget, this balance was earmarked for the completion of the Keller Ridge Collector Street Rehabilitation (CIP 10425) and the 2018 Neighborhood Street Repave (CIP 10436) projects. With the completion of these two CIP projects under budget during FY 2018-19, the City's policy of spending the most restrictive funds first for CIP projects resulted in excess HUTA monies being rolled into next year's budget making them available for new street projects.

After allocation of monies for basic transportation maintenance and operation expenses (i.e. electricity for arterial street lights and traffic signals at \$53,000; traffic signal maintenance through contract with the County at \$22,000; City Maintenance personnel labor-related costs of \$31,800 for street maintenance tasks and traffic sign replacements; general street maintenance supplies at \$11,000), it is proposed to appropriate HUTA gas

**City of Clayton
Budget Message
Special Revenue Funds**

tax transfers of \$356,535 (64.8% of total proposed appropriations) to the City's Capital Improvement Project Budget for the following street improvements and repairs:

| | | |
|-----------------------------------|-------------------|---------------------|
| ADA Sidewalk/Parking Improvements | \$ 6,000 | CIP 10394A (annual) |
| 2020 Neighborhood Street Program | 350,535 | CIP 10449 |
| Total | <u>\$ 356,535</u> | |

Consistent with the prior year plan in order to use existing HUTA Gas Tax fund reserves for eligible City streets projects, the proposed budget plans to draw down all available reserves and end FY 2019-20 with fund balance of zero consistent with state policy to "use it or lose it."

B. RMRA Gas Tax Fund – No. 202

The Road Repair and Accountability Act of 2017, also referred to as Senate Bill 1 (SB1), is a significant new investment in California's transportation systems of approximately \$5.2 billion per year. SB1 increased the per gallon fuel excise taxes, diesel fuel sales taxes and vehicle registration taxes, sought to stabilize the problematic price-based fuel tax rates and provide for inflationary adjustments to rates in future years. In result, SB1 more than doubled local streets and road funds allocated through the existing Highway Users Tax Account (HUTA) gas taxes described previously, allocating monies from new taxes through the establishment of a new Road Maintenance and Rehabilitation Account (RMRA).

The RMRA receives monies from the following new taxes imposed under SB1:

- A 12¢ per gallon increase to the gasoline excise tax effective November 1, 2017.
- A 12¢ per gallon increase to the diesel fuel excise tax effective November 1, 2017, half of which is allocated to the Trade Corridors Enhancement Account with the remaining half to the RMRA.
- A new vehicle registration tax called the "transportation improvement fee," effective January 1, 2018, based on vehicle market value.
- An additional new \$100 vehicle registration tax on zero emission vehicles model year 2020 and later effective July 1, 2020.
- Annual rate increases to these taxes beginning July 1, 2020 (July 1, 2021 for the ZEV fee), and every July 1st thereafter for the change in the California consumer price index (CPI). The first adjustment made on July 1, 2020 will cover the CPI change for the two year timeframe November 1, 2017 through November 12, 2019.

The restricted-use of RMRA gas tax monies is similar, but not identical, to HUTA gas tax monies. Pursuant to *California Streets and Highways Code* section 2030, RMRA allocations must be deposited into a separate restricted-use fund and may only be used

**City of Clayton
Budget Message
Special Revenue Funds**

for projects that include but are not limited to: road maintenance and rehabilitation, safety projects, railroad grade separations, traffic control devices, and complete street components.

During FY 2018-19 the City completed the 2018 Neighborhood Streets Repave Project (CIP 10436) resulting in the full utilization of the \$64,355 in RMRA funds budgeted for this project. However, the Pine Hollow Upgrades (CIP 10379) project was still in the planning and design phase by the close FY 2018-19 and 100% the underlying appropriations for this project are proposed to roll into the FY 2019-20 budget for completion. On April 16, 2019, anticipating additional funding needs for this project, the City Council again authorized a Resolution earmarking the allocation of new FY 2019-20 RMRA gas tax revenues estimated to be \$189,202 to this project. Accordingly, after incorporating the opening balance of the RMRA reserves in FY 2019-20, a total of \$359,147 has been budgeted to fund the completion of CIP 10379.

Consistent with the City's regular objective to use all available HUTA gas tax reserves for eligible City streets projects, the proposed RMRA Gas Tax fund budget also plans to draw down all available reserves and end FY 2019-20 with a zero fund balance.

C. Citywide Landscape Maintenance District - Fund No. 210

In June 2007, Clayton voters approved a replacement real property special tax to continue funding the operation and maintenance of its citywide public landscaped areas. This voter action created the City of Clayton Landscape Maintenance Community Facilities District 2007-1 (LMD). This annual special parcel tax is restricted to landscape costs associated with: arterial and specified roadway medians and parkways, the trails system, the annual open space non-native (exotic) invasive weed abatement in city-owned open space of the area hills, the annual open space and trails weed abatement for fire and public safety, landscape and turf irrigation and the monthly maintenance and special occasion/holiday operation of the "Clayton Fountain". Operations for the LMD are separately accounted for by the City in a restricted-use special revenue fund.

Measure B, the 2007 ballot measure, expired June 30, 2017. Given this was the only source of funds for the maintenance and operation of the LMD, in order continue this sole funding a special parcel tax, "Measure H" was placed before the voters on the June 7, 2016 ballot needing two-thirds (66.67%) voter approval. In June 2016, the voters overwhelmingly elected (77.1% positive vote) to extend the LMD special parcel tax for an additional ten (10) years.

Maintenance of City parks is not included as an authorized expenditure under the LMD Act; park maintenance obligations fall to the City's General Fund. *Citywide public landscaping services have always been funded by a special parcel tax levied on private properties*

**City of Clayton
Budget Message
Special Revenue Funds**

throughout the City. The LMD has now completed its second year of operation under Measure H. The LMD has a City Council-appointed Trails and Landscaping Citizens' Oversight Committee (TLC) that meets periodically to ensure the promised maintenance standards and efficiencies are achieved and reviews the budget ensuring these special-purpose tax revenues are used for their intended purpose as established under the previous ballot measure for the LMD.

Pursuant to the terms of voter-approved Measure H, the special parcel tax rate may be modified annually by the change in the consumer price index (CPI) as published by the U.S. Bureau of Labor and Statistics from April to April for this geographic region (San Francisco-Oakland-Hayward, CA). In no event shall the special parcel tax rate be increased by more than three percent (3.0%) annually. Given the local CPI change (from April 2018 to April 2019) was 4.01% the special parcel tax growth factor must be capped at 3.0% for FY 2019-20. Accordingly, the LMD'S projected revenues are proposed to be increased by 3.0% to a total of \$1,155,398 for FY 2019-20. This results in a modest increase to LMD special parcel tax revenues of \$33,652 over the prior year's adopted budget. The capped CPI growth adjustment will result in an increase of \$7.68 per residential parcel over the prior year rate (last year's single family rate was \$255.86; including the capped CPI adjustment factor the new single-family parcel rate will be \$263.54).

Over the past ten years, from FY 2007-08 through FY 2018-19, it is estimated the LMD will have used approximately \$1.7 million of these special parcel tax funds for public landscape and irrigation and trail system improvements. When including additional LMD improvement projects planned for FY 2019-20, the LMD will have invested over \$2 million into landscape-related capital improvements in addition to maintaining current landscaping. For FY 2019-20, the LMD has budgeted to fund the following landscape improvement projects already reviewed and approved by the City Council-appointed TLC during their review of the FY 2019-20 draft budget:

| <u>Project Description</u> | <u>Amount</u> | <u>Project ID</u> |
|--|-------------------|-------------------|
| Downtown Planters Replacement Project | \$ 245,157 | LMD2015-1 |
| Clearing Trail Dead Brush | 10,000 | LMD2019-3 |
| Wireless Irrigation Controller Replacement (ongoing) | 20,000 | LMD2019-4 |
| Clayton Rd. Median Improvements | 56,000 | LMD2019-5 |
| Replace Irrigation System Central Control Panel | 30,000 | LMD2020-1 |
| Subtotal | 361,157 | |
| Subdivision/City Entry Sign Replacement Contingency | 2,000 | |
| Grand Total | \$ 363,157 | |

**City of Clayton
Budget Message
Special Revenue Funds**

The proposed LMD budget is a balanced operational budget, responsibly utilizing fund balance to undertake non-recurring capital improvement projects. This practice is consistent with prior year budgets as the LMD is pay-as-you-go for such improvements, responsibly drawing on fund balance as needed. Proposed appropriations of the budget are annually adjusted for anticipated water and electrical utility rate increases as well as for fuel, fertilizer, water, etc.

The prior year's City Council adopted budget included the Downtown Planters (Main Street) replacement project at an estimated total cost of \$300,000. By the close of FY 2018-19, it is estimated \$55,413 will have been incurred to-date for plan preparation and specifications (\$19,069 in FY 2016-17; \$1,344 FY 2017-18; \$35,000 projected for FY 2018-19). For FY 2019-20 a budget estimate of \$245,157 is being set aside for construction and completion of this project. The City Engineer is undertaking plan and specification updates and anticipates going out to bid by the close of FY 2018-19. The lowest responsive bidder would then be recommended directly to the City Council for direction. The work for this project is anticipated to be completed between July and September of 2019. If the project bid comes in higher than budgeted, the City Council would need to authorize additional appropriations for this project from either the reserve or re-allocations of appropriations included in the FY 2019-20 proposed budget. This project has been delayed due to other pressing work items requiring attention of the contract City Engineer including street repair and repaving projects and the El Molino Drive Sanitary Sewer Improvement Project. As such, the proposed budget plans to roll unspent appropriations for this project into FY 2019-20 anticipating its completion by the end of the fiscal year.

During FY 2018-19, the previously approved project to remove 18 large eucalyptus trees in the specified open space areas was completed within the budgeted cost of \$185,000. Trees in the scope of this project identified as hazardous and requiring removal were located on Regency Dr. and El Molino Dr. as well as along a portion of the Cardinet Trail adjacent the Rachel Ranch subdivision.

Two years ago the adopted budget included a city-wide subdivision entry re-landscaping project estimated to cost \$300,000. Although concept plans were approved, outside Landscape Architect services were needed to survey all utilities and irrigation as well as prepare construction level plans and specifications for public bidding. Despite much effort, staff was unable to locate a qualified Landscape Architect with the time or interest to undertake this project and submit a proposal for this work. Therefore last year (FY 2017-18) the City Council put a hold on the project, and the allocated funds were returned to the fund reserves in FY 2017-18. There are still no plans to move forward with this project at this time, and the fund balance is insufficient to undertake the magnitude of this project.

**City of Clayton
Budget Message
Special Revenue Funds**

Over the past year the LMD has generated a modest reserve balance to allow the consideration of the aforementioned non-operational landscaping improvement projects to be undertaken. Although the proposed budget anticipates an ending fund balance reserve of \$449,430 by the close of FY 2019-20, staff is not proposing additional capital projects in order to allow time to complete prior approved projects and to have sufficient funds for normal operational cash flow purposes.

An enormous impact on LMD operations from FY 2012-13 through FY 2016-17 was the declared drought conditions and the severe water conservation reductions imposed by Contra Costa Water District (CCWD) as directed by the Governor's Executive Order Emergency declaration. While homeowners were placed under a 25% reduction plan, city and commercial irrigation water consumers were set at a massive 45% mandatory water reduction order. With irrigation cutbacks of that magnitude, the City Council ordered the LMD to suspend irrigation water to turf and bushes, reserving restricted water supplies to irrigate public trees. The LMD also halted all operation of the Clayton Fountain (even though it is a recirculating fountain) and reduced outside watering to two days per week. This action plan negatively impacted much of the water intensive landscape in order to sustain the more valuable plants and mature signature trees in the LMD. Capital improvement projects engaged during the extended drought timeframe were hardscape-only oriented.

Although the State of California and CCWD relaxed water restrictions, allowing additional outdoor water irrigation uses than in the recent years, there are still reductions needed to balance against recent water rate increases. For example, new case law has now mandated water districts re-engineer their billing rate structures to incorporate greater costs for service areas with greater water delivery demands (i.e. higher elevations requiring more energy for delivery). Clayton's geographic location resulted in a rate tier increase by CCWD in January 2019 of over 6%. The proposed budget for LMD water irrigation supply service incorporates a large projected water cost increase of \$45,300 over the prior year budgeted figure, bringing the total budgeted water supply expenditure to \$202,300. In addition to rate increases, the growth in the water services line item over the last two years also reflects the normalization of water irrigation costs back to pre-drought periods.

Personnel services for this labor-intensive work effort account for 32.98% of the LMD budget in FY 2019-20 (\$500,700). Whenever possible, less complex tasks within the LMD are assigned to in-house part-time or contract temporary seasonal personnel, which allows full-time permanent City maintenance personnel to focus their efforts on tasks requiring journeyman-level experience (i.e. irrigation line and system repairs). The LMD has only one full time dedicated staff person of the six (6) permanent Maintenance Department personnel.

**City of Clayton
Budget Message
Special Revenue Funds**

As approved by Measure H voters, the LMD'S budget includes a recurring line item (account 7316) for the purchase of replacement plants, budgeted at \$20,000. The LMD further contributes an annual allocation to the City's Capital Equipment Replacement Fund (CERF) for its shared cost of utilizing City Maintenance Department vehicles for LMD operations budgeted at \$30,000 in FY 2019-20. A relatively nominal amount of \$38,760 (3.30% of annual LMD revenue) is transferred to the City's General Fund to help defray the LMD's share of administrative support and overhead incurred by the City (i.e. telephones, payroll processing, accounts payable, management, compliance, legal, etc.).

With all of these actions, the LMD's ending fund balance on June 30, 2020 is projected to be \$449,430. The LMD's healthy reserve position is evidence the City does not siphon "surplus" monies into its General Fund but uses the special parcel tax revenues for its intended voter-approved purposes. Its monetary existence is now crucial with the LMD re-examining priorities to replace landscape lost (including adding in more hardscape treatments) from the necessary extreme water conservation measures during recent drought conditions.

The TLC reviewed the FY 2019-20 proposed budget at its public meeting on April 15, 2019. After review, the TLC recommended the special parcel tax levy for the LMD be increased by the inflationary cap of 3.0% pursuant to the voter-approved Measure H. The TLC further recommended approval of the proposed LMD budget for FY 2019-20 as presented, including the specific landscape improvement projects outlined previously.

D. The Grove Park Fund - No. 211

The Grove Park officially opened to the community on January 12, 2008 and on May 29, 2008, the City Maintenance Department assumed full responsibility for the care and maintenance of The Grove Park. On Opening Day, the public park immediately became the signature statement of our community, and ever since it has been the popular gathering place for residents and visitors to the Clayton Town Center. Voters originally approved this restricted special parcel tax in November 2006 to maintain the park for ten (10) years, with the levy first collected in FY 2007-08. In November 2014, the voters overwhelmingly elected to extend The Grove Park special parcel tax for an additional twenty (20) years through the passage of Measure P (81.3% positive vote) making FY 2018-19 the 12th year of the restricted-use special parcel tax's existence. Operations for The Grove Park are accounted for by the City in a legally separate restricted-use special revenue fund.

Pursuant to the terms of voter-approved Measure P, the special parcel tax rate may be modified annually by the change in the consumer price index (CPI) from April to April. However, in no event shall the tax rate be increased by more than 3.0% each year. Given the CPI change (from April 2018 to April 2019) was 4.01%, the special parcel tax

**City of Clayton
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Special Revenue Funds**

growth factor will be capped at 3.0% for FY 2019-20. Accordingly, The Grove Park's proposed budget for FY 2019-20 incorporates an increase to the special parcel tax levy of 3.0% to a total of \$134,210 resulting in a relatively minor increase of \$4,020 over the prior year's adopted budget. The capped CPI growth adjustment will result in an increase of \$0.64 per residential parcel over the prior year rate (last year's single family rate was \$21.30; including the capped CPI adjustment factor the new rate will be \$21.94). The Grove Park fund received its 10th and final installment of the generous \$10,000 annual donation from Endashian, Inc. (developers and landowners of the CVS/Pharmacy store site - formerly Longs Drugs Store), two years ago in FY 2016-17. Despite the conclusion of this ten year pledge, Endeashian, Inc. graciously donated an additional \$1,000 to The Grove Park fund in both FY 2017-18 and FY 2018-19, which was both unexpected and unsolicited.

Bolstered by these revenues and interest earnings, The Grove Park fund is projected to maintain a positive reserve balance of approximately \$343,154 by the close of FY 2018-19 with reserves slightly increasing to **\$365,524** at the close of FY 2019-20. Of this projected FY 2019-20 ending fund balance amount, \$136,202 is projected to be held in the asset replacement reserve approved in the adoption of Measure O, \$65,000 in the unallocated stabilization reserve (increasing by \$5,000 annually), and \$165,322 in unrestricted reserves. As The Grove Park's apparatus and infrastructure ages following twelve years of heavy public use, these reserves will be critical to maintain this public gem.

For FY 2018-19, it is projected total expenditures of The Grove Park will be approximately \$113,074 offset by revenues totaling \$142,380, resulting in an operating surplus of \$29,306. This projected surplus was largely a result of the Maintenance Department delegating more of the simple and recurring operational park maintenance tasks to less expensive contract seasonal labor workers than was originally anticipated in the adopted budget. Following the end of the statewide drought, The Grove Park's new water play feature was activated for the first time two years ago in FY 2016-17. This led to substantially higher water consumption than prior years due to its immense popularity with the public. Despite some initial concern The Grove Park's budget would not be able to sustain the spike in water consumption costs, after three years of accumulated cost information it appears this new operational feature is sustainable in an annual balanced budget, including the requirement for annual set-asides for the asset replacement and unallocated stabilization reserves. Prospectively, staff will continue to monitor for any unsustainable trends in water demand paired with the new higher water rate tier structure in order ascertain what future water play feature use-restrictions, if any, are necessary to sustain the annual reserve set-aside goals established by the ballot measure.

As The Grove Park continues to mature and its public attraction increases, more City Maintenance Department personnel time may be necessary to keep it in a condition

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worthy of the City's signature piece. During the summer and on Saturday Concert Series weekends, a part-time seasonal maintenance worker is assigned to perform routine maintenance and oversight tasks at The Grove Park to ensure this highly-visible asset shines for our community. The adjacent municipal well provides landscape irrigation and other non-potable water needs of The Grove Park, saving considerable taxpayer monies compared to the metered water prices of Contra Costa Water District.

To continue to meet the operational objectives of The Grove Park, appropriations of \$123,040 are proposed for FY 2019-20. This results in a planned operating surplus of \$22,370. As this projected surplus is just slightly less than what is required for the annual replenishment of the asset replacement and unallocated stabilization reserves (\$23,000 total), it results in an allocation of \$600 from the unrestricted reserve to meet the reserve set-aside requirements for FY 2019-20. Nevertheless, The Grove Park fund's total reserves remain sufficient beyond its normal yearly operations. The City Council may take action after the adoption of the budget to utilize these reserves for additional capital improvements at The Grove Park.

E. Oakhurst Geological Hazard Abatement District - Fund No. 212

Formed by the City Council during the construction of the Oakhurst Development Project, this benefit assessment district encompasses all of the lots and open spaces within the Oakhurst [residential] Development. The Oakhurst Geological Hazard Abatement District (GHAD) has the authority but not the obligation to perform repairs to public, or authorized private, properties caused by certain geologic hazards such as landslides within this area. In order to fund any such operations, the GHAD Board of Directors (City Council) is required by state law to receive an affirmative vote by the real property owners within the district for any increase in the assessment rate. Although insufficient assessment revenues have always existed to perform much of the identified or speculated hillside repairs, the property owners within the district have rejected any increase to their assessment three (3) times in the past. The GHAD Manager (contract City Engineer) manages the district and provides a separate budget and annual report to the Board of Directors in June annually.

Due to the restricted amount of voter-approved assessments, the GHAD levies an annual assessment that generally produces the same amount of revenue each year for general geologic hazard abatement purposes within the Oakhurst Development. For FY 2019-20, assessment revenue is projected to be approximately \$42,712, which incorporates an April 2018 to April 2019 consumer price index (CPI) inflationary increase of 4.01%. Currently, it is unlikely property owners within the district would approve a significant rate increase sufficient to arrest or mitigate hillside movements. Interest earnings are insignificant for the GHAD fund estimated to be \$200, which operates for most of the 12 months in a cash-flow deficit. The assessment revenues are

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not received by the GHAD [City as its fiduciary agent] until property owners pay their property tax bills in December and again in April each year.

Nominal management expenses proposed for the GHAD this year include \$8,300 for City Engineering services (District Manager) and \$1,500 allocated for specialized legal services. Although litigation has been settled, the GHAD is still internally assessed a share of the City's general liability insurance premium increases which were historically propelled by the Oakhurst hillside movement litigation, which served lawsuits against the GHAD as well as the City. This annual expenditure (\$7,000 in FY 2019-20) must remain for several years following settlement of the litigation as those defenses pertaining to the GHAD's share of General Fund insurance premium expenses still impact the annual calculation of the City's general liability insurance premium for that prospective time period. Since the GHAD does not have its own employees, a base transfer of \$7,780 to the City's General Fund for general administrative and clerical support services is critical to sustain the bare existence of the District (18% of annual assessment). County administrative fees to levy, collect, and disburse the GHAD property tax bill assessment are estimated at \$1,260.

Project costs totaling \$20,427 are planned for FY 2019-20, which includes the installation of additional inclinometer and piezometers to enhance ground movement detection and measurement as well as a \$5,000 project expenditure contingency for emergency repairs (i.e. crack sealing, slide repair, etc.). Accordingly, and due to the limited financial resources available, the GHAD is projected to fully utilize its reserves to fund these key projects by the close FY 2019-20. Although these projects are designed to improve prevention and detection measures, no significant geologic hazards can be abated in exchange for the relatively small total assessment levy. The GHAD maintains its legal life with the foresight and wisdom that affected property owners might someday wish, or need, to proactively utilize this legal instrument to address hillside movement remediation.

F. Presley GHAD Settlement Fund - No. 213

In 2003 the City and Geological Hazard and Abatement District (GHAD) settled its lawsuit against Presley regarding damages to City infrastructures in the Kelok Way area of the Oakhurst Development. After reimbursement to the City of advanced legal expenses, proceeds from the settlement were retained in a separate fund for use to clean V-ditches in the area, monitor hillside movement and explore mitigation options to protect public infrastructures in the development. During FY 2010-11, funds were appropriated from this reserve (\$110,000) to perform road resurfacings within the development in conjunction with the 2010 Pavement Rehabilitation Project (CIP No. 10409). More recently, in FY 2017-18 this fund incurred \$19,870 for the removal and replacement of broken concrete V-ditches in three separate locations within the GHAD.

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No expenditures are currently planned for the upcoming FY 2019-20 budget year. After the inclusion of projected interest earnings to this fund of approximately \$1,500 it is anticipated this fund will end FY 2019-20 with a positive reserve balance of **\$107,779**. These monies may yet be tapped for further area repairs to damaged public infrastructure and/or arrest hillside movement in the future, as well as deficit operations of the GHAD fund.

G. Neighborhood Street Light Fund - No. 214

This fund accounts for the operations of the Clayton Neighborhood Streetlight Benefit Assessment District. This restricted-use assessment is collected through the real property tax bill on Clayton residential properties [current assessment ranges from \$8.34 - \$43.54 per residential unit per year]. Since FY 1996-97 (for twenty-three consecutive years), the City **has not requested or increased the rate charged to real property owners** for the public street lights in their neighborhoods. These assessments are restricted for public street light operations and maintenance within residential neighborhoods, excluding arterial streetlights, which are funded through HUTA gas taxes accounted for in a separate restricted-use fund. This fund's proposed budget incorporates the same amount in revenues as last year (\$125,991) since this assessment can only be increased by affirmative vote of the assessed property owners pursuant to the law (Proposition 218).

In order to continue providing current services within the existing assessment rate, consistent with the prior year and recent years, a draw on existing reserves is expected in FY 2019-20 by approximately **\$33,649**. The primary driver of this deficit is seemingly perpetual increases to PG&E electrical utility rates. One alarming expectation in the proposed budget for next year is the expectation the gas and electrical line item (account 7335) will exceed the total assessment of the district by itself for the first time ever.

With a projected opening positive reserve balance of \$83,052 to start FY 2019-20, there is trending justification to approach voters for an increase to this annual assessment. With the projected utilization of fund balance reserves in FY 2019-20, this fund is projected to close FY 2019-20 with a reserve balance of **\$49,402**. Total proposed appropriations of the fund are \$161,440, or 6.5% higher than the prior year adopted budget necessary to cover anticipated electrical service charges as well as inflationary growth for other operating, maintenance, and administrative support services. At the current rate of reserve use, this fund has **just one full fiscal year left** of operational reserves before the fund is expected to run out of money in FY 2021-22. Clearly, given annual hikes in PG&E electrical rates and the longtime zero increase cap on the assessment amount (since FY 1996-97) the fund has been in a structural deficit position for several years which will need to be addressed in the near term.

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It has been twenty-three (23) years since the Neighborhood Street Light Benefit Assessment rates were raised, and the law is clear voter approval is mandatory to do so. Absent an increase to the assessment to capture inflationary growth, should the fund deplete its reserves in FY 2021-22 as currently projected, a policy call would likely be needed to either fund the annual operating deficit with a General Fund subsidy (further depleting limited revenues necessary for existing basic public services) or by turning off selected neighborhood streetlights. Redirecting street lighting costs to the HUTA Gas Tax Fund is not advisable as it would reduce funds vital in keeping Clayton's streets in top notch condition (currently tied for second place in the entire Bay Area). Conversely, should the annual assessment be lowered by City Council action (under a public policy theory that plentiful reserves should become a pseudo rebate to taxpayers), the lowered street light rate is then locked in and cannot return to its higher rate in the next or subsequent years without an affirmative two-thirds vote of the property owners. It is further noted the reserve position of this fund does not incorporate an amortization program for replacement of aging or deteriorated wooden street light poles

H. Stormwater Fund - No. 216

This account manages collection and use of Stormwater Equivalent Runoff Units (ERU) levied locally to assist the City in compliance with unfunded State-mandated regulations through our National Pollution Discharge Elimination System (NPDES) Permit. Case law has now confirmed (previously challenged and lost by southern California cities) Regional Water Quality Control Boards do indeed have authority to levy unfunded mandates against pollutant dischargers (cities and counties) by virtue of the federal Clean Water Act and the California Porter-Cologne Water Quality Control Act.

By previous Council action long ago, this real property tax levy was maximized at its allowable cap in year 2000, which is projected to net the City \$73,705 for local use in FY 2019-20. In reality, the assessment generates higher gross revenues (\$126,306), however the following purposes snag portions of the City's local levy before ever touching our local coffers:

| | | | |
|--|----|-----------|--------|
| Contra Costa [Cities] Clean Water Program | \$ | 34,801 | |
| Commercial Building Inspections by Sanitary Distri | | 8,000 | |
| County Auditor-Controller Administrative Fee | | 3,800 | |
| Reserve Fund for the Clean Water Program | | 3,000 | |
| Flood Control District Management Expense | | 3,000 | |
| Total Revenue Offsets: | | \$ 52,601 | 41.65% |

In addition the City must pay an annual NPDES Regional Discharger Fee to the State projected to be approximately \$10,000, further dipping into the annual local assessment levied by the City.

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The City's 5-year Stormwater Permit (MRP) is issued by the San Francisco Regional Water Quality Control Board. Public agencies, including Clayton, are now under requirements to elevate enforcement, monitoring measures, and treatment projects each year to ensure cleaner stormwaters. This permit, called MRP 2.0, was issued in 2016. The permit contains additional and enhanced requirements for cities such as: managing litter that can get into its drainage and creeks from private and public properties; PCB and Mercury pollutant testing/monitoring; maintenance and enforcement activities; "green infrastructure" which would set forth standards for cities to redirect existing storm drainage water from streets, sidewalks and parking lots and buildings into landscape areas; and enhanced Integrated Pest Management (IPM) policies, practices and mandatory training and certifications. These additional permit terms will continue to impact the Stormwater fund's reserves. As other cities in the state are experiencing similar funding constraints, State legislation (SB 231) did allow for consideration by the voters through a Prop 218 process to address some Stormwater improvements; however the legislation did not fully rectify the needs of local cities as it related to the permit mandates. The next permit (MRP 3.0) is planned for issuance for use in 2020-21 and will likely contain even more unfunded mandates.

MRP 2.0 required information on the latest Green Infrastructure (GI) requirements to be disclosed to elected officials and the public each year by June 30, 2017 along with additional reporting thereafter. MRP 2.0 defines GI as *"Infrastructure that uses vegetation, soils, and natural processes to manage water and create healthier urban environments..., green infrastructure refers to stormwater management systems that mimic nature by soaking up and storing water."* GI is designed to capture and reduce existing PCB including background levels, and Mercury. The second objective of GI is to recharge runoff into the ground creating more filtering and more natural infiltration into creeks and waterways. The permit mandates the retrofitting of existing impervious surfaces with Green Infrastructure be evaluated, analyzed, planned for, costed, and reported upon.

The GI mandate has two main elements to be implemented:

- Preparation of a Green Infrastructure Plan for the inclusion of bioswale/landscape planter (LID) drainage design into existing storm drain infrastructure, including streets, roads, storm drains, etc.
- Identification of early opportunities for implementation of Green Infrastructure Projects Green Infrastructure Plan

The Green Infrastructure Plan requirements and deadlines are:

- Prepare a framework or workplan to be approved by the Permittee's City Manager or governing body, and submit it to the SF Regional Water Board with its FY 2016-17 Annual Report. This was completed in October 2018.

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- Prepare a Green Infrastructure Plan and show estimated costs/budget for a GI projects and submit it to the SF Regional Water Board with the 2019 Annual Report.

The permit requires the Annual Report include: a review of current infrastructure (capital improvement) projects; preparation of a list of infrastructure projects planned for implementation with potential for GI measures; and an annual review, update, and submission of the list. Specifically, this list must include: *“a summary of how each public infrastructure project with green infrastructure potential will include green infrastructure measures to the maximum extent practical during the permit term. For any public infrastructure project where implementation of green infrastructure measures is not practicable, submit a brief description for the project and the reasons green infrastructure measures were impracticable to implement.”*

The purpose of the GI Plan is to identify opportunities and projects, and include and incorporate them into its planned Capital Improvement Plan (CIP). Each public agency’s Plan is intended to serve as an implementation and reporting tool, to set goals for reducing over the long term, the adverse water quality impacts of existing and new urban runoff on receiving waters.

City staff reviewed and compiled an initial list of its City Council approved CIP budget projects and submitted it with its FY 2015-16 Annual Report, and has updated it thereafter as needed in its Annual Report filings. During FY 2019-20 a City staff working group consisting of the Stormwater Manager/Assistant to the City Manager, City Engineer, and Community Development Director, along with outside consultants will prepare Clayton’s draft GI Plan. This work effort is funded by a City Council earmark of \$50,000 of FY 2016-17 General Fund annual excess monies. In April 2019 the City Council authorized a consultant contract to prepare this plan, which will be filed with the Annual Report as required in the permit in October 2019.

Cities are also tasked with reviewing, and updating as necessary, their standard engineering designs and planning policies/ordinances to incorporate GI. The Contra Costa Clean Water Program (CCCWP) is currently working on guidance to the cities for reviewing capital improvement programs and projects, identifying GI potential, advancing planning and design of potential green infrastructure features, and documenting decisions regarding implementation of green infrastructure.

As noted previously, the current permit contains mandated trash reduction requirements which are met through the implementation of the full trash capture devices. The City has installed and maintains twenty-five (25) devices in its four (4) designated trash management areas. Through this effort we have been able to achieve a 100% reduction in trash load baseline, and thereby permit compliance. The City of

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Clayton is one of only a Bay Area few cities to have already achieved this goal. However, recent refinements by the SF Regional Water Board to this requirement may mandate the installation and maintenance of additional full trash capture devices to remain in compliance.

The new permit also requires the use of GIS for database mapping and public viewing availability. The Clean Water Program has begun the establishment of a cloud-based GIS mapping program as a group funded effort for all Contra Costa cities. Each city will have its own section for stormwater mapping with the ability to have additional data layers as it desires. Therefore no additional City funds are needed at this time for the GIS program.

Such permit conditions necessitate ever-increasing expenditures (for reports, studies, documentation, monitoring and projects) which will eventually consume current levy revenues. However, no new funds exist to help address these state mandates. Initial staff analyses reveal an additional \$225,000 to \$515,000 in annual costs could someday impact the City's fiscal operations for this state-mandated purpose alone. Only a Proposition 218 voter approval action can increase the levied rates. The failure of the Clean Water Coalition's Proposition 218 ballot in FY 2012-13 to raise levy revenues turned aside a potential \$93,700 for use in meeting state unfunded mandates for cleaner stormwaters. Since the City reached its parcel levy cap nineteen (19) years ago there have been an astounding 512 additional permit requirements mandated by the SF Regional Water Board, with no increase in revenue to offset the associated costs, resulting in an erosion of the Stormwater Fund's reserves.

In the FY 2019-20 budget, the City's stormwater costs under the permit regulations exceed available revenues by approximately \$50,955, although the close of FY 2018-19 is expected to incur a lesser annual deficit of \$16,937. Fortunately, the proposed FY 2019-20 budget projects the Stormwater Fund will begin next year with a positive reserve balance of **\$72,973**, which is sufficient to cover anticipated unavoidable operating deficit. The depletion of the Stormwater Fund's reserve balance over past several years is a direct result of added permit requirements imposed by the Regional Board in 1996 (referred to as "C-3 amendments"), MRP 1.0 (issued in 2010), and the current MRP 2.0 (issued in November 2015). All of these were state-imposed unfunded mandates, and the forthcoming MRP 3.0 will only exacerbate this fund's fiscal crisis.

Total projected FY 2019-20 labor-related expenditures of \$49,150, including contracted seasonal labor of \$15,000, are necessary for the City's maintenance of the municipal storm drain system including annual debris clearance of creeks and V-ditches as well as proactive measures for the prevention of pollutants into these waters, which ultimately emerge into the San Francisco - Oakland Bay. Educational materials and supplies are also part of the Stormwater Fund's budget, along with our membership in the Contra

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Costa County Clean Water Program. Recoverable expenses include the portion of staff time when working on clean water issues, programs, while Regional Water Quality Control Board directives target specific programs (i.e. “diaper” inserts in storm drain inlets) and local enforcement (i.e. fines). City administrative staff (Assistant to the City Manager) expends an inordinate portion of time (approximately one-third or more) engaged in the management, administration and implementation of this federal and state mandated program for cleaner runoff waters. As such, the proposed budgeted transfer of \$39,990 to the City’s General Fund to partially offset this incurred staff time as well as administrative and fiscal support costs is both reasonable and essential.

Total FY 2019-20 street sweeping costs are estimated at \$55,900 to cover monthly street sweeping services. Street sweeping services are paid through this fund as a program component of cleaner stormwater from street gutters. To clarify a common misconception, public streets and gutters are swept monthly to mitigate roadway pollutants from entering the storm drain system, not for street aesthetics or as the substitute broom for an abutting property owner’s sweeping/clearance of leaves and debris from the front and/or side yard curbs of one’s property. Offsetting revenue for this street sweeping is tendered by real property owners through their trash bills which is projected to be an equal and offsetting \$57,500. This offsetting revenue estimate could potentially be lower due to the revolving number of vacant homes in Clayton (closed accounts) as well as various delinquent and non-paying accounts slicing away at the revenue stream.

Annual expenditures are incorporated into the proposed budget for required contracted services including: \$2,000 for engineering services, \$1,720 estimated for other professional services (i.e. bioswale inspections, etc.), and \$15,200 for contracted services for building/grounds maintenance (i.e. drainage insert cleaning, emergency tree removal, box culvert clearing, etc.). Contracted engineering services will assist in providing the City’s response to state-mandates for performing additional drainage/GI analysis, evaluation and annual reporting of our mapped “trash management areas”, and PCB analysis. The City Council has addressed the stormwater impact caused by new private construction activities and newer private developments through the requirement of self-supporting mechanisms and has implemented cost recovery through the establishment of fees for homeowners association and benefit assessment districts. Accordingly, new development generally has minimal to no net budgetary impact on either the Stormwater fund or the City’s General Fund.

As noted previously, the Stormwater fund is projected to open FY 2019-20 with approximately \$72,973 in reserves, and projects a year-end fund balance of \$22,018 on June 30, 2020, an eye-opening (but not surprising) 69.8% loss in reserves. At this rate, as feared, the Stormwater fund will become depleted in FY 2020-21, with the only sources of discretionary funds to patch the mandated gap being an annual budgeted

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operational subsidy from the General Fund. Absent a new or increased funding source, the first course of action would likely result in either a reduction of permit compliance potentially resulting in non-compliance and triggering SF Regional Board action of fines of up to \$10,000 per day or reduction in other non-mandated city services.

I. Measure J Fund - No. 220

This restricted-use special revenue fund tracks the receipt and expenditure of revenues from the ½ cent sales tax levy approved by County voters in 1988 (Measure C) to provide regional and local transportation and street improvements, a growth management process, and a regional planning process to address quality of life issues. One of the program components of the Measure is its “Return to Local Source” monies wherein cities fully complying with the Measure’s Growth Management Program (GMP) Checklist are eligible to receive an annual allocation of monies for local streets and roads maintenance. Disbursement of these monies hinges on a city earning and maintaining a certified Housing Element (either by the California Department of Housing and Community Development [HCD] or via self-certification), and filing a biennial Compliance Checklist. The Contra Costa Transportation Authority (CCTA), cities, and the Contra Costa County were successful in 2004 in obtaining voter approval of Measure J, which extended the authorization of the current sales tax in the County for an additional 25 years beyond Measure C’s expiration on March 31, 2009. Accordingly, Measure J is now in effect.

A letter to the City from HCD dated December 11, 2014 stated *“The Department is pleased to find the adopted housing element in full compliance with State housing element law”*. This letter effectively covers the City’s compliance with housing element requirements for eight (8) years from the date of issuance. In addition, with CCTA’s acceptance of the City’s most recent Compliance Checklist covering calendar years 2016 and 2017, the City is eligible to receive its full Measure J Local Streets Maintenance (LSM) or “Return to Local Source” funds for FY 2018-19 and FY 2019-20. The next biennial CCTA Compliance Checklist is scheduled to be presented to the City Council for approval sometime before the end of calendar year 2020 covering calendar years 2018 and 2019. For FY 2019-20 the City projects to receive “Return to Local Source” funds in an amount totaling \$295,000. This new revenue, along with unallocated excess Measure J reserves is proposed to be used for the 2020 Neighborhood Streets Project (CIP 10449) as well as the School Intersection Improvement Project (CIP 10448) in the proposed budget for FY 2019-20.

In addition to this funding, on October 7, 2014 the City signed a cooperative agreement with CCTA and its member cities to receive Program 28a grant funding for Sub-regional Transportation Needs. The co-operative agreement stipulated funds will be allocated starting in January 2015, and then each November until 2034 using a 50/50 population and road miles split formula. In FY 2019-20 the City is estimated to receive an

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additional \$33,938 per the co-operative agreement, which has also been budgeted as additional funding for the 2020 Neighborhood Streets Project (CIP 10449) in the City's CIP Budget.

It is projected the Measure J fund will open FY 2019-20 with a relatively small but positive reserve balance of \$54,834, comprised of both Return to Local Source and Co-operative agreement funds. In addition to new FY 2019-20 Local Return to Source and Co-operative projected revenues, interest earnings of the Measure J fund are projected to decline slightly coming in at \$2,000. Lower investment income results from the depletion of reserves during FY 2018-19 necessary to complete Keller Ridge Collector St. Rehabilitation Project (CIP 10425) and the 2018 Neighborhood Street Project (CIP 10436). Beyond proposed transfers to the CIP fund for capital projects, \$36,810 in Local Return to Source funds will be necessary for ongoing operational and support costs in FY 2019-20.

After allocation of monies for minimal operational and administrative purposes, it is proposed to appropriate Measure J fund transfers totaling \$348,942 (90.5% of total proposed appropriations) to the City's Capital Improvement Project (CIP) Budget. These transfers to the CIP are made up of both Measure J LSM and Measure J Co-op funds. Specifically Measure J LSM is proposed to provide funding of \$100,000 to the 2020 Neighborhood Street Project (CIP 10448) and \$214,412 to the 2020 Neighborhood Street Project (CIP 10449) and Measure J Co-op is proposed to provide funding of 34530 to 2020 Neighborhood Street Project (CIP 10449). Consistent with the prior year budgetary plan, in order to use existing Measure J fund reserves for eligible City streets projects, the proposed budget plans to draw down all available reserves and end FY 2019-20 with a zero fund balance.

J. Restricted Grants Fund - No. 230

This fund is the repository for grants and other subvention funding restricted by law or the underlying grant agreement for specific purposes. The following is a summary of the City's more significant activities funded by the Grants Fund \$36,810:

1. SLESF Grant Program

The Supplemental Law Enforcement Services Funds (SLESF) grant [previously referred to as the Citizen's Option for Public Safety or "COPS" grant] is funded by a portion of the formerly-local Vehicle License Fees (VLF) and is passed through from the State to Contra Costa County, and then to the City of Clayton. This revenue is distributed from the County to the City on a monthly basis in varying increments based on sales tax allocations from the state. SLESF/COPS funds are allocated among cities and counties and special districts that provide law enforcement services in proportion to population, except that a) county populations are the populations in unincorporated areas; and b) each agency is to

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be allocated a minimum of \$100,000. Pursuant to state legislation the use of these funds is restricted to "front-line law enforcement purposes." Although previously required, pursuant to a letter from the California State Controller's Office dated August 17, 2012, annual reporting on the use of these funds is no longer necessary.

Throughout the course of the year, the City receives monthly installments of SLESF funding from the County Auditor-Controller's Office based on County pool sales tax figures. Once the City receives its statutory minimum of \$100,000, monthly installments cease for the remainder of the fiscal year. Following the close of the fiscal year, the State Controller's Office calculates the growth in VLF (redirected by the State from city general funds in 2011) above and beyond the base allocation. Any growth in VLF revenues is allocated to participating local agencies essentially on a per capita basis. For the City's purposes, the growth allocation is received so long after the fiscal year end that it is reported on a cash basis in the fiscal year it is received. In FY 2018-19 the City received \$48,746 in SLESF growth revenues related to FY 2017-18 growth figures, resulting in total SLESF revenue of \$148,746, excluding interest earnings.

The proposed FY 2019-20 budget projects the City will receive SLESF funding of \$130,000 including a conservative estimate for the annual growth allocation. This revenue in addition to a projected opening SLESF grant reserve balance of \$97,608 will be utilized to continue underwriting costs associated with the City's 11th sworn police officer working patrol in the community as well as to cover costs associated with maintaining the state-mandated secure line for the Police Department and other related eligible public safety costs. In addition to helping defray these recurring ongoing costs for the 11th officer, \$17,000 of the SLESF grant is budgeted for contracted servicing of the newly installed wireless patrol unit dash cam system. Additionally, \$5,000 of the SLESF grant is budgeted for new Taser equipment and \$12,000 for the newly installed secure high speed T-1 phone line necessary for US Department of Justice compliance. After proposed grant appropriations of \$152,870, the SLESF grant is projected to close FY 2019-20 with a positive balance of \$74,738.

2. Other Grant Funds

Beyond the SLESF grant monies, the Grants Fund expects receipt of \$15,200 in annual revenue from the City's cable communications franchise company (Comcast) for restricted use in Public, Education & Government (PEG) broadcast services and equipment. The City also anticipates being eligible for \$2,000 in Avoid the 25 grant funds from the County to reimburse police labor costs associated with DUI checkpoint enforcement. Finally, the FY 2019-20 proposed budget projects the City will receive an allocation of \$5,000 for the annual

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CalRecycle Beverage Container Recycling grant, which is used to assist the City in establishing convenient beverage container recycling and litter abatement projects as well as to encourage market development and expansion activities for beverage container materials.

On the expenditure side of the ledger, \$15,000 is needed for the City's share of the PEG broadcast channel on which our City broadcasts taped meetings of the Clayton City Council and displays other public/community information. The FY 2019-20 proposed budget once again incorporates the full utilization of previously allocated CalRecycle grant monies as well as new revenues for eligible program purposes such as the purchase and installation of new recycling receptacles. The Avoid the 25 grant, estimated to generate \$2,000 in revenue, operates on a reimbursement basis and revenues received in FY 2019-20 reflect estimated labor costs to be incurred.

In the aggregate, the Restricted Grants Fund is projected to close FY 2019-20 with a positive reserve balance of \$318,155. After the utilization of grant reserves and new revenue during FY 2019-20 for their restricted purposes, year-end reserves are projected to be primarily composed of unexpended balances of the Comcast PEG grant (63%), the SLESF grant (24%), and the Comcast Technology Grant (13%).

K. Development Impact Fees Fund - No. 304

This restricted-use special revenue fund accounts for the impact fees the City has collected from new development within the community. Revenues are private development driven and restricted for use based on the purpose of the impact fee. In recent years, minor development impact fees collected have pertained to relatively small two to six lot developments or accessory dwelling units. By the close of FY 2018-19, it is projected this fund will only have collected \$1,800 in fire protection impact fees pertaining to the six lot Verna Way development. Although it is unknown exactly when any proposed development comes "on-line" thereby triggering the payment of these impact fees, staff does not wish to budget for new development to occur and not be realized. Accordingly, no additional development impact fees are projected to be received in FY 2019-20. The sole revenue source budgeted in FY 2019-20 is from interest earnings projected to total \$10,000, which is allocated on a quarterly basis to each respective impact fee account.

New community development may result in the collection of additional fees, and trigger the necessity to plan new projects to mitigate the increased city costs associated with development expansion. That being said, it is reasonably possible amendments may be required during FY 2019-20 to appropriately reflect new projects to address the demands of more development. Since a project was unable to be completed in FY 2018-19 due to turnover of staff critical to this project, appropriations are once again

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proposed to fully utilize unspent Childcare Fee reserves (estimated at \$48,330) for eligible purposes. Following analysis by the City's Community Development Department, any proposed uses of these funds for a project would be recommended to the City Council for action sometime during FY 2019/20 following the adoption of the budget. Accordingly, given no new fees budgeted to be collected in FY 2019-20, the proposed budget projects a decrease in fund balance of **\$38,330** resulting in a positive ending reserve balance of **\$498,101**.

L. Successor Housing Agency - Fund No. 616

This restricted-use special revenue fund was created as a result of the dissolution of the City's former redevelopment agency (RDA) pursuant to state law (AB1x 26). Through the adoption of Resolution 03-2012 the City Council elected to retain the affordable housing assets of the former RDA in accordance with Section 34176 of the California Health and Safety Code.

All monies in the former RDA's Low and Moderate Income (LMI) Housing Fund were transferred on the dissolution date (February 1, 2012) to the City's Successor Housing Agency Fund. In accordance with the law, the Successor Housing Agency is separate and distinct from all other funds and accounts of the City, to hold, administer and spend the monies originating from the former RDA's LMI Housing Fund to perform housing functions consistent with the Dissolution Act.

On April 24, 2015, the California Department of Finance (DOF) issued its Final Determination Letter approving the Low-Moderate Fund Due Diligence Review Report. This report, performed by an independent accountant in accordance with the law (AB 1484), was also approved via Resolution by the Oversight Board to the Successor Agency and authorized payment to be remitted to the County Auditor-Controller's Office totaling \$3,679,225, representing the "unencumbered balance" of Low-Moderate RDA funds. In accordance with the order letter from the DOF, this payment was remitted shortly thereafter on May 1, 2015. Furthermore, on December 30, 2015, the City received its Finding of Completion from the DOF, formally concluding the AB 1484 RDA dissolution and audit process.

With the pilfering of the City's LMI housing fund pursuant to AB1484, the City's housing functions have now been largely reduced to loan transactions initiated by residents of existing low to moderate income housing units within the City's current inventory. In FY 2019-20 this fund is projected to incur expenditures totaling \$39,855 for special legal services (legal advice on housing compliance matters is out of the scope of services covered the City's legal retainer) as well as for the completion of a nexus study to implement an affordable housing in-lieu fee necessary to facilitate the inclusionary housing ordinance adopted by the City Council pursuant to new State law. Reflected in proposed appropriations, this fund also reimburses the General Fund for

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actual time spent by Community Development Department staff on LMI housing-related programs. Total revenues for FY 2019-20 are projected to come in at \$121,400, pertaining primarily to a \$101,400 loan repayment on the Diamond Terrace note, maturing in FY 2030-31. At the close of FY 2019-20 , it is projected the Successor Housing Agency will report a positive reserve balance of \$4,938,507, of which **\$1,142,462** is the projected cash position available for appropriation for program activities of the City's low to moderate housing program.

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Proprietary Funds**

PROPRIETARY FUNDS

The City Council has established certain funds meeting the criteria of “proprietary funds.” There are two types of proprietary funds: internal service and enterprise funds. Internal service funds are used to report activities providing goods or services to other funds or departments on a cost-reimbursement basis. The City maintains three (3) internal service funds to account for the City-wide shared costs associated with self-insurance and capital equipment replacement activities. Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services. The City maintains one (1) enterprise fund to account for the Endeavor Hall facility rental activities. The following section provides a discussion of the fiscal status of each of these proprietary funds.

A. Self-Insurance Fund - No. 501

This internal-service fund manages the fiscal obligations of the City’s self-insured program for our retention deductible (\$5,000 per claim) on initial claims filed against the City for general liability and workers’ compensation as well as deductibles for property, auto, and other insured losses incurred by the City. Pursuant to our membership in the Municipal Pooling Authority of Northern California (“MPA”; a municipal self-insured/pooled risk excess coverage joint powers authority [JPA]), our City is responsible for payment of the first \$5,000 in expense and/or damage on each filed claim. This fund also handles other periodic legal expenses to defend the City’s interest in related cases. A recurring expense incurred by this fund is the annual premium (approximately \$1,300) to cover an Employee Assistance Program (EAP), a shared public entity consortium for City employee good-health counseling and wellness services benefiting our permanent organization.

Since there is no recurring or reliable replenishing source of revenue for this fund, the City Council must periodically authorize one-time transfers of General Fund excess reserves to replenish the internal service fund’s reserve balance. The most recent source of such funding was made in FY 2013-14, when the City Council authorized a transfer of \$54,154 from General Fund annual excess supported by the audited FY 2011-12 financial statements. This transfer assisted in replenishing losses arising from legal expenses on the Oakhurst Hillside litigation cases beginning in FY 2008-09. With total proposed FY 2019-20 expenditures of \$6,300, this fund is projected to utilize \$5,700 in reserves and close the fiscal year with a positive net position of \$26,928. The option to make “replenishment” transfers into the Self-Insurance Fund can be re-considered at a future time by the City Council once General Fund operational results become available following the close of the fiscal year; however, no request by staff is proposed at this time.

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B. Capital Equipment Replacement Fund – No. 502

This fund serves to track the depreciation and finance the replacement of City-owned vehicles, computers and other capital equipment used in operations, generally in excess of \$5,000, which is the minimum threshold per the City's capital asset policy. The Capital Equipment Replacement Fund (CERF) is projected to open FY 2019-20 with a positive reserve balance of \$648,100, of which \$150,550 is the fund's to cash position available to finance the purchase of replacement assets. The remainder of this fund's net position pertains to equity resulting from the fund's non-liquid net investment in capital assets (i.e. fixed asset book value).

Ideally, though often not feasible, the CERF would annually recover its depreciation expense in the form of internal service fund service charges to the various departments using CERF assets in their respective operations. During previous challenging budgetary years, the General Fund had to cut back or even eliminate CERF funding altogether in an effort to stabilize the annual operating budget. These challenging budgetary years, paired with departments doing their best to stretch the useful lives of assets, has resulted in a current active fleet that is much depreciated. This hybrid "pay as you go" asset replacement strategy has left the CERF in an unavoidably underfunded position. With the June 30, 2018 comprehensive annual financial report (CAFR) reporting total CERF accumulated depreciation of \$1,094,424 and a total cash position available to finance the replacement of fixed assets was only \$156,783 this represents a total funded position of only 13.7%, which is the same struggle encountered by many of our neighboring public agencies.

Using the current annual depreciation expense presented in the City's latest audited CAFR, CERF depreciation expense is projected to be \$70,000 for FY 2019-20. The FY 2019-20 proposed CERF budget includes total revenues of \$115,600, of which \$112,100 (96.97%) is attributable to CERF charges. FY 2019-20 CERF charges are derived from the following sources: \$60,000 from the General Fund's Police Department, \$10,000 from General Fund's Maintenance Department, \$4,500 from HUTA Gas Tax Fund, \$30,000 from Landscape Maintenance District, \$2,700 from The Grove Park, \$4,700 from the Stormwater fund, and \$200 from miscellaneous other sources

On an annual basis the Police and Public Works Departments communicate their capital equipment replacement needs to the City Manager and Finance Manager. Based on an analysis of funds available as well as the most up-to-date CERF depreciation schedule, the urgency as well as prioritization of asset replacements is considered. The proposed FY 2019-20 CERF budget incorporates plans to purchase a new Ford Interceptor SUV patrol response unit at an estimated cost of \$60,000. Furthermore, the proposed budget includes appropriations for the Maintenance Department to purchase a used Ford F-250 to replace the fully depreciated heavy duty 2000 Ford F-350 as well as \$30,000 for a Bobcat Skidloader for park and landscape district purposes. At the conclusion of FY

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2019-20, following the purchase of these assets offset by CERF charges, interest earnings and proceeds from the surplus and sale of old vehicles, it is projected the CERF will have a positive net position of \$693,700, of which **\$136,150** pertains to cash reserves available to finance the purchase of replacement assets.

C. Pension Rate Stabilization Fund- No. 503

In FY 2017-18, given the growing apprehension surrounding CalPERS unfunded pension liabilities and consideration of the ever-growing list of factors beyond the City's control that can significantly and adversely impact the annual employer pension contribution obligations, the City Council established the Pension Rate Stabilization Fund. The Pension Rate Stabilization Fund is an internal service fund designed to help smooth major fluctuations in annual pension contribution costs driven by market factors and actuarial changes. In recent years, the City's operating budget had to overcome the burden of large hikes in employer pension contributions due to fluctuations in its unfunded liability caused by CalPERS investment returns falling short of the actuarially assumed discount rate. As it appeared these hikes would continue into the foreseeable future, the City's Pension Rate Stabilization Fund was established to act as a hedging tool to stabilize future General Fund operating budgets.

As summarized in the General Fund Reserves section previously, the City Council has three times now authorized the transfer of General Fund annual excess reserves to the newly created Pension Rate Stabilization Fund as seed monies. In total, by the close of FY 2018-19 General Fund excess reserves of \$268,000 will have been transferred to this fund. By the close of FY 2019-20, when incorporating projected interest earnings of \$4,000, this fund is anticipated to close with a positive reserve balance of **\$275,360**.

While staff will continue to work on absorbing the employer pension contribution requirements within a balanced annual operating budget, unpredictability associated with future pension contributions makes this policy goal increasingly difficult. As illustrated in the Public Employees Retirement System section of the Budget Message, staff projects an upward, not downward, trend in employer pension contribution requirements over the next several years following CalPERS' reduction to the long-term actuarially-assumed discount rate and other funding policy changes. The establishment of the City's Pension Rate Stabilization Fund will greatly aid the City's mission to maintain and sustain current public services to the community.

In addition to the three sources of seed monies described previously, as a stand-alone fund separate and distinct from the City's General Fund, our Pension Rate Stabilization Fund generates interest earnings from its share in the City's Investment Pool. Beyond ongoing allocations of interest earnings, future revenue sources could come from one-time transfers of General Fund excess reserves authorized by the City Council or budgeted charges to the City's various governmental funds utilizing City staff.

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Contributions to this fund have no direct impact on City's unfunded pension liability, as that is only achieved by direct contributions to a CalPERS-administered irrevocable trust, which is not being recommended at this time. However, much like the City's Capital Equipment Replacement Fund (CERF) and the Self Insurance Fund, this new fund is a useful tool to help mitigate the risk of fluctuations in future pension contribution requirements to the City's ongoing General Fund operating budget.

D. Endeavor Hall (Enterprise) Fund - No. 702

This fund was established in the FY 2002-03 adopted budget to track specific revenues and expenses related to the million dollar historic Endeavor Hall renovation project. More residents and local organizations continue to discover Endeavor Hall's historical charm for hosting special occasions and meetings. Additionally, the Clayton Theatre Company used the Hall for its 7th consecutive year of theatrical productions. Facility-use rental fees for FY 2018-19 are projected be approximately \$28,000, falling just short of the adopted budget by \$2,000 (6.7%). While this news is discouraging, it is counteracted by positive news with operational expenditures (excluding depreciation), which are projected to come in at \$26,321. This results in a projected FY 2018-19 operational surplus of \$1,679! Despite these FY 2018-19 projected results, in consideration of historical rental performance, the FY 2019-20 proposed budget still anticipates Endeavor Hall will incur operational shortfall (excluding depreciation) of approximately **\$3,270**. When including depreciation, this shortfall increases to \$40,770.

This structural deficit is result of several factors, largely beyond of the control of staff alone. On the expenditure side, increases in unavoidable fixed costs as well as maintenance costs necessary to maintain the facility in prime rental condition have been outpacing the rental revenue stream. Surprisingly, one significant challenge faced on the revenue is the loss of rental opportunities caused by the large (and growing) number of community events. Despite their positive reception by the community, these large-scale downtown events have the impact of deterring interested renters from using the facility due to parking, sound, or other challenges that may adversely impact the atmosphere of a wedding or similar significant milestone event. A look at the previous year's rental calendar shows at least fifteen (15) prime weekend days deemed largely un-rentable due to the occurrence of treasured community events such as Art & Wine, Oktoberfest, the Concerts in The Grove Series and other events occurring in the downtown area. With a typical wedding rentals brining in an average of over \$1,300 in rental fees, this scenario potentially results in lost booking revenue of up to \$19,500. A further challenge is prospective renters frequently opting not to rent Endeavor Hall due to its relatively small venue size, with the indoor hall posting a maximum occupancy of 87 guests for seated dining.

For FY 2018-19, minimal City staff labor costs of \$14,310 are projected for upkeep of the facility and staffing evening and weekend events. Maintenance time is necessary for

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landscaping and gardening to ensure the facilities grounds have annual color plants sufficient to keep it desirable for the rental community. Naturally, when vandalism occurs on the building and grounds, extra expenses are incurred to make the necessary repairs. Furthermore, periodic staff time is necessary for the maintenance and upkeep of on-site equipment and fixtures. Total proposed (non-labor) operational and maintenance expenses in FY 2019-20 are budgeted at \$18,960. Depreciation expense in this fund is projected to remain consistent at \$37,500 in FY 2019-20.

Most recently, during FY 2015-16 action was taken by the City Council to earmark \$25,863 in General Fund FY 2014-15 excess reserves for much needed facility repairs and replacements at Endeavor Hall. Specific activities funded by this action included: repainting of the exterior and interior walls, refinishing the oak wood flooring, and resealing the concrete walkway. These urgent improvements to the facility are a prime example of the periodic financial support needed from the General Fund for capital improvements/replacements as Endeavor Hall operations are not self-sustaining.

Ultimately, although the fund is projected to close with a total fund net position of \$994,950, a closer look at the components of fund equity reveals the positive position is caused by the fund's large net investment in capital assets (i.e. fixed asset book value) estimated to be \$1,068,593 as of June 30, 2020. This exceeds total net position due to a negative net unrestricted position expected be **\$73,643** June 30, 2020. This negative position is reflective of the unavoidable structural deficit this fund has found itself in since its establishment. Increasing rental fees to solve this issue may only further discourage prospective renters, agitating the already challenging rental position this fund finds itself in as described previously. As past rental experiences generate positive word of mouth promotion and expand the customer base, staff is hopeful Endeavor Hall operations will eventually become self-sustaining. Staff will continue to monitor this issue and provide updates to the City Council periodically as it has in past annual and mid-year budget as well as CAFR presentations.

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FIDUCIARY FUNDS

Tracked by the City and included herein for reference, fiduciary funds of the City are not typically considered part of the budget of the primary government since the City essentially serves as a fiscal conduit (fiscal agent) for legally separate entities. Legally separate entities reported under this category include several benefit assessment districts and Mello-Roos community facility districts. No underlying debt obligation of the City is assumed in administering the fiscal transactions of these funds. With secured sources of income, these funds are not held hostage to the volatility of general governmental purpose revenues or state government shenanigans. Fiduciary funds often operate with negative cash flow balances and therefore can have interest charges applied for temporary reliance on the use of pooled reserves to underwrite their annual operations.

A. High Street Bridge Benefit Assessment District- Fund No. 217

In 1998 the City Council ordered the formation of the High Street Permanent Road Division for the purpose of reconstructing and maintaining the High Street Bridge over Mitchell Creek. This annual assessment is levied against specified private property parcel owners within the High Street Bridge Benefit Assessment District in order to repay construction-related financing and for future maintenance of the bridge. The High Street Bridge debt is repaid over thirty (30) years with its ultimate maturity in FY 2028-29. The fund will continue to assess annual levies against covered parcels within the district until the underlying long-term debt owed to the Successor Agency to the former Redevelopment Agency is fulfilled. After incorporating any pre-payments by district members, the outstanding principal of the loan will be approximately \$10,656 as of June 30, 2019. In FY 2019-20 the total budgeted assessment of \$1,754 will cover debt service payments and contribute to the annual bridge maintenance reserve (\$300 per year). This fund is projected to close FY 2019-20 with a positive reserve balance of \$6,770, of which \$6,000 (88.6%) is restricted for future bridge maintenance of the district.

B. Oak Street Bridge Benefit Assessment District - Fund No. 218

In 1999 the City Council ordered the formation of the Oak Street Permanent Road Division for the purpose of reconstructing and maintaining the Oak Street Bridge over Mitchell Creek. This annual assessment is levied against specified private property parcel owners within the Oak Street Bridge Benefit Assessment District in order to repay construction-related financing and for future maintenance of the bridge. Two years ago in FY 2016-17 this fund contributed \$12,000 to the City's Arterial Rehabilitation Project (CIP 10437A) to perform street re-pavement improvements needed in the District. In the prior year (FY 2017-18), the district incurred \$4,396 for urgent pavement repairs on Oak Ct. No bridge or road maintenance is scheduled for FY 2019-20 in an effort to rebuild district maintenance reserves considering the maintenance projects already completed in recent years.

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The Oak Street Bridge debt was repaid over twenty (20) years and was fully paid off in FY 2018-19. Despite the maturity of the debt, a minimal annual district levy is still necessary for bridge maintenance purposes as outlined in the district's establishing documents. After the inclusion of projected interest earnings and the continuing annual assessment for bridge maintenance purposes of \$1,600 (total), this fund is projected to close FY 2019-20 with a positive reserve balance of **\$15,571**.

C. Lydia Lane Sewer Benefit Assessment District - Fund No. 222

In 2002 the City Council ordered the formation of the Lydia Lane Sewer Benefit Assessment District along south Lydia Lane for the purpose of funding the construction of municipal sewer main line lateral connections to specified homes within the District plus an associated street overlay. The project was funded by the private property parcel owners since they "opted out" of inclusion in the original Project Area of the since-dissolved Redevelopment Agency (RDA). As a result of opting out of inclusion, they were ineligible to receive RDA funds to address public health and safety blight for the installation of a municipal sewer line to eliminate their private septic tank systems. The project was completed in 2003 with bonds issued by the City for repayment by the district over a thirty (30) year life maturing in FY 2032-33. This annual assessment is levied against specified private property parcel owners within the Lydia Lane Sewer Benefit Assessment District in order to repay construction-related financing and to address ongoing operational and administrative costs. This fund will continue to assess annual levies against covered parcels within the district until the underlying long-term obligation due to private bondholders is fulfilled. Parcel assessments are projected to produce \$16,600 in FY 2019-20. Debt service payments for FY 2019-20 total \$14,050 or 77% of the District's annual expenses. The principal balance of the bonds will be \$153,325 as of June 30, 2019. This fund is projected to close FY 2019-20 with a positive reserve balance of **\$79,116** for future sewer system maintenance in the district. Of this reserve balance, \$12,500 (15.8%) pertains to the bond reserve fund, held by the trustee and restricted for debt service per the bond indenture.

D. Oak Street Sewer Benefit Assessment District - Fund No. 223

In 2002 the City Council ordered the formation of the Oak Street Sewer Assessment Division for the purpose of funding the construction of municipal sewer main line lateral connections to specified homes within the District. This neighborhood sewer project was completed in 2004. Under its mission to eliminate public health and safety concerns, the former Clayton Redevelopment Agency (RDA) paid for half (50%) of the project and the adjacent real property owners agreed to annual parcel assessments for the balance of the capital project. This annual assessment is levied against specified private property parcel owners within the Oak Street Sewer Benefit Assessment District in order to repay construction-related financing. The Oak Street Bridge debt is repaid over twenty five (25) years with its ultimate maturity in FY 2027-28. This fund will continue to assess annual levies against covered parcels within the district until the

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underlying debt owed to the Successor Agency of the RDA is fulfilled. After incorporating any pre-payments by district members, the outstanding principal on the debt will be approximately \$60,091 as of June 30, 2019. Annual parcel assessments are projected to produce \$11,755 in district revenue in FY 2019-20. Debt service payments for FY 2019-20 total \$10,255 or 87% of the district's proposed appropriations. The fund is projected close FY 2019-20 with a modest reserve balance of \$2,175.

E. Diablo Estates Benefit Assessment District - Fund No. 231

In 2012 at the request of the developer of the Diablo Estates subdivision, the City Council formed the Diablo Estates Benefit Assessment District. The purpose of the District is to generate funds for the maintenance of various improvements constructed as part of the development to solely benefit the real property owners within the district. The duties specified in the original Engineer's Report included the maintenance of landscaping and irrigation, weed abatement, storm drainage facilities, and private street lighting, which are funded by an annual assessment levied against the twenty five (25) lot residential subdivision. The fund functions essentially as a depository account from which the City contracts with and pays for a property management company to actually perform and execute the subdivision maintenance and infrastructure repairs.

In FY 2019-20 the assessment revenue is projected to be approximately \$89,015, which incorporates the April 2018 to April 2019 consumer price index inflationary increase of 4.01%. Total proposed appropriations of the district are \$67,647 for FY 2019-20, of which the expense pertains to costs associated with the contracted property management services firm, Matrix Association Management, estimated at \$54,390. The fund is projected to close FY 2019-20 with a positive reserve balance of approximately \$161,667 primarily retained for future infrastructure replacements in the District.

F. Clayton Financing Authority - Fund No. 405

On December 4, 1990, the City Council of Clayton, California adopted Resolution No. 120-90, which created the Clayton Financing Authority (CFA) through a joint exercise of powers agreement. Consistent with most local financing authorities, the joint powers agreement established the City Council as the Board of Directors of the CFA. The CFA was initially established to allow redevelopment tax allocation bonds to be sold at a more favorable negotiation basis versus a public basis. The CFA is registered with the State of California Controller's Office and is subject to the laws pertaining to special districts. As a legally separate public entity from the City, the CFA is required to file an Annual Report with the State of California in accordance with *California Government Code* Section 26909.

Arising from matters associated with the Oakhurst Development Project, the CFA held title to a one acre parcel located at the southwest corner of the Clayton Road-Oakhurst Drive-Center Street intersection. In October 2006, the CFA sold the real property for

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\$800,815 to a commercial developer (Endashian, Inc.), which ultimately led to the construction and opening of the former Longs Drug Store at this location (currently a CVS/Pharmacy). A small portion of these monies was used in the 2008 park renovations at Clayton Community Park for tot lot and picnic facility improvements. In addition, during FY 2012-13, the CFA Board of Directors authorized the use of a portion of these discretionary funds to help finance the City's 2013 Neighborhood Street Project (CIP No. 10417).

During FY 2017-18, the replacement of the city hall HVAC system became a top priority as three of the five condensing units had failed and were rendered inoperable. This system failure resulted in a total cooling capacity of only 40% for the three story building. Furthermore, the city hall boiler had completely failed eliminating all heating capacity of the HVAC unit essential for a productive office workplace. Acknowledging the importance of a functioning HVAC during the hot summer months and cold winter months for a productive office work environment, on July 18, 2017 the CFA Board authorized \$170,126 of this project to be financed with CFA fund reserves.

No appropriations are currently included in the FY 2019-20 CFA proposed budget. After projected interest earnings of \$10,000, it is anticipated this fund will close FY 2019-20 with a positive reserve balance of **\$570,340**.

G. "Middle School" Community Facilities District No. 1990-1 - Fund No. 420

As its name implies, this fund manages the annual collection of the real property Mello-Roos special parcel tax that helped finance the construction of the Diablo View Middle School, a 2017 California Gold Ribbon School. During FY 2007-08 the outstanding debt of the district was refunded to obtain a lower interest rate on the remaining principal (see Fund No. 422). This was a City-initiated transaction which resulted in lower annual payments for the assessed real property owners of this district (Oakhurst Development properties). The remainder of budgeted expenses of the district covers required debt administration costs.

Professional bond trustee administration fees are incurred annually pursuant to the bond indenture necessary for managing the retirement of the district's debt as well as monitoring bond covenants. In FY 2019-20 debt service payments on the 1997 local obligations are estimated to total approximately \$400,838 after the application of a debt service credit of \$80,000 applying savings resulting from the bond refunding. Without the application of the debt service credit, total regular scheduled debt service on the 1997 local obligations would be \$494,384 in FY 2019-20.

Consistent with the prior year, in FY 2019-20 the projected special parcel tax revenue of approximately \$389,794 is less than expenditures as it incorporates a levy reduction credit of approximately \$104,590 (\$80,000 debt service credit and \$24,590 district

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reserves). This levy reduction has been implemented annually to gradually apply savings resulting from the bond refunding towards minimizing the burden of taxpayers. When compared to the prior year district special tax levy, FY 2019-20 reflects a levy reduction of \$4,000 to be shared amongst the district tax payers. The district is projected to close FY 2019-20 with a positive reserve balance of \$226,321.

H. CFA 2007 Refunding Bonds Agency Fund - Fund No. 422

In 1997 the Clayton Financing Authority (CFA) issued \$7.16 million in Special Tax Bonds to provide financing assistance in completing the construction of the Diablo View Middle School (see Fund No. 420). In May 2007 the CFA's Board of Directors (City Council) determined it was financially advantageous to the Oakhurst Development real property owners for the CFA to refinance the outstanding debt to achieve savings in annual debt payments. Upon its issuance the refunding action captured a savings of \$600,000 to the Middle School Community Facilities District 1990-1 (CFD 1990-1) saving individual property taxpayers approximately \$20 - \$51 per year. Bond interest rates fell from the range of 5.25% - 5.90% down to 3.5% - 4.2%. As the CFA is the owner of the 1997 local obligations, the 2007 Refunding Bonds are ultimately secured by the annual Mello-Roos special parcel tax levy from the Middle School Benefit Assessment District (CFD 1990-1) and the corresponding annual payment on the 1997 local obligations.

Debt service on the 2007 refunding bonds is budgeted to be \$410,525 in FY 2019-20. Payments received pertaining to the 1997 local obligations from CFD 1990-1 will be sufficient to meet the required debt service on the 2007 bonds. Consistent with the prior year, this fund is projected to utilize reserves in order to apply a debt service credit to the FY 2019-20 CFD 1990-1 special parcel tax levy. A systematic and gradual utilization of reserves arising from the bond refunding savings is planned through the maturity of the 2007 refunding bonds in FY 2022-23. The fund is projected to close FY 2019-20 with a positive reserve balance of \$494,623, of which \$252,000 (51%) pertains to the 2007 bonds' reserve fund held with the bond trustee and restricted for future debt service per the bond indenture.

I. Successor Agency - Fund No. 615

On June 28, 2011 the California State Legislature adopted two pieces of legislation - AB 1X 26 and AB 1X 27 (the Bill) - which eliminated redevelopment agencies (RDAs) and provided cities with the opportunity to preserve one's RDA if they agreed to make certain payments to the County Auditor-Controller's Office (ACO). On behalf of cities and redevelopment agencies throughout the State, the League of California Cities and California Redevelopment Association requested a stay on the implementation of both pieces of legislation and filed a lawsuit with the California Supreme Court challenging both pieces of legislation. The stay was rejected and on December 29, 2011, the Supreme Court validated AB 1X 26 and overturned AB 1X 27. Further, the Supreme

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Court indicated that all RDAs in the State of California were to be dissolved and cease operations as a legal entity as of February 1, 2012. On January 11, 2012, the City Council elected to become the Successor Agency to the former RDA in accordance with AB IX 26 as part of City Resolution 03-2012. As a result of the restrictions placed on the assets and liabilities of the former RDA, the balances were transferred to a private purpose trust fund (Fund No. 615) on February 1, 2012.

Under the new law, successor agencies in the State of California are prohibited from entering into new projects, obligations, or commitments. Subject to the control of a newly established Oversight Board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution. Commencing FY 2011-12, Successor Agencies are only allocated tax increment revenue in an amount necessary to finance the estimated annual installment payments on enforceable obligations of the former RDA until all such enforceable obligations have been paid in full and all assets have been liquidated. On an annual basis, in accordance with the law, the Successor Agency prepares a Recognized Obligation Payment Schedule (ROPS) outlining all of the funding requirements for upcoming fiscal year. The ROPS must be approved by the County-Wide Oversight Board via Resolution and thereafter be immediately submitted to the California Department of Finance (DOF) for review and approval. After a scrutinizing review by the DOF and its subsequent approval, funding for the obligations on the ROPS is received from the ACO in January and June each year. In FY 2015-16, following the DOF's approval of the All Other Funds Due Diligence Review pursuant to AB 1484, the DOF ordered the Successor Agency to first use any existing cash reserves before receiving additional ROPS funding for enforceable obligations. Pursuant to this action, the Successor Agency has and will continue to use remaining bond proceeds for the payment of interest on the 2014 Refunding Tax Allocation Bonds (2014 TABs) and trustee fees.

For FY 2019-20, the Successor Agency anticipates total expenses of \$867,351, of which 53.5% pertains to annual debt service on the 2014 TABs. In the DOF's determination letter approving the 2019-20 ROPS dated April 11, 2019, the third installment of the Supplemental Educational Revenue Augmentation Fund (SERAF) loan was approved for repayment to the Clayton Successor Housing Agency, which is scheduled to be fully repaid in FY 2020-21. Through the ROPS process described previously, it is projected the Successor Agency will receive Redevelopment Property Tax Trust Fund (RPTTF) revenues totaling \$847,101 in FY 2019-20. At the close of FY 2019-20, it is expected the Successor Agency will close with a positive reserve balance of approximately \$711,325, which is nearly entirely restricted to ROPS obligations in the six month ROPS cycle ending December 31, 2020 (ROPS 2020-21A cycle). This positive reserve balance results from the timing of payments, as the first of two annual ROPS payments is received in June of each year, immediately prior to the fiscal year for which funds are restricted.

**City of Clayton
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Capital Improvement Program**

CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET

With the demise of former Clayton Redevelopment Agency tax increment for capital improvement projects, the City now has limited financial capacity to undertake significant capital improvement projects beyond street and traffic improvements where limited restricted-use funding is available. Accordingly, in recent years CIP projects have been primarily funded by HUTA gas taxes, RMRA gas taxes, and Measure J, as well as local, state and federal grant programs as they become available.

Current Year (FY 2018-19) Capital Improvement Program Activity and Projections

The adopted FY 2018-19 CIP budget incorporated appropriations of \$2,746,513 split between seven (7) different funded CIP projects. Following the adoption of the budget, however, new projects were incorporated into the budget and circumstances arose requiring the deferral of certain projects into next year's proposed CIP budget. The following CIP projects were underway or completed during FY 2018-19 which are projected to have invested **\$2,008,649** in capital outlays (including design costs) by the close of the fiscal year.

1. **Pine Hollow Road Upgrades (CIP 10379)**

Included in the past several CIP budgets but listed as "unfunded", the scope of this project is to widen the north side of Pine Hollow Road with the addition of new curb, gutter and sidewalk between Pine Hollow Estates and the westerly City limit. Project work will require the acquisition of right of way for new improvements with conform paving crossing the city limit line into the City of Concord. Furthermore, the project entails the installation of a pre-made City entryway sign on the southern City limit of Pine Hollow Road.

With the completion of the Measure J grant-funded portion of 2016 Arterial Street Rehabilitation Project (CIP 10437A) under budget, on September 19, 2017 the City Council authorized the redirection of the remaining Measure J grant funds (\$374,672) to this project. During FY 2017-18, the new City Engineer worked with Contra Costa County Transportation Authority (CCTA) to revise the grant agreement documents incorporating the Pine Hollow Road Upgrade project as "Phase 2" of the grant-funded local transportation improvement project. On April 3, 2018 the City Council authorized a Resolution earmarking the allocation of FY 2018-19 RMRA gas tax revenues estimated to be \$189,883 to this project to provide additional funding, which is expected to cost well over the amount of residual Measure J grant monies. Anticipating additional funding needs, the City Council again authorized a Resolution earmarking the allocation of FY 2019-20 RMRA gas tax revenues (estimated to be \$189,202) to this project.

With preliminary and conservative cost estimates for this project exceeding \$1 million, the construction phase (and completion) of this project is planned in FY

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2019-20. In FY 2019-20 an additional \$308,000 in federal Local Street and Road Shortfall Fund funds (or "OBAG II" monies as referred to by CCTA as the pass-through awarding entity) will become available, bringing the total funding for this project to \$1,091,819. During FY 2018-19 this project was still in the initial engineering planning and design phase, with a completed set of bid specifications anticipated to be presented to the City Council for approval prior to the end of fiscal year. It is fully expected this project will enter into the construction phase next year (FY 2019-20), when additional state, regional (Measure J grant from CCTA), and federal funding becomes available.

Projected Expenditures in FY 2018-19: **\$48,890**

2. ADA Compliance Program (CIP 10394A)

Each fiscal year the City has a policy to set aside \$6,000 of its annual HUTA gas tax revenues to build up sufficient reserves to perform handicap ramp corner curb cuts on public sidewalks. In addition to installing these ADA ramps where none exist, federal standards on ramp specifications were modified in July 2008 requiring revamping of existing ramps when street or sidewalk projects are installed in the adjacent area. These monies may also be used to repaint and remark existing ADA public parking spaces to current standard. The City's HUTA Gas Tax Fund (No. 201) transferred \$6,000 to this CIP account during FY 2018-19. After interest earnings, the residual reserve balance of this project is estimated to be **\$15,276** by the close of FY 2018-19.

Projected Expenditures in FY 2018-19: **None**

3. Utility Undergrounding Project (CIP 10397)

Each year, PG&E is required by the Public Utilities Commission to set aside funds for the undergrounding of overhead utility lines. The money set aside is distributed by PG&E to local agencies on a proportional basis. Since the cost of undergrounding is so tremendous (minimum of \$1,000,000 for 300 feet or so), this project was created to accept and accumulate these funds until enough is available to undertake a project. Typically, PG&E will allocate approximately \$20,500 to the City's Rule 20A project account annually. In addition to the annual allocation, the City is authorized to make a five (5) year advance borrowing currently estimated to be \$102,500. Including another annual allocation estimate of \$20,500, total estimated reserves available for a utility undergrounding project will be approximately **\$463,852** by the close of FY 2018-19. No project expenditures planned at this point for FY 2018-19.

Projected Expenditures in FY 2018-19: **None**

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4. El Molino Drive Sanitary Sewer Improvements Project (CIP 10422)

This project was originally established as part of the FY 2011-12 CIP budget to construct modifications to existing deficient sanitary sewer mains to prevent potential sewer overflows in areas adjacent to Mt. Diablo Creek. The project would entail pipe enlargement and construction of a bypass line in El Molino Drive. Total revised project costs are estimated to be \$785,000 and be funded by a reimbursement agreement with the City of Concord originally executed on September 7, 2017, then amended for additional funding on April 23, 2019. This funding is ultimately derived from the City of Concord's joint sewer enterprise fund wherein property owner parcel assessments in Clayton are deposited.

On March 19, 2019, following an unsuccessful attempt to obtain bids during a competitive contracting environment in 2018, the City Council awarded a low-bid contract to Cratus, Inc. in the amount of \$453,810 for the construction of the project. By the close of FY 2018-19, project expenditures to-date for engineering, planning and design, and initial construction costs are projected to be total \$275,000. While initial construction is expected commence in FY 2018-19, the bulk of construction is anticipated to occur in FY 2019-20 when the project is also expected to be completed.

Projected Expenditures in FY 2018-19: \$207,652

5. Keller Ridge Drive Collector Street Rehab Project (CIP 10425)

The scope of this project included pavement resurfacing and treatment on the Keller Ridge Drive collector street in Clayton. This project was partially funded by federal Local Street and Road Shortfall Fund funds (or "OBAG I" monies as referred to by the Contra Costa Transportation Authority as the pass-through awarding entity) totaling \$385,000. The federal grant monies can only be used on a collector or arterial street (rather than on a residential neighborhood street) and specified a minimum local match of 11.5%, which was achieved through transfers of HUTA and Measure J local street maintenance "return to source" funds. Additionally, \$25,775 of this project was funded by a rubberized pavement grant through CalRecycle administered by the City of Concord through a regional grant program. This project was completed under budget during FY 2018-19 with total project costs from inception to-date approximating \$904,899. At the time of FY 2019-20 budget preparations the City had filed claims for but not yet received reimbursements for the federal or state grants. Payment is expected in full for both grants next fiscal year (FY 2019-20).

Projected Expenditures in FY 2018-19: \$823,771

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6. 2018 Neighborhood Street Rehabilitation (CIP 10436)

The objective of the 2018 Neighborhood Street Project was to elevate all of the neighborhood streets to a Pavement Condition Index (PCI) of 80 or greater, with a PCI score of 100 being equivalent to a brand new street. This project was designed to accomplish said street maintenance and rehabilitation on streets where state or federal transportation funds was not currently available. Funding was budgeted for this project from several sources including, in order of significant: Measure J local streets maintenance "return to source" funds, Measure J Co-op funds, a Cal Recycle grant for utilizing rubberized paving materials, SB1 RMRA gas taxes, as well as HUTA gas taxes. On May 15, 2018 the City Council approved the award of a low-bid contract to Sierra Nevada Construction in the amount of \$784,007 for this project. This project was completed under budget during FY 2018-19 with total project costs from inception to-date coming in at approximately \$844,515. At the time of FY 2019-20 budget preparations the City had filed a claim for but had not yet received reimbursement for the rubberized pavement state grant. Payment is expected in full next fiscal year (FY 2019-20).

Projected Expenditures in FY 2018-19: \$806,395

7. Clayton Community Park Lower Field Rehabilitation (CIP 10440)

In response to feedback from soccer and baseball groups and an on-site assessment of the premises, a rehabilitation of the lower baseball/softball field (Field #1) of Clayton Community Park was incorporated into the CIP budget two years ago. The Maintenance Department previously estimated costs of the rehabilitation project to be approximately \$50,000, which was approved to be funded by a partial allocation of the garbage franchise community enhancement fee. However, a re-examination of the original project budget by the City Engineer resulted in a revised project estimate of \$100,000, with the additional costs currently being presented as "unfunded" in the FY 2018-19 CIP budget requiring additional City Council direction. It is expected this project will commence and be completed in FY 2019-20 once identification and authorization of gap funding is given.

Projected Expenditures in FY 2018-19: None

8. North Valley Playground Rehabilitation (CIP No. 10442)

In response to feedback from residents in the community and an on-site assessment of the premises, a rehabilitation of the North Valley neighborhood park tot lot and surrounding premises was incorporated into the CIP budget two years ago. The scope of work includes replacement of the resilient play surface, purchase and installation of new play apparatus, planting of additional shade

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trees, and the installation of three (3) shade structures similar to those at the Clayton Community Park Picnic Area #5. The purpose of the trees and shade structures is to provide much needed shelter from the sun given the absence of mature shade-providing trees in the park. The CIP budget includes a total estimated project cost of \$168,575, which is equal to the funding currently authorized and available. The City Council authorized funding for this project from two sources. The portion of the Open Space In-Lieu development impact fee balance designated for "active areas" will provide \$142,000 in funding for the project, with the remaining \$23,800 in funding coming from unallocated CIP fund interest earnings. Throughout FY 2018-19 staff has been prudently attempting to obtain competitive quotes as stipulated by the City's procurement policy, despite repeated delays given the limited number of contractors that are willing and able to provide such a quote. Staff expects a recommendation for award of contract will be provided to the City Council in FY 2018-19 with construction expected to commence and be completed in FY 2019-20.

Projected Expenditures in FY 2018-19: None

9. City Hall Front Door ADA Accessibility Project (CIP 10443)

This project was added by the City Council to the CIP budget during FY 2017-18 to address feedback from constituents the City Hall entryway doors were extremely heavy and difficult for some to open, bringing into question compliance with the Americans with Disabilities Act (ADA). Further related research by the City Attorney's office resulted in a finding that despite its historical status and listing on the California Register of Historic Buildings, the Clayton City building is not exempt from compliance with the rigorous ADA requirements. Accordingly, on September 19, 2017 the City Council awarded a low-bid contract to Greentech Industry to bring the various entryway doors of City Hall into compliance. Pursuant to project specifications prepared by the City Engineer, the scope of this project included the installation of a push-button activated power door opening system for: (1) the main entry door to City Hall, (2) one of the two interior lobby entry doors within City Hall, and (3) for the City Hall Courtyard exterior public restrooms door. Funding for this project, in order of significance, was derived from community facilities development impact fees, City Council earmarked General Fund excess reserves, and undesignated CIP fund interest earnings. This project is expected to be completed during FY 2019-20 with total costs since inception estimated at \$46,666.

Projected Expenditures in FY 2018-19: \$40,224

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10. City Hall HVAC Replacement Project (CIP 10444)

Approximately two years ago three of the five condensing units of the City Hall HVAC system failed and were rendered inoperable, resulting in a total cooling capacity of 40% for the three story building. Furthermore, during FY 2017-18 the City Hall boiler had completely failed eliminating all heating capacity of the HVAC unit. As a reasonably controlled temperature is essential for a productive and safe work environment, particularly during the hot summer months and cold winter season, the replacement of the original HVAC system quickly became an urgent and essential task. Acknowledging the importance of this need, on February 21, 2017 using a quote provided by the City's existing HVAC maintenance company, the City Council took action to earmark a portion (\$93,325) of the General Fund excess reported in the FY 2015-16 audited financial statements for this project. However, during the contracted project engineer's (Diseno Group) preparation of bid sets, some issues became apparent the existing HVAC system did not meet current code requirements. Two of the largest code upgrades were to properly and adequately vent the boiler to the outside and to relocate the electrical disconnects for the boiler pumps that had been previously located behind the unit. Furthermore, technical discoveries identified some other major equipment needed to be replaced concurrently with the replacement of the HVAC system, including the operating controller, and electrical phase converter for the new cooling equipment, a new damper for the hot water heater and various valves and gauges.

Ultimately, with this new information from the contracted project engineer outlining significantly expanded specs, the competitive bids came in much higher than previously estimated. On July 18, 2017 the City Council awarded contract to the lowest responsive and responsible bidder (Servi-Tech Controls) to perform the project. Noting the previous earmark of General Fund excess fell short of the project's revised estimated cost City Council authorized the transfer of \$170,126 from the Clayton Financing Authority to bridge the gap in funding for this urgent project. Although this project was largely completed in FY 2017-18, the Notice of Completion was not presented City Council for approval until December 18, 2018 as a result of several "punch list" tasks rolling into FY 2018-19. This project was completed during FY 2018-19 with total costs since inception coming in at \$256,575.

Projected Expenditures in FY 2018-19: **\$26,717**

11. Oak Street Bungalow Demolition (CIP 10445)

Following the adoption of the FY 2018-19 CIP budget, on February 5, 2019, the City Council awarded a low-bid contract to Resource Environmental, Inc. for the demolition of the old City Hall bungalows located on 1005 and 1007 Oak Street adjacent in the downtown area. These City-owned bungalows have been

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unused, sitting empty and boarded up for several years. Demolition of both buildings became a priority during FY 2018-19 considering their deteriorated condition rendering them uninhabitable, they contained mold, and were a positive attractive nuisance for children near the pick-up location on Oak Street below Mt. Diablo Elementary School as well as youth lingering in the downtown area. Originally it was hoped a prospective buyer of the underlying lands for development of the sites would incur the cost of demolition, however the previously approved "Creekside Terrace Project" has not attracted a buyer since approval in July 2010 and the bungalows deterioration could no longer be ignored. Funding for this project was derived from unallocated reserves of CIP 10400 project budget. This project was completed by the close of FY 2018-19.

Projected Expenditures in FY 2018-19: \$55,000

FY 2019-20 Capital Improvement Program Proposed Budget

Due to several projects previously summarized only entering the initial planning stages during FY 2019-20, any budgeted expenditures for these projects not yet incurred by year end are being rolled forward and re-appropriated into the FY 2019-20 proposed CIP budget. Including these rolled-forward appropriations, the following projects are expected to be underway resulting in total projected capital investment of \$2,993,371 in FY 2019-20.

1. **Pine Hollow Road Upgrades (CIP 10379)**

Included in the past several CIP budgets but listed as "unfunded", the scope of this project is to widen the north side of Pine Hollow Road with the addition of new curb, gutter and sidewalk between Pine Hollow Estates and the westerly City limit. Project work will require the acquisition of right of way for new improvements with conform paving crossing the city limit line into the City of Concord. Furthermore, the project entails the installation of a pre-made City entryway sign on the southern City limit of Pine Hollow Road.

With the completion of the Measure J grant-funded portion of 2016 Arterial Street Rehabilitation Project (CIP 10437A) under budget, on September 19, 2017 the City Council authorized the redirection of the remaining Measure J grant funds (\$374,672) to this project. During FY 2017-18, the new City Engineer worked with Contra Costa County Transportation Authority (CCTA) to revise the grant agreement documents incorporating the Pine Hollow Road Upgrade project as "Phase 2" of the grant-funded local transportation improvement project. On April 3, 2018 the City Council authorized a Resolution earmarking the allocation of FY 2018-19 RMRA gas tax revenues estimated to be \$189,883 to this project to provide additional funding, which is expected to cost well over the amount of residual Measure J grant monies. Anticipating additional funding

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needs, the City Council again authorized a Resolution earmarking the allocation of FY 2019-20 RMRA gas tax revenues estimated to be \$189,202 to this project.

With preliminary and conservative cost estimates for this project exceeding \$1 million, the construction phase (and completion) of this project is planned in FY 2019-20. In FY 2019-20 an additional \$308,000 in federal Local Street and Road Shortfall Fund funds (or "OBAG II" monies as referred to by CCTA as the pass-through awarding entity) will become available, bringing the total funding for this project to \$1,091,819.

During FY 2018-19 this project was still in the initial engineering planning and design phase, with a completed set of bid specifications anticipated to be presented to the City Council for approval prior to the end of fiscal year. It is fully expected this project will enter into the construction phase next year (FY 2019-20), when additional state, regional (Measure J grant from CCTA), and federal funding becomes available.

Projected Expenditures in FY 2019-20: **\$1,013,319**

2. ADA Compliance Program (CIP 10394A)

Each fiscal year the City has a policy to set aside \$6,000 of its annual HUTA gas tax revenues to build up sufficient reserves to perform handicap ramp corner curb cuts on public sidewalks. In addition to installing these ADA ramps where none exist, federal standards on ramp specifications were modified in July 2008 requiring revamping of existing ramps when street or sidewalk projects are installed in the adjacent area. These monies may also be used to repaint and remark existing ADA public parking spaces to current standard. The City's HUTA Gas Tax Fund (No. 201) is budgeted to transfer an additional \$6,000 to this CIP account during FY 2019-20. After interest earnings, the residual reserve balance of this project is estimated to be **\$21,276** by the close of FY 2019-20.

Projected Expenditures in FY 2019-20: **None**

3. Utility Undergrounding Project (CIP 10397)

Each year, PG&E is required by the Public Utilities Commission to set aside funds for the undergrounding of overhead utility lines. The money set aside is distributed by PG&E to local agencies on a proportional basis. Since the cost of undergrounding is so tremendous (minimum of \$1,000,000 for 300 feet or so), this project was created to accept and accumulate these funds until enough is available to undertake a project. Typically, PG&E will allocate approximately \$20,500 to the City's Rule 20A project account annually. In addition to the annual allocation, the City is authorized to make a five (5) year advance

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borrowing currently estimated to be \$102,500. Including a another annual allocation estimate of \$20,500, total estimated reserves available for a utility undergrounding project will be approximately **\$484,352** by the close of FY 2019-20. No project expenditures planned at this point for FY 2019-20.

Projected Expenditures in FY 2019-20: **None**

4. El Molino Drive Sanitary Sewer Improvements Project (CIP 10422)

This project was originally established as part of the FY 2011-12 CIP budget to construct modifications to existing deficient sanitary sewer mains to prevent potential sewer overflows in areas adjacent to Mt. Diablo Creek. The project would entail pipe enlargement and construction of a bypass line in El Molino Drive. Total revised project costs are estimated to be \$785,000 and be funded by a reimbursement agreement with the City of Concord originally executed on September 7, 2017, then amended for additional funding on April 23, 2019. This funding is ultimately derived from the City of Concord's joint sewer enterprise fund wherein property owner parcel assessments in Clayton are deposited.

On March 19, 2019, following an unsuccessful attempt to obtain bids during a competitive contracting environment in 2018, the City Council awarded a low-bid contract to Cratus, Inc. in the amount of \$453,810 for the construction of the project. This project is expected to be completed during FY 2019-20.

Projected Expenditures in FY 2019-20: **\$510,000**

5. Clayton Community Park Lower Field Rehabilitation (CIP 10440)

In response to feedback from soccer and baseball groups and an on-site assessment of the premises, a rehabilitation of the lower baseball/softball field (Field #1) of Clayton Community Park was incorporated into the CIP budget two years ago. The Maintenance Department previously estimated costs of the rehabilitation project to be approximately \$50,000, which was approved to be funded by a partial allocation of the garbage franchise community enhancement fee. However, a re-examination of the original project budget by the City Engineer resulted in a revised project estimate of \$100,000, with the additional costs currently being presented as "unfunded" in the FY 2018-19 CIP budget requiring additional City Council direction. It is expected this project will commence and be completed in FY 2019-20 once identification and authorization of gap funding is given.

Projected Expenditures in FY 2019-20: **\$100,000**

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6. North Valley Playground Rehabilitation (CIP No. 10442)

In response to feedback from residents in the community and an on-site assessment of the premises, a rehabilitation of the North Valley neighborhood park tot lot and surrounding premises was incorporated into the CIP budget two years ago. The scope of work includes replacement of the resilient play surface, purchase and installation of new play apparatus, planting of "shade" trees, and installation of three (3) shade structures similar to those at the Clayton Community Park Picnic Area #5. The purpose of the shade structures is to provide much needed shelter from the sun given the absence of mature shade-providing trees in the park.

The CIP budget includes a total estimated project cost of \$168,575, equal to the funding authorized and currently available. The City Council authorized funding for this project from two sources. The portion of the Open Space In-Lieu development impact fee balance designated for "active areas" will provide \$142,000 in funding for the project, with the remaining \$23,800 in funding coming from unallocated CIP fund interest earnings. Throughout FY 2018-19 staff has been prudently attempting to obtain competitive quotes as stipulated by the City's procurement policy, despite repeated delays given the limited number of contractors that are willing and able to provide such a quote. Staff expects a recommendation for award of contract will be provided to the City Council by the close of FY 2018-19 with construction expected to commence and be completed in FY 2019-20.

Projected Expenditures in FY 2019-20: \$168,575

7. Oak/Grassland Savanna Management (CIP No. 10446)

This project entails management and enhancement of oak/grassland savanna open space parcels citywide. These parcels provide wildfire protection for the City by creating a low-fuel buffer zone between open space and developed neighborhoods. These parcels require management to prevent noxious and invasive plants from invading and taking over the grassland savanna. Noxious and invasive plants provide higher fuel loading and deplete the buffer protecting developed neighborhoods. Initial costs for this project are estimated at \$100,000, for which the City Engineer plans to recover from a federal grant through FEMA.

Projected Expenditures in FY 2019-20: \$100,000

8. Emergency/Auxiliary Power (CIP No. 10447)

This project entails the design, construction and installation of an emergency/auxiliary power generator for City Hall, the Corporation Yard and the Clayton Community Library building allowing the City to remain functional

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Capital Improvement Program**

during a power outage or disaster. Initial costs for this project are estimated at \$100,000, which will be recoverable through a federal grant with FEMA.

Projected Expenditures in FY 2019-20: **\$100,000**

9. School Intersections Enhancement Project (CIP No. 10448)

This project entails the design and installation of functional and operational enhancements to the intersections of Clayton Road and Marsh Creek Road adjacent to Diablo View Middle School, as well as Clayton Road and Mt. Zion Drive adjacent to Mt. Diablo Elementary School. These are the only two public schools located with the City of Clayton. As a preliminary estimate, this project is projected to cost \$100,000, which will be funded by Measure J LSM return to source local revenues.

Projected Expenditures in FY 2019-20: **\$100,000**

10. 2020 Neighborhood Streets Repave (CIP No. 10449)

The FY 2019-20 proposed budget includes projections on ending fund balances for the HUTA gas tax and Measure J funds as of June 30, 2019, as well as corresponding fund revenue projections for the upcoming fiscal year. It is projected there will be unallocated HUTA gas tax, Measure J local return to source, and Measure J Program 28A Co-op reserves of \$350,535, \$214,412, and \$34,530 respectively. The combination of these sources results in total funding of \$599,477 available for a 2020 Neighborhood Streets project. Accordingly, as a placeholder project, the proposed budget includes appropriations for this project and assumes the project would be completed by the end of FY 2019-20. Following a neighborhood street assessment and competitive bid procedures by the City Engineer, it is expected a construction contract will be recommended to the City Council for consideration sometime in FY 2019-20.

Projected Expenditures in FY 2019-20: **\$599,477**

11. Downtown Pedestrian Improvement (CIP No. 10450)

On June 21, 2017 the City of Clayton was awarded a grant of \$252,000 for pedestrian safety improvements in the town center through the Measure J Transportation for Livable Communities program, administered by Contra Costa Transportation Authority (CCTA). Thereafter on October 17, 2017 the City Council approved a Master Cooperative Funding Agreement with the CCTA outlining the roles and responsibilities of the City and CCTA. The scope of this project entails the installation of two raised and lighted crosswalks at Oak and Center Streets in the downtown area as well as a table top lighted intersection at Old Marsh Creek Road and Main Street. Following competitive bidding

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Capital Improvement Program**

procedures, staff expects a construction contract to be recommended to the City Council for consideration sometime in early FY 2019-20.

Projected Expenditures in FY 2019-20: **\$252,000**

12. Green Infrastructure (CIP No. 10451)

Mandated in MRP 2.0 by the San Francisco Regional Water Quality Control Board, this project entails requires retrofitting of existing impervious surfaces and storm drain infrastructure with green infrastructure (GI) and that it be evaluated, analyzed, planned for, costed and reported upon. Specifically, this project entails: (1) the preparation a GI Plan, due October 2019, which identifies opportunity areas for the inclusion of future GI projects; (2) preparation and showing of estimated costs/budgets within the CIP based upon the GI Plan; and (3) the City review and update as needed standard engineering design and planning policies/ordinances to incorporate GI. During FY 2019-20 the City intends to prepare its GI Plan, estimated to cost approximately \$50,000. The City Council has already authorized this to be funded with FY 2016-17 General Fund excess reserves. Once the plan is completed, it is anticipated future CIP budgets will incorporate additional projects with specific project costs and timelines.

Projected Expenditures in FY 2019-20: **\$50,000**

**City of Clayton
Budget Message
Public Employees Retirement Pension System**

PUBLIC EMPLOYEES RETIREMENT PENSION SYSTEM

A Brief History

Eleven years after its incorporation as a municipality in 1964, the City of Clayton joined the California Public Employees Retirement System (CalPERS) to establish a pension system for its public employees (June 1975). At that time it contracted for a retirement system plan of 2% at age 55 for its sworn law enforcement officers and 2% at age 60 for its general (miscellaneous) employees. Each enrolled plan was the least costly "defined benefit" plan offered by CalPERS. For the next 40 years and continuing today, permanent employees of the City are members of CalPERS for retirement pension purposes. The City organization does not belong to Social Security; therefore, its employees rely on this public pension system as the primary retirement program.

A plan change occurred in 1997 when the City moved its law enforcement employees from the CalPERS 2% at age 55 Plan to a 2% at age 50 Plan; miscellaneous employees were kept on the 2% at age 60 Plan. Presumably at that time the City elevated the retirement benefits of its Police Department in order to attract and retain quality sworn personnel in the competitive public sector market. In early 2001 the retirement plans were again modified (through the collective bargaining process) to the existing "Classic" contracts of 3% at age 55 for Public Safety (sworn law enforcement) and 2% at age 55 for the Miscellaneous Unit (civilian). CalPERS also initiated unilateral action to eliminate small-employer public agency members from consideration as independent agencies and "pooled" them together to share some of the pension risk. These new pooled plans (in effect today) are referred to as *Multiple-Employer "Cost-Sharing" Defined Benefit Plans*. Although cost sharing plans are designed to bundle employer pension expenses of several employer plans that provide identical benefits, plans that had super- or under-funded statuses carried forward their positive or negative balances into the new plan in what is referred to as a "Side-Fund". Thus, this CalPERS action caused several of the small employers (including Clayton) to report separate side-fund "unfunded liabilities" which the City of Clayton has been reducing over time within its annual employer contribution pension rates as analyzed in greater detail later.

In 2008, coinciding with the abrupt downturn in the national and local economies and the wave of retiring Baby Boomers (born 1946 - 1964), the press and the public waged a vigorous debate and exposé concerning the amount and scope of unfunded liabilities of governments [taxpayers] for the CalPERS defined benefit retirement plan. Public pension policies have been attacked, modified, reformed and threatened over the course of this examination and it continues today in the form of state legislation reform bills, statewide initiatives and disparaging editorial opinions. Resulting from this, the State of California legislature enacted Public Employee Pension Reform Act (PEPRA) effective January 2013 creating a new defined benefit pension tier for newly-enrolled CalPERS-covered employees.

**City of Clayton
Budget Message
Public Employees Retirement Pension System**

Acting in advance of PEPRRA and most public agencies, the City of Clayton established a 2nd Tier Plan effective January 2011 for all new "Classic Tier" hires. To further mitigate its unfunded liability exposure, the Clayton City Council took action in March 2012 to prohibit all future local elected officials (e.g. city council members) from becoming members of the CalPERS pension plan.

In regards to action taken to address the reasonableness of actuarial assumptions, the 2016 Annual Review of Funding Levels and Risks published by CalPERS on September 20, 2016 concluded economic conditions at that time increased the risk associated with achieving a 7.5% rate of return over the medium term (10 years or so). With this in mind, action was taken by the CalPERS Board to re-address the viability of the actuarially assumed discount rate for future years with the goal of increasing funded status of pension plans. Accordingly, on December 21, 2016 the CalPERS Board voted to lower its discount rate from 7.5% to 7.0% over a three year timeframe with the hope the incremental lowering of the rate would give employers more time to prepare for the changes in contribution costs. The first year of pension contribution increases resulting from lowering the discount rate was FY 2018-19.

Various Pension Plan Groups and Composition

As a consequence of the actions taken as described previously the City of Clayton now has three (3) separate CalPERS pension plan tiers for its employees for both the Public Safety and Miscellaneous employee groups:

1. Tier I "Classic" - This plan covers existing City employees hired prior to January 2011. No future employee of the City can ever enroll into the Tier I Plan and accordingly this pool of existing employees will shrink in number as these employees move to other employment or retire from the City. The benefit formula for Public Safety Tier I members is 3% @ 55 and the benefit formula for Miscellaneous Tier I members is 2% @ 55.

Previously, the City made the required employee contributions on behalf of all Tier I employees, which is defined as "Employer Paid Member Contributions" (EPMC) by CalPERS. As part of three year Police Officers Association (POA) labor agreement approved on July 7, 2015, the previous 9% EPMC for Public Safety Tier I members has now been entirely phased out, with members of this group paying the full required employee contribution rate. While beneficial for future pension obligations, this phase-out did come at a cost and was offset by a negotiated 4% annual cost of living adjustment for all sworn officers for the three year period ending June 30, 2018. In accordance with labor agreements currently in place and assuming status quo terms, the proposed budget for FY 2019-20 assumes the City will continue to make the full 7% EPMC for all Miscellaneous Plan Members, which comprises four (4) employees. To add some perspective,

City of Clayton
Budget Message
Public Employees Retirement Pension System

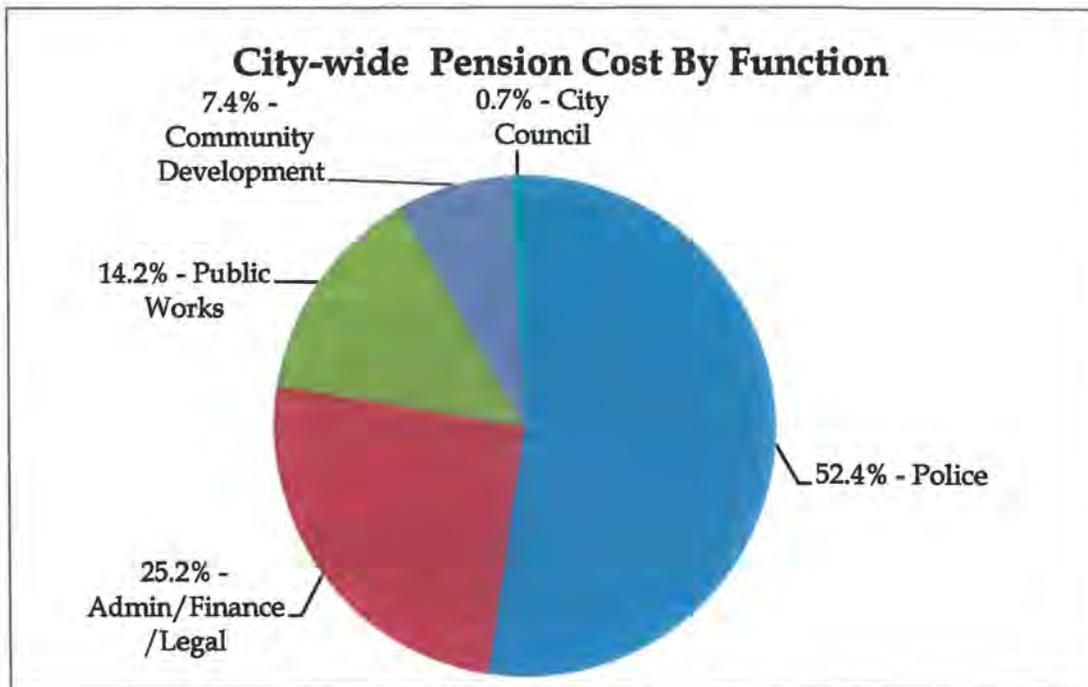
this small group of Tier I Miscellaneous employees represents one quarter (25%) of the entire unrepresented Miscellaneous employee group of sixteen (16) permanent employees.

Commencing FY 2018-19, as part of the latest and current three (3) year labor agreement with the POA, Tier I Public Safety members of the POA were required to help contribute towards the escalating normal cost employer rate. These member paid employer contribution sharing rates were 0.5%, 1.25%, and 2.25% for FY 2018-19, FY 2019-20, and FY 2020-21, respectively. In FY 2019-20, net of any members paid employer contributions, employer contribution rates for Tier I employees will be 17.678% and 9.68% for Public Safety and Miscellaneous Plan Members, respectively.

2. Tier II "Classic" - This plan covers City employees hired during the timeframe January 2011 through December 2012, plus any new hire of the City that comes from an employer previously enrolled in a CalPERS pension system (without a break in service longer than six months). The benefit formula for Public Safety Tier II members is 2% @ 50 and the benefit formula for Miscellaneous Tier II members is 2% @ 60. There is no EPMC provision, making employees responsible for the entire employee pension contribution rate, which is 9% for Public Safety plan members and 7% for Miscellaneous Plan members. In FY 2019-20 employer contribution rates for Tier II employees will be 16.636% and 8.081% for Public Safety and Miscellaneous Plan members, respectively.
3. Tier III "PEPRA" - This plan (aka the "Brown Plan" named after its originator, Governor Jerry Brown) automatically covers any new employee of the City not previously a member of CalPERS or with a break in service longer than six months. The benefit formula for Public Safety Tier III members is 2.7% @ 57 and the benefit formula for Miscellaneous Tier III members is 2% @ 62. Under PEPRA law, members are required to pay at least 50% of the normal cost of benefits, essentially splitting the pension contribution rate requirement with some exceptions. In FY 2019-20 employer contribution rates for Tier III employees will be 13.034% and 6.985% for Public Safety and Miscellaneous Plan Members, respectively

**City of Clayton
Budget Message
Public Employees Retirement Pension System**

The following chart summarizes the organization-wide spread of the City's pension contributions projected for FY 2019-20:



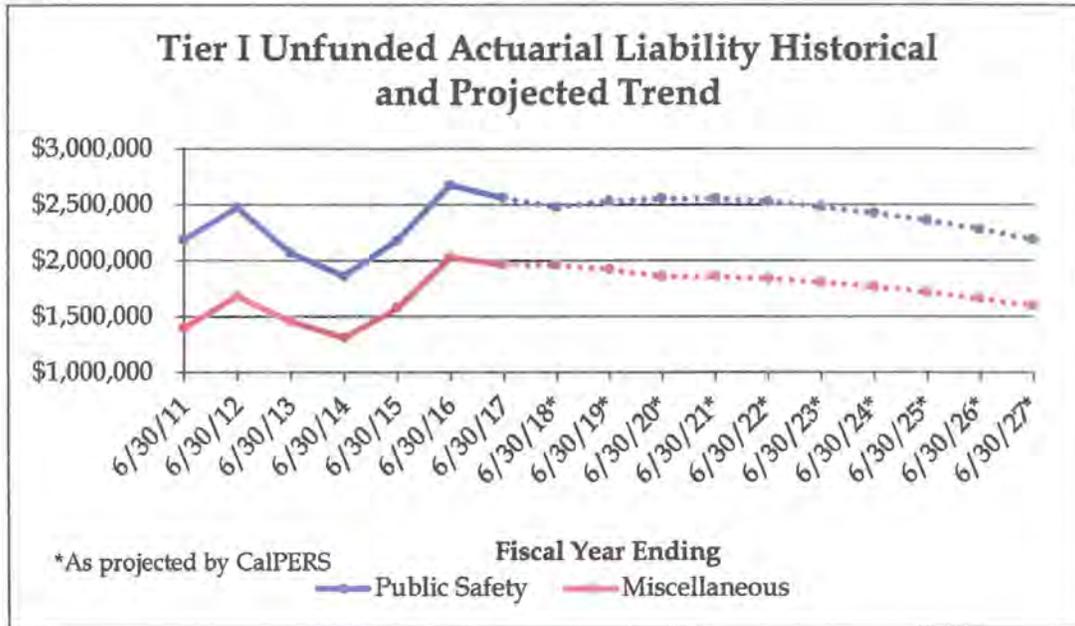
As depicted in the pie chart above, the Police Department makes up over fifty two (52.4%) percent of the budgeted employer pension contributions. This statistic is generally reflective of the Police Department's share of the City's permanent workforce, whereby this department has thirteen (13) of the city's total workforce of just over twenty six (26.2) employees which mirrors this department's share of the overall workforce. The Police Departments share of total employer pension contributions is expected to rise slightly in FY 2020-21 following the pay-off of the Miscellaneous Tier I Side Fund scheduled for July 1, 2020.

Status of the City's Unfunded Actuarial Liability

An unfunded actuarial liability (UAL) is the difference between the estimated current liability to pay future benefits and the current market value of assets accumulated to pay those benefits. If assets are greater, a plan is overfunded and if the liability is greater, a plan is underfunded, creating an unfunded liability. The unfunded liability is an estimated figure changing with each actuarial valuation pursuant to changes in market value of assets, investment earnings and actual results of the plan as compared to actuarial assumptions. Unfunded liabilities are not amounts that are actually due today but are estimates of what pension actuaries believe will be needed to pay future benefits. The funding policies established by CalPERS are intended to provide for full

**City of Clayton
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Public Employees Retirement Pension System**

funding of the pension plan by the time employees retire. The following is a line chart summarizing the City's UALs for both the Public Safety Tier I and Miscellaneous Tier I employee plans over the past seven (7) years (since CalPERS began publishing this information in the actuarial reports) and CalPERS' estimates for the next ten (10) fiscal years:



As depicted in the chart above, when considering the current funded status of the City's pension plan's, the most recently issued actuarial reports (June 30, 2017) reflect slight decreases to both the Safety and Miscellaneous Tier I Plan UALs. As of June 30, 2017 the Safety Tier I Plan UAL status improved, decreasing slightly by 4.2% to \$2,560,292, reflecting a funded status of 74.9%. Similarly, the Miscellaneous Tier I Plan also improved, decreasing slightly by 3.2% to \$1,961,439, reflecting a funded status of 74.7%. These simultaneous decreases are primarily due to the favorable 11.2% investment return of CalPERS in FY 2016-17, which was far above the assumed 7.5% discount rate benchmark at that time. Some additional positive news is CalPERS' press release on July 12, 2018 reported the fund anticipates closing FY 2017-18 with another encouraging investment return of 8.6%, exceeding the new reduced discount rate of 7.0%. This higher-than-projected investment return is expected to result in a further slight reduction to the City's UALs in next year's pension plan actuarial reports.

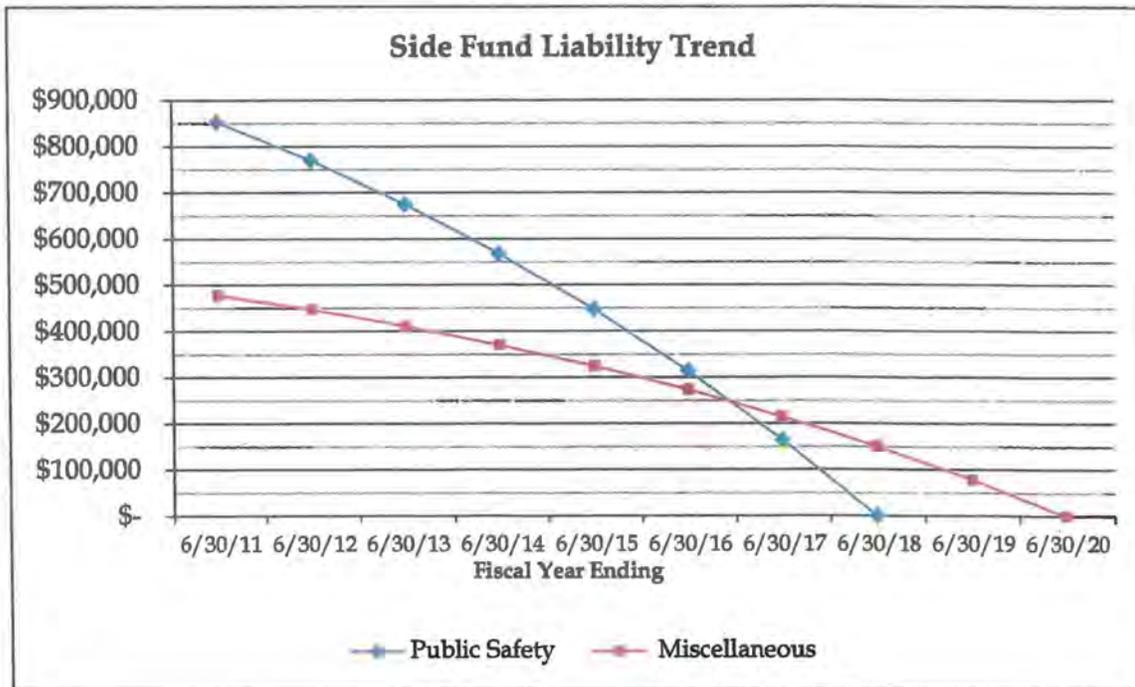
Prospectively, arising from policies adopted by the City, the state legislature, and CalPERS, gradual reductions are predicted for the City's UALs. These gradual reductions incorporate CalPERS policies to amortize annual plan investment gains and losses over thirty (30) year periods well as its five (5) year ramp up and down phases to

**City of Clayton
Budget Message
Public Employees Retirement Pension System**

smooth the volatility these annual conditions can have on employer pension contribution requirements. Consequently, the latest actuarial reports project employer UAL pension contributions for the two "Classic" Tier I plans to gradually increase until reaching their ceiling in FY 2030-31, after which they steadily reduce until both plan UALs are fully paid off in FY 2046-47 (under present value calculations and CalPERS methodologies).

Status of the City's Side Fund UALs

The City's Side-Fund UALs have gradually been amortized and reduced over the past several years. Actuarial reports now show the City's Tier I Public Safety Side Fund UAL was eliminated in FY 2017-18 and the Tier I Miscellaneous Side Fund UAL is expected to be fully eliminated at the close of FY 2019-20. Also as discussed previously, the payoff of the Tier I Public Safety Side Fund UAL was accompanied by a large but non-recurring decrease in the fixed dollar UAL employer pension contributions observed in the General Fund's Police Department budget. While this is good news in the short term, changes in CalPERS Board adopted actuarial assumptions can still drastically impact future employer pension contribution requirements. To provide a more in-depth analysis of this once significant driver of employer pension contributions, the following chart summarizes the historical trend of the City's Side-Fund UALs, which are included as part of the City's aggregated plan UAL discussed previously. This trend analysis was prepared using the most current actuarial data supplied to the City by CalPERS in the annual funding actuarial reports:



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Public Employees Retirement Pension System**

Impacts of Statutory Pension Reform - Short and Long-term

Since the adoption of PEPRA and due to measures taken by the City Council in 2011 to create second retirement tiers, noteworthy savings were realized by the City in the three year timeframe from FY 2012-13 to FY 2014-15. Ultimately, these savings were realized by the City through the gradual attrition of several Tier I "Classic" employees with those positions subsequently filled by less expensive Tier II and PEPRA enrolled employees. However, commencing in FY 2015-16, in an aggressive and deliberate measure to recapture these savings realized by participating agencies, CalPERS began billing for the unfunded portion of the City's Tier I pension liabilities as a fixed dollar amount as opposed to the "percentage of payroll" method used in all prior years leading up to FY 2015-16. Therefore, to understand and better prepare for fluctuations in employer pension costs, a city must monitor both the percentage of payroll (or "Normal Cost") rate as well as the relatively new fixed dollar UAL contribution components.

The latest CalPERS actuarial reports for the year ended June 30, 2017 establish the City's normal cost contribution rates as well as the fixed dollar UAL contribution requirements for the upcoming fiscal year. The City's FY 2019-20 contribution requirements relative to the prior year (FY 2018-19) are as follows:

| Pension Tier | FY 2018-19 | | FY 2019-20 | |
|-----------------------|------------------|-------------------|-------------|-------------------|
| | Normal Cost Rate | Lump Sum UAL Pmt. | Normal Cost | Lump Sum UAL Pmt. |
| Safety Classic | 17.614%* | \$121,090 | 17.678%* | \$153,231 |
| Safety Tier II | 15.719% | \$849 | 16.636% | \$616 |
| Safety PEPRA | 12.141% | \$1,355 | 13.034% | \$1,837 |
| Miscellaneous Classic | 8.892%** | \$165,933 | 9.680%** | \$191,237 |
| Miscellaneous Tier II | 7.634% | \$801 | 8.081% | \$1,096 |
| Miscellaneous PEPRA | 6.842% | \$2,060 | 6.985% | \$2,056 |

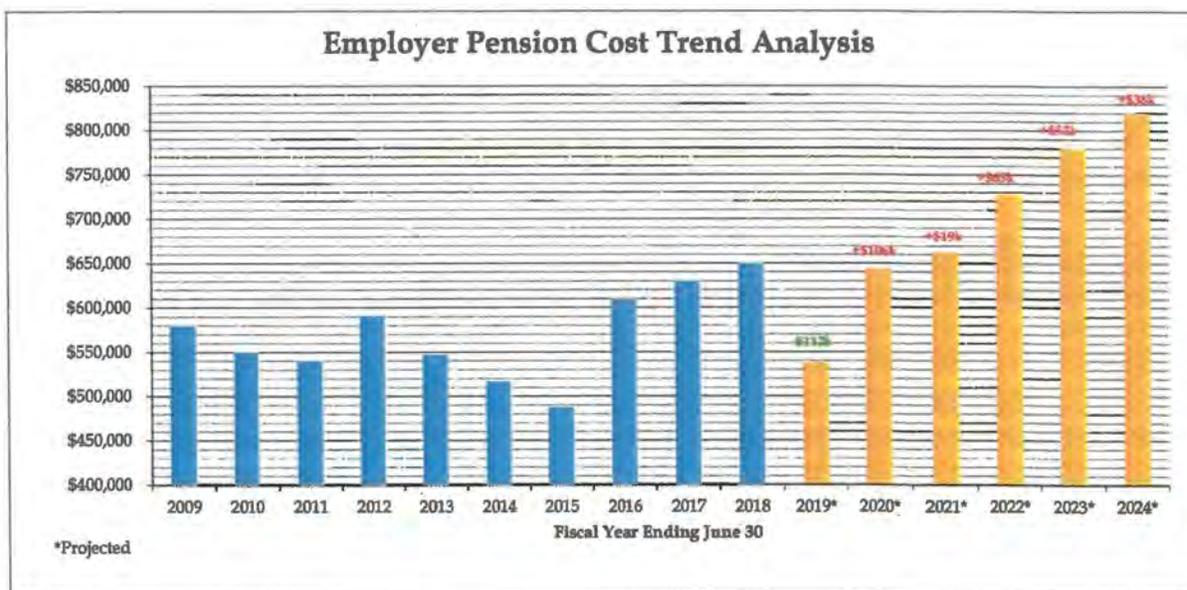
*Excludes negotiated member-paid employer contribution portions.

**Excludes employer-paid member contribution (EPMC) of 7.0%.

The published FY 2019-20 employer contribution requirements remained relatively consistent with prior year actuarial projections, with the exception of the Safety Classic plan where the increase was in excess of one percent (1.314% rate increase). Similarly, the highest fixed dollar UAL employer pension contribution hike occurred in the Safety Classic plan. This increase is a direct result of the full amortization of the Safety Classic plan's side-fund liability as of July 1, 2018, resulting in temporary employer pension contribution savings realized during FY 2018-19 which are now "normalizing" in FY 2019-20 and onward.

**City of Clayton
Budget Message
Public Employees Retirement Pension System**

Changes in legislation, employee workforce attrition, and volatility of CalPERS estimates (i.e. investment returns), make it challenging to predict future pension costs as well as the status of the UAL with absolute certainty. However the following chart provides a summary of historical City-wide employer pension contributions over the past ten (10) years as well as a projections for the current fiscal year still underway (FY 2018-19) and the following five (5) future years thereafter using employment and actuarial information known at this time. As noted previously, the unpredictability of workforce and market factors makes these future year projections subject to change prospectively.



Note: This chart incorporates the existing Police Officer Association set to expire July 1, 2021 and assumes status quo terms for the Miscellaneous Employee Group labor agreement, which expires July 1, 2019.

The steady decline in required employer pension contributions from FY 2011-12 to FY 2014-15 was caused by the gradual attrition of the City's Tier I employees (i.e. retirement, employment separation to pursue employment at another agency, etc.) and filling those vacancies with less expensive Tier II and Tier III "PEPRA" employees. Thereafter, the spike in FY 2015-16 and subsequent two (2) years is caused by CalPERS' implementation of fixed dollar UAL billings to supplement normal cost percentage-of-payroll contribution rates. The sharp one-time drop in employer contributions illustrated in FY 2018-19 is a result of the full payoff of the Public Safety Tier I Side Fund liability.

The chart also incorporates the impact of the CalPERS Board voting to decrease the discount rate in December 2016 impacting employer pension contribution assumptions

**City of Clayton
Budget Message
Public Employees Retirement Pension System**

from FY 2018-19 and onward. As depicted in the previous chart, the impacts of this assumed discount rate decrease are temporarily held at bay in FY 2020-21 due to the payoff of the Miscellaneous Tier I Side Fund UAL. However, thereafter estimated employer pension contributions are expected to grow in tandem with actuarially assumed wage growth as well as CalPERS' policy to (eventually) achieve "fully funded" status through calculated annual UAL payment increases.

In all, the total amount of monies in the proposed budget projected to be required to pay CalPERS retirement contributions in FY 2019-20 is approximately \$644,000 across all City funds, representing an increase of approximately \$106,000 (19.71%). Of this amount, \$565,320 (87.8%) is covered by the General Fund and over \$350,000 pertains to CalPERS fixed dollar billings to address the UAL. This means for every one dollar spent on employer pension contributions, nearly 54.35¢ is used to address the buildup of the unfunded liability reported by CalPERS actuaries and not to address future retirement benefits of the current workforce.

Summary of Pension Analysis

The purpose of this information published annually is not to marginalize the seriousness of the unfunded pension plan debate, but to provide transparency and context to a story often sensationalized by the media. Acknowledging the importance of addressing the City's exposure to the growth of unfunded pension liabilities, several actions outlined in detail previously have been taken by the City Council, CalPERS, and the state legislature. These actions were designed to address the issue in the long-run, without causing immediate and detrimental set-backs to the City's current ability to provide public services. Considering the already scarce local resources available, it is encouraging to see the City appears headed in the right fiscal direction on this matter. Nevertheless, prudent and regular monitoring of the City's progress will be essential to achieving sustainable and sensible budgets well into the future.

BUDGET SCHEDULES
2019-20

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**General Fund
Revenues
2019-20**

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**CITY OF CLAYTON PROPOSED GENERAL FUND REVENUE BUDGET
2018-19 BUDGETED VS 2019-20 PROPOSED BUDGETED REVENUE**

| Description | Account Number | Actual Revenue 2017-18 | Budgeted Revenue 2017-18 | Projected Revenue 2018-19 | Budgeted Revenue 2018-19 | Proposed Revenue 2019-20 | Change from 2018-19 Budget (%) |
|-------------------------------------|----------------|------------------------|--------------------------|---------------------------|--------------------------|--------------------------|--------------------------------|
| Secured Property Taxes: | | | | | | | |
| Property Taxes In-Lieu of VLF | 4100 | 965,768 | 946,600 | 1,010,945 | 985,000 | 1,031,100 | 4.7% |
| Property Taxes - Secured | 4101 | 849,932 | 833,300 | 890,000 | 867,000 | 907,800 | 4.7% |
| RPTIF Distribution | 4108 | 355,050 | 368,000 | 378,000 | 414,000 | 389,000 | -6.0% |
| Total Secured Property Taxes | | 2,170,750 | 2,147,900 | 2,278,945 | 2,266,000 | 2,327,900 | 2.7% |
| Unsecured Property Taxes: | | | | | | | |
| Property Taxes - Unsecured | 4102 | 39,791 | 39,800 | 41,000 | 41,600 | 41,000 | -1.4% |
| Property Taxes - Unitary Tax | 4103 | 14,854 | 14,100 | 15,000 | 15,000 | 15,300 | 2.0% |
| Property Taxes - Supplemental | 4104 | 29,428 | 29,500 | 30,000 | 35,700 | 30,600 | -14.3% |
| Property Taxes - Other | 4106 | 9,641 | 10,500 | 9,800 | 10,200 | 9,900 | -2.9% |
| Sales and Use Tax | 4301 | 436,560 | 434,500 | 478,000 | 477,000 | 497,100 | 4.2% |
| Real Property Transfer Tax | 4502 | 80,604 | 83,000 | 82,200 | 76,300 | 83,800 | 9.8% |
| Business Licenses | 5101 | 154,397 | 137,000 | 140,000 | 146,000 | 145,000 | -0.7% |
| CCC Building Permit Remit Fees | 5103 | 84,905 | 58,100 | 71,500 | 72,000 | 72,900 | 1.3% |
| Engineering Service Fees | 5106 | 10,138 | 8,100 | 6,100 | 9,700 | 6,200 | -36.1% |
| Public Safety Allocation | 5201 | 86,743 | 82,900 | 86,300 | 87,700 | 88,000 | 0.3% |
| Abandoned Veh Abate (AVA) | 5202 | 4,767 | 5,300 | 5,300 | 5,080 | 5,400 | 6.3% |
| Motor Vehicle In-Lieu | 5203 | 5,940 | 5,100 | 5,450 | 6,050 | 5,500 | -9.1% |
| Other In-Lieu of Taxes | 5205 | 161,108 | 161,110 | 164,330 | 164,330 | 167,600 | 2.0% |
| POST Reimbursements | 5214 | 2,387 | 1,000 | 1,000 | 2,380 | 1,000 | -58.0% |
| State Mandated Cost Reimbursement | 5217 | 5,273 | - | 5,450 | 5,000 | 5,000 | 0.0% |
| Planning Permits/Fees | 5301 | 15,365 | 14,280 | 9,200 | 14,600 | 9,400 | -35.6% |
| Police Permits/Fees | 5302 | 13,896 | 15,700 | 16,800 | 12,110 | 17,000 | 40.4% |
| City Hall Rental Fees | 5303 | 252 | 200 | 200 | 200 | 200 | 0.0% |
| Planning Service Charges | 5304 | 27,217 | 25,000 | 30,500 | 28,400 | 35,000 | 23.2% |
| Well Water Usage Charge | 5306 | 29,211 | 27,940 | 31,000 | 30,600 | 31,900 | 4.2% |
| Misc. City Services | 5319 | 1,062 | 500 | 5,200 | 750 | 2,000 | 166.7% |
| Fiduciary Funds Administration | 5322 | 269,630 | 269,690 | 254,827 | 254,827 | 271,270 | 6.5% |
| Franchises - Comcast Cable | 5401 | 210,879 | 220,300 | 204,800 | 221,000 | 205,000 | -7.2% |
| Franchises - Garbage Fees | 5402 | 193,092 | 187,700 | 193,600 | 194,400 | 197,000 | 1.3% |
| Franchises - PG&E | 5403 | 128,658 | 121,800 | 119,000 | 129,900 | 120,000 | -7.6% |
| Franchises - Equilon Pipe | 5404 | 14,891 | 14,550 | 15,770 | 15,370 | 16,200 | 5.4% |
| AT&T Mobility Franchise Fees | 5405 | 246 | 200 | 200 | 230 | 200 | -13.0% |
| Fines and Forfeitures | 5501 | 23,495 | 27,200 | 24,500 | 28,200 | 24,900 | -11.7% |
| Interest | 5601 | 93,749 | 80,000 | 114,000 | 88,200 | 115,000 | 30.4% |
| Park Use Fee | 5602 | 31,210 | 39,100 | 42,000 | 33,130 | 43,200 | 30.4% |
| Meeting Room Fee | 5603 | 4,816 | 4,500 | 4,800 | 4,370 | 4,800 | 9.8% |
| Unrealized Inv. Gain/Loss | 5606 | (81,895) | - | - | - | - | 0.0% |
| Cattle Grazing Lease Rent | 5608 | 9,972 | 9,970 | 10,150 | 10,150 | 10,340 | 1.9% |
| Cell Tower Lease Rent | 5609 | 34,516 | 34,330 | 35,280 | 35,560 | 36,300 | 2.1% |
| Clayton Community Gymnasium Rent | 5613 | 32,160 | 31,800 | 33,600 | 33,600 | 35,400 | 5.4% |
| Reimbursements/Refunds | 5701 | 4,943 | 5,500 | 5,000 | 5,500 | 7,200 | 30.9% |
| CCLF Contributions | 5703 | 2,000 | - | 2,000 | - | - | 0.0% |
| Other Revenues | 5790 | 8,904 | 4,990 | 10,070 | 5,500 | 2,000 | -63.6% |
| Overhead Cost Recovery | 5791 | 6,321 | 1,260 | 8,000 | 7,500 | 8,000 | 6.7% |
| Admin Expense Recovery: | | | | | | | |
| Measure J Fund | 6002 | 4,494 | 4,494 | 4,639 | 4,639 | 4,830 | 4.1% |
| HUTA Gas Tax Fund | 6004 | 7,503 | 7,503 | 7,745 | 7,745 | 8,060 | 4.1% |
| Neighborhood Street Lights Fund | 6005 | 11,540 | 11,540 | 11,912 | 11,912 | 12,390 | 4.0% |
| GHAD Fund | 6006 | 7,244 | 7,244 | 7,478 | 7,478 | 7,780 | 4.0% |
| Landscape Maintenance CFD Fund | 6007 | 36,095 | 36,095 | 37,258 | 37,258 | 38,760 | 4.0% |
| The Grove Park CFD Fund | 6011 | 7,337 | 7,337 | 7,574 | 7,574 | 7,880 | 4.0% |
| Stormwater Assessment Fund | 6016 | 37,247 | 37,247 | 38,447 | 38,447 | 39,990 | 4.0% |
| Total Revenues | | 4,483,336 | 4,465,880 | 4,705,925 | 4,689,190 | 4,814,200 | 2.7% |

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**General Fund
Expenditures
2019-20**

CITY OF CLAYTON GENERAL FUND EXPENDITURE AND FUND BALANCE SUMMARY
FISCAL YEAR 2019-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected Actual | 2019-20 Proposed Budget |
|----------------|--------------------------------------|----------------|------------------------|--------------------------|-------------------------|
| 7111 | Salaries/Regular | 1,779,780 | 1,880,900 | 1,866,500 | 1,977,500 |
| 7112 | Temporary Help | 41,181 | 11,700 | 6,700 | - |
| 7113 | Overtime | 79,782 | 101,000 | 104,300 | 104,000 |
| 7115 | Council/Commission Comp | 34,920 | 35,400 | 32,280 | 35,400 |
| 7116 | Part-time Salaries | 3,673 | 4,500 | 5,600 | 6,200 |
| 7218 | LTD/STD Insurance | 18,698 | 21,280 | 20,200 | 22,290 |
| 7219 | Deferred Compensation Retirement | 2,191 | 2,710 | 2,700 | 2,710 |
| 7220 | PERS Retirement - Normal Cost | 209,923 | 239,180 | 229,050 | 255,550 |
| 7221 | PERS Retirement - Unfunded Liability | 370,583 | 264,400 | 258,910 | 309,770 |
| 7231 | Workers Comp Insurance | 75,698 | 87,080 | 87,080 | 100,690 |
| 7232 | Unemployment Insurance | 9,659 | 11,770 | 12,350 | 11,610 |
| 7233 | FICA Taxes | 30,247 | 31,760 | 31,520 | 32,660 |
| 7241 | Auto Allowance/Mileage | 19,069 | 19,420 | 19,380 | 19,320 |
| 7242 | Uniform Allowance | 8,550 | 9,000 | 9,000 | 9,000 |
| 7246 | Benefit Insurance | 249,415 | 297,200 | 243,400 | 255,700 |
| 7247 | OPEB Expense | 11,092 | 14,750 | 14,530 | 15,100 |
| 7301 | Recruitment/Pre-employment | 7,853 | 6,900 | 9,000 | 9,000 |
| 7311 | General Supplies | 26,717 | 32,000 | 35,500 | 32,000 |
| 7312 | Office supplies | 18,244 | 15,000 | 10,000 | 13,000 |
| 7313 | Small Tools and Equipment | - | - | - | - |
| 7314 | Postage | 4,069 | 5,000 | 4,400 | 4,600 |
| 7321 | Printing and Binding | 1,617 | 1,550 | 800 | 1,800 |
| 7323 | Books/Periodicals | 218 | 450 | 400 | 450 |
| 7324 | Dues and Subscriptions | 22,832 | 27,500 | 27,185 | 28,600 |
| 7325 | EBRCSA system user fee | 8,900 | 10,080 | 9,670 | 10,800 |
| 7331 | Rentals/Leases | 11,333 | 12,680 | 12,000 | 12,700 |
| 7332 | Telecommunications | 30,825 | 30,920 | 32,290 | 34,200 |
| 7335 | Gas & Electric Serv. | 85,687 | 94,720 | 98,600 | 108,500 |
| 7338 | Water Service | 138,241 | 132,410 | 152,900 | 162,150 |
| 7341 | Buildings & Grounds Mtn | 16,680 | 32,000 | 30,700 | 33,000 |
| 7342 | Machinery/ Equip Maint. | 3,158 | 6,000 | 2,000 | 4,000 |
| 7343 | Vehicle Maintenance | 26,613 | 30,200 | 26,800 | 31,200 |
| 7344 | Vehicle Gas, Oil, and Supplies | 41,766 | 34,500 | 45,400 | 45,000 |
| 7345 | Office Equip. Maint. & Repairs | 4,012 | 3,000 | 3,000 | 4,000 |
| 7346 | HVAC Mtn & Repairs | 7,784 | 18,400 | 41,200 | 18,400 |
| 7351 | Insurance Premiums | 85,329 | 114,780 | 115,200 | 109,600 |
| 7362 | City Promotional Activity | 3,972 | 4,500 | 4,500 | 4,500 |
| 7363 | Business Expense | - | 450 | 300 | 450 |
| 7364 | Employee Recognition | 1,855 | 2,800 | 1,600 | 2,500 |
| 7365 | Volunteer Appreciation | - | 500 | 200 | 500 |
| 7371 | Travel | 16 | 200 | 1,200 | 200 |
| 7372 | Conference | 187 | 2,600 | 1,900 | 2,700 |
| 7373 | Education and Training | 12,367 | 18,000 | 17,500 | 17,500 |
| 7380 | Recording Fees | - | - | 650 | 500 |
| 7381 | Property Tax Admin Cost | 11,452 | 8,700 | 9,000 | 9,300 |
| 7382 | Election Services | - | 10,000 | 7,800 | - |
| 7384 | Legal Notices | 3,724 | 3,000 | 1,000 | 2,000 |
| 7408 | Crossing Guard Services | 10,085 | 10,710 | 11,140 | 11,500 |
| 7410 | Professional Engineering Services | 124,739 | 115,020 | 117,000 | 120,000 |

CITY OF CLAYTON GENERAL FUND EXPENDITURE AND FUND BALANCE SUMMARY
FISCAL YEAR 2019-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected Actual | 2019-20 Proposed Budget |
|--|--|------------------|------------------------|--------------------------|-------------------------|
| 7411 | Legal Services Retainer | 99,920 | 104,450 | 102,000 | 102,000 |
| 7412 | Engineering Inspection | 239 | 500 | 500 | 500 |
| 7413 | Special Legal Services | 18,546 | 11,500 | 19,500 | 16,000 |
| 7414 | Auditing Services | 23,995 | 24,300 | 24,560 | 25,200 |
| 7415 | Computer Services | 12,409 | 18,200 | 18,200 | 22,700 |
| 7417 | Janitorial Services | 52,503 | 54,600 | 54,200 | 55,000 |
| 7419 | Other Prof. Services | 25,730 | 30,500 | 34,400 | 31,200 |
| 7420 | Merchant Fees | 3,864 | 4,300 | 4,440 | 4,700 |
| 7423 | Extra & Sunday Operating Hours | 7,963 | 13,000 | 10,000 | 11,000 |
| 7424 | Dispatch Services | 241,074 | 265,800 | 265,800 | 279,100 |
| 7425 | Lab Fees | 8,768 | 25,000 | 9,000 | 20,000 |
| 7426 | Jail Booking Fee | - | 5,500 | 5,500 | 5,500 |
| 7427 | Cal ID Services | 11,618 | 13,000 | 12,200 | 13,000 |
| 7429 | Animal Control Services | 72,931 | 84,750 | 80,050 | 86,200 |
| 7433 | Integrated Justice System (ACCJIN-ARIES) | 10,980 | 12,200 | 11,600 | 12,200 |
| 7435 | Contract Seasonal Labor | - | 30,000 | 12,000 | 18,000 |
| 7440 | Tree Trimming Services | 1,560 | 11,000 | 10,000 | 10,000 |
| 7486 | CERF Charges/Depreciation | 55,000 | 62,000 | 62,000 | 70,000 |
| Total Operational Expenditures | | 4,301,836 | 4,587,220 | 4,510,285 | 4,774,450 |
| Total Revenues | | 4,483,336 | 4,689,190 | 4,705,925 | 4,814,200 |
| Operational Excess | | 181,500 | 101,970 | 195,640 | 39,750 |
| Non-Operational Expenditures Summary | | | | | |
| City Council Allocation of FY 2014-15 Excess | | 149,631 | 53,337 | 14,062 | 36,393 |
| City Council Allocation of FY 2015-16 Excess | | 195,072 | - | - | - |
| City Council Allocation of FY 2016-17 Excess | | 87,607 | 218,735 | 136,961 | 50,000 |
| City Council Allocation of FY 2017-18 Excess | | - | - | 100,000 | - |
| Net Increase/(Decrease) in Fund Balance | | (250,810) | (170,102) | (55,383) | (46,643) |
| Beginning Fund Balance | | 5,917,281 | 5,666,471 | 5,666,471 | 5,611,088 |
| Ending Fund Balance | | 5,666,471 | 5,496,369 | 5,611,088 | 5,564,445 |

City Council Department 01

Department Description

The five member City Council is the elected policy-making body for the City of Clayton. Members of the City Council are elected to four year overlapping terms at General Municipal elections held in November of even numbered years. The City Council receives a monthly stipend of \$470 for their services. The Mayor and Vice Mayor are selected annually by the Council from amongst its membership in December each year.

Services funded:

- Hold regular, twice monthly City Council meetings on Tuesday evenings, and special meetings on an as-needed basis; includes closed sessions as permitted by law.
- Set policy goals and objectives for all City service functions.
- Members serve on various ad-hoc subcommittees and inter-governmental boards to represent the community on critical local and regional issues.
- Appoint citizens to City boards and commissions, and advisory committees.
- Coordinate, attend and participate in community events such as the 4th of July Parade and the Concerts in The Grove park.
- Video City Council meetings for playback on the City Cable Channel 24 for public viewing.
- General Municipal Election costs and expenses every even-numbered year through contract with the County Elections Office.
- Hires the City Manager and the City Attorney, and appoints the City Treasurer

City of Clayton
 Legislative Department 01
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|---------------------------|--------------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7115 | City Council Comp | 28,200 | 28,200 | 28,200 | 28,200 |
| 7220 | PERS Retirement - Normal Cost | 1,334 | 1,380 | 930 | 550 |
| 7221 | PERS Retirement - Unfunded Liability | 3,276 | 3,800 | 3,800 | 4,070 |
| 7231 | Workers Comp Insurance | 1,129 | 1,280 | 1,280 | 1,410 |
| 7232 | Unemployment Insurance | 1,389 | 1,750 | 1,750 | 1,750 |
| 7233 | FICA Taxes | 1,579 | 1,460 | 1,540 | 1,460 |
| 7321 | Printing and Binding | - | 300 | 300 | 300 |
| 7324 | Dues and Subscriptions | 12,596 | 13,300 | 13,050 | 13,100 |
| 7362 | City Promotional Activity | 3,972 | 4,500 | 4,500 | 4,500 |
| 7363 | Business Meeting Expense | - | 250 | 200 | 250 |
| 7372 | Conferences/Meetings | 106 | 1,600 | 1,700 | 1,700 |
| 7382 | Election Services | - | 10,000 | 7,800 | - |
| 7419 | Other Prof. Services | 8,547 | 8,000 | 10,100 | 10,000 |
| Total Expenditures | | 62,128 | 75,820 | 75,150 | 67,290 |

**Administration/ Finance/ Legal
Department 02**

Department Description

City Manager

The City Manager functions as the chief executive officer of the municipal organization responsible for managing all departments of the City and carrying out City Council adopted policy. The department is comprised of three (3) full-time professional staff members (City Manager; Assistant to the City Manager; HR Manager/City Clerk).

Services funded:

- Provide leadership to professional staff and municipal employees.
- Advise and recommend policies to the City Council; receive and implement policy directions from the City Council.
- Act as lead negotiator for real property transactions and labor negotiations.
- Oversee the day to day operations of the City.
- Respond to general public inquiries.
- Research and analysis of municipal issues and special projects as assigned.
- Oversee and negotiate various franchise agreements.
- Prepare and distribute agenda packets and minutes.
- Administer contracts, coordinate staffing, and prepare administrative forms and permits for the City's large community and special events.
- Manage consultant contracts and lease agreements.
- Maintain and update the City's website.
- Coordinate all human resource functions responsible for recruitment, employee benefits, risk management, OSHA compliance, and workers' compensation administration.
- Oversee a citywide training plan for OSHA compliance and safety program.
- Research and respond to inquiries by citizens and press in compliance with the Public Records Act.
- Contract with Contra Costa County for municipal elections.
- Process general liability and workers' compensation claims filed against the City.
- Provide notary services.
- Coordinate the self-insured risk management tasks of the organization.

Finance

The City's Finance Department has one full time professional and utilizes two permanent part-time employees. The department is responsible for the City's budgetary, financial/accounting, treasury/investment, business licenses, and facilities rentals functions. The Department also includes the appointed City Treasurer (citizen), who provides auditing and investment oversight.

Services funded:

- Preparation and monitoring of annual budget
- Preparation of annually audited comprehensive annual financial report
- Manage general ledger and budgetary financial records
- Manage investments in accordance with City investment policy and California Government Code.
- Maintaining compliance with State of California, Contra Costa County and other regulatory agency financial reporting requirements.
- Management and preparation of Successor Agency Recognized Obligation Payment Schedule (ROPS) process.
- Administer and maintain records for the following operational cycles: payroll, employee benefits, cash receipts and disbursements.
- Administer business licenses.
- Manage rental of City-owned facilities and parks (Endeavor Hall, Library Meeting Room, Clayton Community Park, The Grove Park).

City Attorney

The City Attorney is selected and appointed by the City Council. Although this is the primary department the contracted City Attorney conducts work in, retainer time is also charged to other City departments where time is spent.

Services funded:

- Attend City Council meetings as the City's legal counsel.
- Draft and Review ordinances, resolutions, contracts, and other legal documents.
- Provide legal opinions and advise on matters of interest or concern to the City Council and City Staff
- Advice regarding land use issues.
- Oversee litigation involving the City.
- Assist the Council and staff in limiting litigation exposure and containing liability costs.
- Advise the City on changes to and impacts of state and federal laws, and case laws.

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City of Clayton
Admin / Finance / Legal Department 02
Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|---------------------------|---|----------------|------------------------|-------------------|-------------------------|
| 7111 | Salaries/Regular | 570,062 | 609,000 | 596,000 | 612,000 |
| 7112 | Temporary Salaries | 7,541 | - | - | - |
| 7218 | LTD/STD Insurance | 6,325 | 6,700 | 6,500 | 6,700 |
| 7220 | PERS Retirement - Normal Cost | 63,294 | 68,400 | 68,820 | 71,800 |
| 7221 | PERS Retirement - Unfunded Liability | 66,284 | 81,900 | 81,750 | 88,300 |
| 7231 | Workers Comp Insurance | 22,761 | 27,500 | 27,500 | 30,600 |
| 7232 | Unemployment Insurance | 2,143 | 2,700 | 2,700 | 2,700 |
| 7233 | FICA Taxes | 8,590 | 8,900 | 8,730 | 8,900 |
| 7241 | Auto Allowance/Mileage | 11,153 | 10,740 | 10,740 | 10,740 |
| 7246 | Benefit Insurance | 86,236 | 94,000 | 80,100 | 74,800 |
| 7301 | Recruitment/Pre-employment | 130 | - | - | - |
| 7324 | Dues and Subscriptions | 1,810 | 2,000 | 1,810 | 2,000 |
| 7332 | Telecommunications | 7,123 | 7,180 | 6,480 | 6,600 |
| 7371 | Travel | - | 100 | - | 100 |
| 7372 | Conferences/Meetings | 81 | 500 | 200 | 500 |
| 7373 | Education and Training | 297 | 1,500 | 1,400 | 1,500 |
| 7411 | Legal Services Retainer | 50,407 | 61,200 | 61,500 | 56,100 |
| 7413 | Special Legal Services | 6,758 | 5,000 | 6,000 | 6,000 |
| 7414 | Auditing and Financial Reporting Services | 23,995 | 24,300 | 24,560 | 25,200 |
| 7415 | Computer/IT Services | 9,593 | 10,200 | 10,200 | 10,700 |
| 7419 | Other Prof. Services | 4,200 | 6,000 | 6,100 | 4,700 |
| Total Expenditures | | 948,783 | 1,027,820 | 1,001,090 | 1,019,940 |

**Public Works
Department 03**

Department Description

This department maintains City owned buildings and grounds; and provides maintenance for all non-special district facilities and land. The core employee unit of six (6) permanent employees consists of one Maintenance Supervisor, a Senior Maintenance Worker and four Maintenance Workers. Labor is augmented by temporary seasonal workers. Although the General Fund's Public Works department serves as the "base" department for these maintenance employees, their direct labor costs are shared with various two other departments of the General Fund as well as five other restricted-use special purposes funds based on actual hours worked.

Services funded:

- Provide routine maintenance for City building and grounds.
- Provide landscaping maintenance for all neighborhood parks in the City (Lydia Lane, North Valley Park, Westwood, Stranahan and El Molino).
- Contract janitorial services for City facilities and buildings.
- Tree trimming services contract supervision.
- Ensure fire inspection compliance of City owned buildings and facilities.
- HVAC system repairs contract supervision.
- Ensure compliance with elevator safety and inspection services.
- Pest extermination services contract supervision.
- Janitorial services contract supervision.

City of Clayton
Public Works Department 03
Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|---------------------------|--------------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7111 | Salaries/Regular | 21,668 | 26,300 | 22,000 | 26,000 |
| 7112 | Temporary Help | 1,241 | 2,500 | 1,500 | - |
| 7113 | Overtime | - | - | 2,000 | 2,000 |
| 7218 | LTD/STD Insurance | 229 | 300 | 250 | 300 |
| 7220 | PERS Retirement - Normal Cost | 2,431 | 3,200 | 2,500 | 2,700 |
| 7221 | PERS Retirement - Unfunded Liability | 2,720 | 3,600 | 3,000 | 3,700 |
| 7231 | Workers Comp Insurance | 787 | 1,300 | 1,300 | 1,280 |
| 7232 | Unemployment Insurance | 175 | 270 | 250 | 190 |
| 7233 | FICA Taxes | 284 | 600 | 300 | 400 |
| 7246 | Benefit Insurance | 3,859 | 5,500 | 4,500 | 5,100 |
| 7301 | Recruitment/Pre-employment | 908 | 500 | 500 | 500 |
| 7311 | General Supplies | 3,963 | 5,000 | 5,000 | 5,000 |
| 7332 | Telecommunications | 1,736 | 2,090 | 2,560 | 3,000 |
| 7335 | Gas & Electric Serv. | 35,243 | 40,000 | 42,000 | 46,200 |
| 7338 | Water Service | 13,361 | 12,000 | 14,500 | 15,400 |
| 7341 | Buildings & Grounds Mtn | 8,368 | 14,000 | 14,000 | 15,000 |
| 7342 | Machinery/ Equip Maint. | 2,583 | 3,500 | 1,000 | 2,000 |
| 7343 | Vehicle Maintenance | 1,821 | 2,000 | 1,500 | 2,000 |
| 7344 | Vehicle Gas, Oil, and Supplies | 1,438 | 1,500 | 1,500 | 1,500 |
| 7346 | HVAC Mtn & Repairs | 1,827 | 10,000 | 35,000 | 10,000 |
| 7373 | Education and Training | 638 | 2,500 | 1,000 | 2,000 |
| 7411 | Legal Services Retainer | 301 | 2,550 | 1,000 | 2,550 |
| 7417 | Janitorial Services | 6,781 | 9,000 | 8,000 | 8,500 |
| 7419 | Other Prof. Services | 400 | - | - | - |
| 7429 | Animal/Pest Control Services | 1,629 | 7,300 | 7,000 | 6,500 |
| 7440 | Tree Trimming Services | 1,560 | 6,000 | 5,000 | 5,000 |
| 7486 | CERF Charges/Depreciation | - | 7,000 | 7,000 | 10,000 |
| Total Expenditures | | 115,951 | 168,510 | 184,160 | 176,820 |

Community Development Department 04

Department Description

The Community Development Department is responsible for the general administration, development processing, zoning administration, architectural review, subdivision processing, Municipal Code and Zoning enforcement, General Plan administration, environmental review, housing, and special planning studies for the City, including associated staff support for the City Council and the Planning Commission. The Department provides guidance in the physical development of the City while protecting and maintaining the quality of its physical environment. The Department facilitates public participation and community involvement in planning issues. The Department consistently seeks to enhance the community's safety, welfare, economic opportunities and quality of life through land use controls. It consists of a Community Development Director, a part-time Assistant Planner and a part-time Code Enforcement Officer.

Services funded:

Long Range Planning and Special Studies Program

- Prepare and update *Town Center Specific Plan*, and the *Marsh Creek Road Specific Plan*, and state-mandated General Plan which includes the Housing Element.
- Prepare studies to update City policies in response to changes in State law, resource availability, and community goals.
- Facilitate public participation and community involvement in planning issues.
- Participate in development and review of regional studies prepared by ABAG, Contra Costa Transportation Authority, and TRANSPAC.
- Support City Council and City Manager in addressing regional governance and planning issues.

Development and Design Review Program

- Review, analyze, and provide recommendations on land development and design proposals by private property owners and governmental agencies.
- Provide support to City Council, Planning Commission, and City Manager.
- Reviews land development plans for compliance with City zoning requirements.
- Coordinate and oversee contract with County Building Inspection Department on building permits for construction projects.

- Administer environmental review process in compliance with the California Environmental Quality Act (CEQA).

Ordinance Information and Code Enforcement Program

- Provide zoning information and permit services at the City Hall public counter.
- Investigate and enforce zoning and land use complaints.
- Prepare amendments of zoning ordinance and zoning map.

Housing Program

- Administer the low-and moderate-income housing programs of the City.
- Ensure low-and moderate-income units remain available to qualified applicants upon sale of units.

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City of Clayton
Community Dev Department 04
Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|---------------------------|--------------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7111 | Salaries/Regular | 179,008 | 191,000 | 171,000 | 190,900 |
| 7112 | Temporary Salaries | 1,694 | | - | - |
| 7113 | Overtime | - | - | 1,300 | 1,000 |
| 7115 | Planning Commission Comp | 6,720 | 7,200 | 4,080 | 7,200 |
| 7218 | LTD/STD Insurance | 1,895 | 2,200 | 2,000 | 2,200 |
| 7220 | PERS Retirement - Normal Cost | 15,567 | 18,600 | 15,000 | 19,500 |
| 7221 | PERS Retirement - Unfunded Liability | 21,113 | 25,700 | 25,660 | 27,600 |
| 7231 | Workers Comp Insurance | 7,302 | 8,700 | 8,700 | 9,600 |
| 7232 | Unemployment Insurance | 714 | 900 | 1,350 | 900 |
| 7233 | FICA Taxes | 2,222 | 2,800 | 2,300 | 2,800 |
| 7241 | Auto Allowance/Mileage | 4,310 | 4,240 | 4,200 | 4,140 |
| 7246 | Benefit Insurance | 26,212 | 36,400 | 27,000 | 33,100 |
| 7323 | Books/Periodicals | - | 200 | 200 | 200 |
| 7324 | Dues and Subscriptions | 525 | 700 | 715 | 800 |
| 7332 | Telecommunications | 644 | 700 | 700 | 700 |
| 7371 | Travel | 16 | 100 | 1,200 | 100 |
| 7372 | Conferences/Meetings | - | 500 | - | 500 |
| 7373 | Education and Training | 560 | 2,000 | 500 | 2,000 |
| 7380 | Recording Fees | - | - | 650 | 500 |
| 7384 | Legal Notices | 3,724 | 3,000 | 1,000 | 2,000 |
| 7411 | Legal Services Retainer | 34,831 | 20,400 | 32,500 | 30,600 |
| 7413 | Special Legal Services | 4,727 | 500 | 11,500 | 5,000 |
| 7419 | Other Professional Services | - | - | 7,000 | - |
| Total Expenditures | | 311,784 | 325,840 | 318,555 | 341,340 |

General Services

Department 05

Department Description

This department functions as the internal support service fund for expenses which aid the efficient and effective operation of the City organization. It has no assigned employees or revenue-generating capability.

Services funded:

- City-wide risk management (Clayton was one of the original members of the Municipal Pooling Authority of Northern California [MPA] Joint Powers Authority [JPA] for self-insured and risk pooled programs of general liability, workers compensation, and employee wellness).
- Copier and postage machine services for all departments.
- Office supplies for administration and general City functions.
- Information technology support for all departments as needed.
- Property tax administration fees levied by the (billed by County).
- Payroll and benefits administration software functions.
- Internet services for all departments.
- Provides funding for Other Post-Employment Benefits (OPEB) required of the City through contract with CalPERS medical insurance coverage.

City of Clayton
 General Services Department 05
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|---------------------------|----------------------------|----------------|------------------------|-------------------|-------------------------|
| 7247 | OPEB Expense | 11,092 | 14,750 | 14,530 | 15,100 |
| 7301 | Recruitment/Pre-employment | 374 | 1,000 | 1,000 | 1,000 |
| 7312 | Office Supplies | 8,073 | 8,000 | 7,000 | 8,000 |
| 7314 | Postage | 4,056 | 4,500 | 4,300 | 4,500 |
| 7321 | Printing and Binding | 1,617 | 1,250 | 500 | 1,500 |
| 7331 | Rentals/Leases | 11,333 | 12,180 | 11,500 | 12,200 |
| 7332 | Telecommunications | 4,783 | 5,100 | 4,700 | 5,000 |
| 7351 | Insurance Premiums | 85,329 | 114,780 | 115,200 | 109,600 |
| 7364 | Employee Recognition | 1,400 | 1,800 | 1,100 | 1,500 |
| 7381 | Property Tax Admin Cost | 11,452 | 8,700 | 9,000 | 9,300 |
| 7415 | Computer/IT Services | 2,816 | 8,000 | 8,000 | 12,000 |
| 7419 | Other Prof. Services | 6,922 | 9,000 | 8,700 | 9,500 |
| 7420 | Merchant Fees | 3,864 | 4,300 | 4,440 | 4,700 |
| Total Expenditures | | 153,111 | 193,360 | 189,970 | 193,900 |

Police Department Department 06

Department Description

The Clayton Police Department has a present authorized strength of 11 full-time sworn members (includes the Chief), two civilians as well as volunteers in police services ("VIPS"), community emergency response team ("CERT"), and cadet programs. The Department is a generalist law enforcement agency with duties that include all aspects of local law enforcement. Sworn positions currently work on a 4-10/3-12 plan and may be assigned to specialized assignments such as field training officer, traffic accident investigator, bicycle patrol, and motorcycle patrol. The Department's employees take pride in their jobs and the community they serve and strive to perform their duties in a professional but sensitive, friendly, and positive manner. It subscribes to a community-oriented policing philosophy.

Services funded:

- Provide traffic enforcement and collision investigation throughout the City and on the trails system.
- Investigate crimes and submit to the District Attorney for prosecution.
- Represent the City in meetings with community groups, civic organizations, and inter-agencies concerned with law enforcement problems and policies.
- Event planning for various City sponsored events such as the 4th of July Parade, Concerts in The Grove, and many community sponsored events such as the Clayton Art and Wine and Oktoberfest.
- Facilitate the VIPS and CERT programs to serve the community.
- Participation in the East Bay Regional Interoperability Communications system.
- Oversee contracted animal control services through Contra Costa County.
- Oversee contracted police dispatch services and police records management through the City of Concord.

City of Clayton
Police Department 06
Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|---------------------------|--|------------------|------------------------|-------------------|-------------------------|
| 7111 | Salaries/Regular | 967,097 | 1,008,000 | 1,028,000 | 1,090,000 |
| 7113 | Overtime | 79,376 | 100,000 | 100,000 | 100,000 |
| 7116 | Part-time Salaries | 3,673 | 4,500 | 5,600 | 6,200 |
| 7218 | LTD/STD Insurance | 9,809 | 11,500 | 10,900 | 12,400 |
| 7219 | Deferred Compensation Retirement | 2,191 | 2,710 | 2,700 | 2,710 |
| 7220 | PERS Retirement - Normal Cost | 122,627 | 142,000 | 137,000 | 154,900 |
| 7221 | PERS Retirement - Unfunded Liability | 271,954 | 143,100 | 138,600 | 177,600 |
| 7231 | Workers Comp Insurance | 40,874 | 45,700 | 45,700 | 54,800 |
| 7232 | Unemployment Insurance | 4,445 | 5,500 | 5,500 | 5,600 |
| 7233 | FICA Taxes | 16,221 | 16,500 | 17,300 | 18,100 |
| 7241 | Auto Allowance/Mileage | 3,606 | 4,440 | 4,440 | 4,440 |
| 7242 | Uniform Allowance | 8,550 | 9,000 | 9,000 | 9,000 |
| 7246 | Benefit Insurance | 124,720 | 151,700 | 122,000 | 131,000 |
| 7301 | Recruitment/Pre-employment | 6,441 | 5,400 | 7,500 | 7,500 |
| 7311 | General Supplies | 16,923 | 13,000 | 16,500 | 17,000 |
| 7312 | Office Supplies | 10,171 | 7,000 | 3,000 | 5,000 |
| 7313 | Small Tools & Equipment | - | - | - | - |
| 7314 | Postage | 13 | 500 | 100 | 100 |
| 7323 | Books and Periodicals | 218 | 250 | 200 | 250 |
| 7324 | Dues and Subscriptions | 7,316 | 9,700 | 9,100 | 10,000 |
| 7325 | EBRCSA system user fee | 8,900 | 10,080 | 9,670 | 10,800 |
| 7332 | Telecommunications | 14,466 | 13,350 | 15,750 | 16,400 |
| 7342 | Machinery/ Equip Maint. | 575 | 2,500 | 1,000 | 2,000 |
| 7343 | Vehicle Maintenance | 21,308 | 24,000 | 22,000 | 25,000 |
| 7344 | Vehicle Gas, Oil, and Supplies | 37,584 | 30,000 | 40,200 | 40,000 |
| 7345 | Office Equip. Maint. & Repairs | 4,012 | 3,000 | 3,000 | 4,000 |
| 7363 | Business Meeting Expense | - | 200 | 100 | 200 |
| 7364 | Employee Recognition | 455 | 1,000 | 500 | 1,000 |
| 7365 | Volunteer Appreciation | - | 500 | 200 | 500 |
| 7373 | Education and Training | 10,872 | 12,000 | 14,600 | 12,000 |
| 7408 | Crossing Guard Services | 10,085 | 10,710 | 11,140 | 11,500 |
| 7411 | Legal Services Retainer | 8,055 | 15,300 | 5,000 | 10,200 |
| 7413 | Special Legal Services | 7,061 | 6,000 | 2,000 | 5,000 |
| 7417 | Janitorial Services | 2,700 | 3,000 | 2,700 | 3,000 |
| 7419 | Other Prof. Services | 5,661 | 7,500 | 2,500 | 7,000 |
| 7424 | Dispatch Services | 241,074 | 265,800 | 265,800 | 279,100 |
| 7425 | Lab Fees | 8,768 | 25,000 | 9,000 | 20,000 |
| 7426 | Jail Booking Fee | - | 5,500 | 5,500 | 5,500 |
| 7427 | Cal ID Services | 11,618 | 13,000 | 12,200 | 13,000 |
| 7429 | Animal/Pest Control Services | 68,082 | 70,450 | 68,950 | 74,500 |
| 7433 | Integrated Justice System (ACCJIN + ARIES) | 10,980 | 12,200 | 11,600 | 12,200 |
| 7486 | CRRF Charges/Depreciation | 55,000 | 55,000 | 55,000 | 60,000 |
| Total Expenditures | | 2,235,119 | 2,266,590 | 2,221,550 | 2,419,500 |

Library
Department 07

Department Description

The operation of the Clayton Community Library was the original model for other cities and is looked to as the example in County - City partnerships. While staffing of the Library is run by the County Library System, the City owns and maintains the building and grounds surrounding the Library at City expense.

Services funded:

- Payment of costs for Sunday and weekday operations (44 hours) at the Library beyond the County's base of 35 weekly hours.
- General maintenance of library facility and parking lot.
- Ensure fire inspection compliance of library facility.
- HVAC system repairs contract supervision.
- Pest extermination services contract supervision.
- Tree trimming services contract supervision.
- Janitorial services contract supervision.

City of Clayton
 Library Department 07
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|---------------------------|--------------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7111 | Salaries/Regular | 5,645 | 6,600 | 6,000 | 7,400 |
| 7112 | Temporary Help | 44 | 200 | 200 | - |
| 7218 | LTD/STD Insurance | 65 | 80 | 50 | 90 |
| 7220 | PERS Retirement - Normal Cost | 696 | 800 | 600 | 800 |
| 7221 | PERS Retirement - Unfunded Liability | 808 | 900 | 700 | 1,100 |
| 7231 | Workers Comp Insurance | 474 | 400 | 400 | 400 |
| 7232 | Unemployment Insurance | 79 | 100 | 100 | 100 |
| 7233 | FICA Taxes | 109 | 200 | 150 | 200 |
| 7246 | Benefit Insurance | 1,228 | 1,400 | 1,300 | 1,500 |
| 7332 | Telecommunications | 2,073 | 2,500 | 2,100 | 2,500 |
| 7335 | Gas & Electric Serv. | 48,919 | 53,000 | 54,400 | 59,900 |
| 7338 | Water Service | 2,312 | 2,410 | 2,400 | 2,550 |
| 7341 | Buildings & Grounds Maintenance | 6,971 | 13,000 | 11,700 | 13,000 |
| 7343 | Vehicle Maintenance | 522 | 700 | 500 | 700 |
| 7344 | Vehicle Gas, Oil, and Supplies | 414 | 500 | 400 | 500 |
| 7346 | HVAC Mtn & Repairs | 5,957 | 8,400 | 6,200 | 8,400 |
| 7417 | Janitorial Services | 29,667 | 29,100 | 30,000 | 30,000 |
| 7423 | Extra & Sunday Operating Hours | 7,963 | 13,000 | 10,000 | 11,000 |
| 7429 | Animal/Pest Control Services | 1,295 | 1,400 | 1,500 | 1,600 |
| 7440 | Tree Trimming Services | - | 2,000 | 2,000 | 2,000 |
| Total Expenditures | | 115,241 | 136,690 | 130,700 | 143,740 |

Engineering Department 08

Department Description

The Department's duties can be divided into three basic categories: administrative, capital improvements, and land development. The City contracts with Harris & Associates for the performance of these services as the City Engineer.

Services funded:

Administrative

- Administer the City's encroachment permit program as well as the Geological Hazard Abatement District and various special Assessment Districts.
- Coordinate with the Maintenance Department regarding maintenance, operations and the repair of public transportation facilities (e.g. streets; sidewalks).
- Enforcement and continuous update of the City's Standard Plans and Specifications for design and construction.
- Represent the City's interests in regional transportation and funding issues.
- Response to flood zone information requests.
- Serve as the City Engineer.

Capital Improvements

- Administer the City's Capital Improvements Program, including coordination with the City Manager; evaluation and prioritization of Capital Improvement Projects; procurement of funds; right-of-way and land acquisition; and administration of the public bidding process.
- Administer the City's Pavement Management System.
- Supervision of the design and construction of all street and infrastructure projects, including sanitary sewer and storm drainage systems, local roads and traffic lights.

Land Development

- Coordinate with the Planning Department in the review and approval process for all land development projects.
- Plan check and review of construction plans, collection of fees, and construction inspection for all private development and improvements thereto.

City of Clayton
 Engineering Department 08
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|---------------------------|-----------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7324 | Dues and Subscriptions | 585 | 1,800 | 2,510 | 2,700 |
| 7410 | Professional Engineering Services | 124,739 | 115,020 | 117,000 | 120,000 |
| 7411 | Legal Services Retainer | 6,326 | 5,000 | 2,000 | 2,550 |
| 7412 | Engineering Inspections | 239 | 500 | 500 | 500 |
| Total Expenditures | | 131,889 | 122,320 | 122,010 | 125,750 |

**Community Park
Department 09**

Department Description

In 2009 the Clayton Community Park was separated into its own department in order to capture the actual costs of maintaining this well used multi-sport and recreational public park.

Services funded:

- Mowing of the turf.
- Ball field turf and sports field grooming.
- Water irrigation supply to ball fields and surrounding vegetation
- Safety inspections of play equipment and apparatus.
- Trash removal and general park clean-up.
- Landscape pruning.
- Janitorial services contract supervision.
- Repairs to and maintenance of the irrigation system.
- Pest extermination services contract supervision.
- Tree trimming services contract supervision.
- All other general maintenance of park fields and facilities.

City of Clayton
 Community Park Department 09
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|---------------------------|--------------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7111 | Salaries/Regular | 36,299 | 40,000 | 43,500 | 51,200 |
| 7112 | Temporary Help | 19,023 | 9,000 | 5,000 | - |
| 7113 | Overtime | 406 | 1,000 | 1,000 | 1,000 |
| 7218 | LTD/STD Insurance | 375 | 500 | 500 | 600 |
| 7220 | PERS Retirement - Normal Cost | 3,974 | 4,800 | 4,200 | 5,300 |
| 7221 | PERS Retirement - Unfunded Liability | 4,428 | 5,400 | 5,400 | 7,400 |
| 7231 | Workers Comp Insurance | 2,371 | 2,200 | 2,200 | 2,600 |
| 7232 | Unemployment Insurance | 714 | 550 | 700 | 370 |
| 7233 | FICA Taxes | 1,242 | 1,300 | 1,200 | 800 |
| 7246 | Benefit Insurance | 7,160 | 8,200 | 8,500 | 10,200 |
| 7311 | General Supplies | 5,831 | 14,000 | 14,000 | 10,000 |
| 7331 | Rentals/Leases | - | 500 | 500 | 500 |
| 7335 | Gas & Electric Serv. | 1,525 | 1,720 | 2,200 | 2,400 |
| 7338 | Water Service | 122,568 | 118,000 | 136,000 | 144,200 |
| 7341 | Buildings/Grounds Maintenance | 1,341 | 5,000 | 5,000 | 5,000 |
| 7343 | Vehicle Maintenance | 2,962 | 3,500 | 2,800 | 3,500 |
| 7344 | Vehicle Gas, Oil, and Supplies | 2,330 | 2,500 | 3,300 | 3,000 |
| 7417 | Janitorial Services | 13,355 | 13,500 | 13,500 | 13,500 |
| 7429 | Animal/Pest Control Services | 1,925 | 5,600 | 2,600 | 3,600 |
| 7435 | Contract Seasonal Labor | - | 30,000 | 12,000 | 18,000 |
| 7440 | Tree Trimming Services | - | 3,000 | 3,000 | 3,000 |
| Total Expenditures | | 227,829 | 270,270 | 267,100 | 286,170 |

**Special Revenue
Funds
2019-20**

City of Clayton
 HUTA Gas Tax Fund 201
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|--|----------------|------------------------|-------------------|-------------------------|
| 7111 | Salaries/Regular | 17,506 | 24,200 | 24,000 | 19,000 |
| 7112 | Temporary Help | 535 | 1,100 | - | - |
| 7113 | Overtime | - | 2,000 | 500 | 2,000 |
| 7218 | LTD/STD Insurance | 199 | 300 | 260 | 300 |
| 7220 | PERS Retirement - Normal Cost | 2,060 | 2,900 | 2,400 | 2,000 |
| 7221 | PERS Retirement - Unfunded Liability | 2,430 | 3,300 | 3,000 | 3,000 |
| 7231 | Workers Comp Insurance | 474 | 1,200 | 1,250 | 1,000 |
| 7232 | Unemployment Insurance | 159 | 210 | 200 | 200 |
| 7233 | FICA Taxes | 345 | 440 | 360 | 300 |
| 7246 | Benefit Insurance | 3,658 | 5,000 | 4,700 | 4,000 |
| 7311 | General Supplies | 3,559 | 12,000 | 10,300 | - |
| 7324 | Dues & Subscriptions | 3,000 | 3,000 | 3,000 | 3,000 |
| 7326 | Pavement Repair Supplies | - | - | - | 1,000 |
| 7327 | Arterial Street Light Supplies | 1,230 | 1,500 | 1,000 | 1,000 |
| 7335 | Gas & Electric Serv. | 45,183 | 54,000 | 48,000 | 53,000 |
| 7340 | Traffic Safety Supplies | 152 | 500 | 1,000 | 9,000 |
| 7343 | Vehicle Maintenance | 1,693 | 2,500 | 2,000 | 2,500 |
| 7344 | Vehicle Gas, Oil, and Supplies | 1,275 | 2,000 | 2,000 | 2,000 |
| 7349 | Traffic Signal Maintenance | 17,375 | 20,000 | 19,800 | 22,000 |
| 7350 | Pavement and Sidewalk Repair/Maintenance | 37,255 | 20,000 | 15,000 | 30,000 |
| 7381 | Property Tax Admin Cost | 293 | 500 | 400 | 400 |
| 7419 | Other Prof. Services | 3,000 | 1,550 | 1,500 | 21,300 |
| 7450 | Street Light Maintenance | 4,860 | 2,000 | 2,500 | 4,000 |
| 7486 | CERF Charges/Depreciation | 2,230 | 2,310 | 2,310 | 4,500 |
| 8101 | Fund Admin - Transfer to GF | 7,503 | 7,745 | 7,745 | 8,060 |
| 8111 | Transfer to CIP Fund | 41,899 | 443,650 | 249,603 | 356,535 |
| Total Expenditures | | 197,873 | 613,905 | 402,828 | 550,095 |
| 4101 | Property Taxes - Secured | 32,955 | 33,830 | 35,700 | 36,400 |
| 4102 | Property Taxes - Unsecured | 1,192 | 1,180 | 1,000 | 1,200 |
| 4103 | Property Taxes - Unitary Tax | 502 | 500 | 500 | 500 |
| 4104 | Property Taxes - Supplemental | 904 | 900 | 600 | 900 |
| 4106 | Property Taxes - Other | 296 | 290 | 290 | 300 |
| 5209 | State Gasoline 2105 | 61,235 | 66,026 | 63,900 | 63,500 |
| 5210 | State Gasoline 2106 | 44,837 | 46,302 | 45,800 | 45,600 |
| 5211 | State Gasoline 2107 | 79,693 | 81,964 | 84,000 | 83,500 |
| 5212 | State Gasoline 2107.5 | 3,000 | 3,000 | 3,000 | 3,000 |
| 5216 | State of CA Sec 2103 (Prop 42) | 43,943 | 43,184 | 40,500 | 97,400 |
| 5219 | State Gasoline Loan Repayments | 12,828 | 12,828 | 12,890 | 12,890 |
| 5601 | Interest | 4,446 | 3,000 | 4,000 | 3,000 |
| 5606 | Unrealized Inv. Gain/Loss | (4,094) | - | - | - |
| Total Revenue | | 281,737 | 293,004 | 292,180 | 348,190 |
| Increase (Decrease) in Fund Balance | | 83,864 | (320,901) | (110,648) | (201,905) |
| Beginning Fund Balance (Deficit) | | 228,689 | 320,901 | 312,553 | 201,905 |
| Ending Fund Balance | | 312,553 | - | 201,905 | - |

City of Clayton
 RMRA Gas Tax Fund 202
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|----------------------------|----------------|------------------------|-------------------|-------------------------|
| 8111 | Transfer to CIP Fund | - | 254,238 | 64,355 | 359,147 |
| Total Expenditures | | - | 254,238 | 64,355 | 359,147 |
| 5218 | State Gasoline 2030 (RMRA) | 52,015 | 187,383 | 181,200 | 189,200 |
| 5601 | Interest | 142 | 2,000 | 500 | 1,000 |
| 5606 | Unrealized Inv. Gain/Loss | (555) | - | - | - |
| Total Revenue | | 51,602 | 189,383 | 181,700 | 190,200 |
| Increase (Decrease) in Fund Balance | | 51,602 | (64,855) | 117,345 | (168,947) |
| Beginning Fund Balance | | - | 64,855 | 51,602 | 168,947 |
| Ending Fund Balance | | 51,602 | - | 168,947 | - |

City of Clayton
Landscape Maintenance District Fund 210 (CFD 2007-1)
Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|--|------------------|------------------------|-------------------|-------------------------|
| 7111 | Salaries/Regular | 182,771 | 211,000 | 206,000 | 220,000 |
| 7112 | Temporary Help | 126,722 | 46,000 | 5,000 | - |
| 7113 | Overtime | 575 | 1,000 | 3,000 | 2,000 |
| 7218 | LTD/SID Insurance | 2,034 | 2,400 | 2,400 | 2,500 |
| 7220 | PERS Retirement - Normal Cost | 21,034 | 25,200 | 21,000 | 25,000 |
| 7221 | PERS Retirement - Unfunded Liability | 24,124 | 28,290 | 27,000 | 32,000 |
| 7231 | Workers Comp Insurance | 12,175 | 11,600 | 14,300 | 12,000 |
| 7232 | Unemployment Insurance | 3,969 | 2,900 | 3,500 | 2,000 |
| 7233 | FICA Taxes | 4,596 | 6,600 | 3,400 | 3,200 |
| 7246 | Benefit Insurance | 38,425 | 43,400 | 43,000 | 44,000 |
| 7301 | Recruitment/Pre-employment | 393 | 1,000 | 500 | 500 |
| 7306 | Trail Fixture Repairs/Replacement | - | - | - | 5,000 |
| 7307 | Irrigation Supplies and Materials | - | - | - | 15,000 |
| 7308 | Weed Abatement Supplies and Materials | - | - | - | 10,000 |
| 7309 | Plant Nutrition Supplies and Materials | - | - | - | 15,000 |
| 7311 | General Supplies | 27,807 | 50,000 | 42,000 | 5,000 |
| 7316 | Replacement Plants (Shrubs, Trees, etc.) | 2,517 | 40,000 | 20,000 | 20,000 |
| 7335 | Gas & Electric Service | 26,981 | 29,600 | 32,200 | 34,400 |
| 7338 | Water Service | 161,261 | 157,000 | 190,800 | 202,300 |
| 7341 | Buildings/Grounds Maintenance | 8,921 | 20,000 | 12,800 | 17,000 |
| 7342 | Machinery/Equipment Maint. | 6,761 | 12,000 | 12,000 | 12,000 |
| 7343 | Vehicle Maintenance | 17,310 | 20,000 | 11,000 | 20,000 |
| 7344 | Vehicle Gas, Oil, and Supplies | 12,641 | 13,000 | 15,200 | 17,000 |
| 7381 | Property Tax Admin Cost | 3,735 | 4,000 | 3,900 | 4,000 |
| 7411 | Professional Services Retainer (Legal) | - | 2,000 | - | - |
| 7419 | Other Prof. Services | 5,670 | 7,000 | 6,750 | 7,000 |
| 7429 | Animal/Pest Control Services | 1,075 | 5,000 | 2,000 | 5,000 |
| 7435 | Contract Seasonal Labor | - | 100,000 | 141,000 | 160,000 |
| 7440 | Tree Trimming Services | 50,205 | 60,000 | 60,000 | 60,000 |
| 7445 | Weed Abatement Services | 119,088 | 128,100 | 128,100 | 134,600 |
| 7486 | CERF Charges/Depreciation | 14,500 | 20,070 | 20,070 | 30,000 |
| 7520 | Project/Program costs | 69,328 | 487,157 | 482,339 | 363,157 |
| 7615 | Property Taxes | 2,791 | 2,900 | 2,874 | 3,000 |
| 8101 | Fund Admin - Transfer to GF | 36,095 | 37,258 | 37,258 | 38,760 |
| 8113 | Transfer to Stormwater Fund | 1,008 | 1,050 | 1,050 | 1,090 |
| Total Expenditures | | 984,512 | 1,575,525 | 1,550,441 | 1,520,507 |
| 4604 | Clayton LMD Special Parcel Tax | 1,089,074 | 1,121,746 | 1,121,746 | 1,155,398 |
| 5601 | Interest | 18,836 | 15,000 | 20,000 | 20,000 |
| 5606 | Unrealized Inv Gain/Loss | (16,247) | - | - | - |
| Total Revenue | | 1,091,663 | 1,136,746 | 1,141,746 | 1,175,398 |
| Increase (Decrease) in Fund Balance | | 107,151 | (438,779) | (408,695) | (345,109) |
| Beginning Fund Balance | | 1,096,083 | 1,231,798 | 1,203,234 | 794,539 |
| Ending Fund Balance | | 1,203,234 | 793,019 | 794,539 | 449,430 |

City of Clayton
The Grove Park Fund 211 (CFD 2006-1)
Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|---|----------------|------------------------|-------------------|-------------------------|
| 7111 | Salaries/Regular | 10,211 | 19,000 | 13,000 | 15,000 |
| 7112 | Temporary Help | 12,099 | 11,200 | 4,000 | - |
| 7113 | Overtime | 283 | 500 | 500 | 500 |
| 7218 | LTD/STD Insurance | 112 | 220 | 130 | 200 |
| 7220 | PERS Retirement - Normal Cost | 1,171 | 2,300 | 1,400 | 1,500 |
| 7221 | PERS Retirement - Unfunded Liability | 1,354 | 2,600 | 1,500 | 2,200 |
| 7231 | Workers Comp Insurance | 1,233 | 1,400 | 1,450 | 1,000 |
| 7232 | Unemployment Insurance | 397 | 470 | 400 | 400 |
| 7233 | FICA Taxes | 565 | 1,200 | 490 | 200 |
| 7246 | Benefit Insurance | 2,106 | 3,900 | 2,300 | 2,900 |
| 7311 | General Supplies | 1,235 | 6,000 | 4,000 | 5,000 |
| 7331 | Rentals/Leases | - | 500 | - | - |
| 7335 | Gas & Electric Serv. | 1,588 | 1,800 | 1,730 | 1,910 |
| 7338 | Water Service | 24,464 | 30,000 | 27,000 | 29,000 |
| 7341 | Buildings/Grounds Maintenance | 4,044 | 6,000 | 7,000 | 6,000 |
| 7342 | Machinery/Equipment Maint. | 496 | 1,000 | 800 | 1,000 |
| 7343 | Vehicle Maintenance | 931 | 1,500 | 1,200 | 1,500 |
| 7344 | Vehicle Gas, Oil, and Supplies | 708 | 1,000 | 1,100 | 1,000 |
| 7381 | Property Tax Admin Cost | 3,738 | 3,800 | 3,800 | 4,000 |
| 7413 | Special Legal Services | - | 1,000 | - | - |
| 7417 | Janitorial Services | 12,493 | 14,000 | 12,500 | 13,000 |
| 7419 | Other Prof. Services | 4,582 | 4,730 | 4,730 | 4,920 |
| 7429 | Animal/Pest Control Services | 565 | 650 | 650 | 680 |
| 7435 | Contract Seasonal Labor | - | 5,000 | 11,000 | 15,000 |
| 7440 | Tree Trimming Services | 3,720 | 2,500 | 2,500 | 5,000 |
| 7485 | Capital Outlay - Equipment & Machinery | - | - | - | - |
| 7486 | CERF Charges/Depreciation | 2,100 | 1,800 | 1,800 | 2,700 |
| 7615 | Property Taxes | 497 | 520 | 520 | 550 |
| 8101 | Fund Admin - Transfer to GF | 7,337 | 7,574 | 7,574 | 7,880 |
| Total Expenditures | | 98,029 | 132,164 | 113,074 | 123,040 |
| 4613 | Downtown Park Special Parcel Tax - O&M | 107,280 | 111,190 | 111,180 | 115,210 |
| 4613 | Downtown Park Special Parcel Tax - Capital | 18,000 | 18,000 | 18,000 | 18,000 |
| 4613 | Downtown Park Special Parcel Tax - Restricted | 5,000 | 5,000 | 5,000 | 5,000 |
| 5601 | Interest | 4,524 | 3,800 | 6,000 | 6,000 |
| 5602 | Park Use Fee | 3,246 | 2,500 | 1,200 | 1,200 |
| 5606 | Unrealized Inv Gain/Loss | (4,121) | - | - | - |
| 5701 | Reimbursement/Refunds | - | - | - | - |
| 5702 | Donations & Contributions | 1,000 | - | 1,000 | - |
| Total Revenue | | 134,929 | 140,490 | 142,380 | 145,410 |
| Increase (Decrease) in Fund Balance | | 36,900 | 8,326 | 29,306 | 22,370 |
| Beginning Fund Balance | | 276,948 | 308,450 | 313,848 | 343,154 |
| Ending Fund Balance | | 313,848 | 316,776 | 343,154 | 365,524 |
| Ending Fund Balance Includes: | | | | | |
| Unrestricted Reserve | | 158,646 | 145,011 | 164,952 | 164,322 |
| Asset Replacement Reserve | | 100,202 | 111,765 | 118,202 | 136,202 |
| Unallocated Stabilization Reserve | | 55,000 | 60,000 | 60,000 | 65,000 |
| Total Fund Balance | | 313,848 | 316,776 | 343,154 | 365,524 |

City of Clayton
 Geological Hazard and Abatement District (GHAD) Fund 212
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7314 | Postage | - | 750 | 750 | 800 |
| 7350 | Pavement Repairs/Maintenance | - | - | - | - |
| 7351 | Insurance Premiums | 7,000 | 7,000 | 7,000 | 7,000 |
| 7381 | Property Tax Admin Cost | 384 | 1,200 | 1,200 | 1,260 |
| 7384 | Legal Notices | - | 100 | 100 | 100 |
| 7389 | Misc. Expenses | - | 300 | 100 | 300 |
| 7411 | Legal Services Retainer | - | - | 1,500 | - |
| 7412 | Engineering Services | 8,176 | 8,000 | 8,000 | 8,300 |
| 7413 | Special Legal Services | - | 1,000 | - | 1,500 |
| 7520 | Project Costs | 6,800 | 50,642 | 45,000 | 20,427 |
| 8101 | Fund Admin - Transfer to GF | 7,244 | 7,478 | 7,478 | 7,780 |
| Total Expenditures | | 29,604 | 76,470 | 71,128 | 47,467 |
| 4606 | GHAD Assessment | 39,784 | 41,065 | 41,065 | 42,712 |
| 5601 | Interest | 378 | 200 | 580 | 200 |
| 5606 | Unrealized Inv. Gain/Loss | (485) | - | - | - |
| Total Revenue | | 39,677 | 41,265 | 41,645 | 42,912 |
| Increase (Decrease) in Fund Balance | | 10,073 | (35,205) | (29,483) | (4,555) |
| Beginning Fund Balance | | 23,965 | 35,205 | 34,038 | 4,555 |
| Ending Fund Balance | | 34,038 | - | 4,555 | - |

City of Clayton
 Presley GHAD Settlement Fund 213
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|----------------|--|-----------------|------------------------|-------------------|-------------------------|
| 7520 | Project Costs | 19,870 | - | - | - |
| | Total Expenditures | 19,870 | - | - | - |
| 5601 | Interest Income | 1,865 | 1,500 | 2,000 | 1,500 |
| 5606 | Unrealized Investment Gain/Loss GASB31 | (1,309) | - | - | - |
| | Total Revenue | 556 | 1,500 | 2,000 | 1,500 |
| | Increase in Fund Balance | (19,314) | 1,500 | 2,000 | 1,500 |
| | Beginning Fund Balance | 123,593 | 105,523 | 104,279 | 106,279 |
| | Ending Fund Balance | 104,279 | 107,023 | 106,279 | 107,779 |

City of Clayton
 Neighborhood Street Light Assessment District Fund 214
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|--------------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7113 | Overtime | - | - | 300 | 500 |
| 7311 | General Supplies | - | 500 | - | 500 |
| 7335 | Gas & Electric Serv. | 104,191 | 118,000 | 115,100 | 126,700 |
| 7381 | Property Tax Admin Cost | 1,361 | 3,600 | 3,600 | 3,800 |
| 7389 | Misc. Expenses | - | 330 | 100 | 330 |
| 7412 | Engineering/ Inspection Service | - | 1,000 | 1,000 | 1,000 |
| 7419 | Other Prof. Services | 200 | 250 | 250 | 220 |
| 7450 | Street Light Maintenance | 16,284 | 16,000 | 14,000 | 16,000 |
| 8101 | Fund Admin - Transfer to GF | 11,540 | 11,912 | 11,912 | 12,390 |
| Total Expenditures | | 133,576 | 151,592 | 146,262 | 161,440 |
| 4607 | Neighborhood Street Light Assessment | 125,991 | 125,991 | 125,991 | 125,991 |
| 5601 | Interest | 1,615 | 1,000 | 1,800 | 1,800 |
| 5606 | Unrealized Inv. Gain/Loss | (1,355) | - | - | - |
| Total Revenue | | 126,251 | 126,991 | 127,791 | 127,791 |
| Increase (Decrease) in Fund Balance | | (7,325) | (24,601) | (18,471) | (33,649) |
| Beginning Fund Balance | | 108,849 | 85,998 | 101,524 | 83,052 |
| Ending Fund Balance | | 101,524 | 61,397 | 83,052 | 49,402 |

City of Clayton
Stormwater Fund 216
Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Projected Budget |
|--|--|----------------|------------------------|-------------------|--------------------------|
| 7111 | Salaries/Regular | 18,331 | 24,700 | 23,800 | 22,000 |
| 7112 | Temporary Help | 16,864 | 5,800 | 500 | - |
| 7218 | LTD/STD Insurance | 216 | 290 | 210 | 250 |
| 7220 | PERS Retirement - Normal Cost | 2,234 | 3,000 | 2,000 | 2,300 |
| 7221 | PERS Retirement - Unfunded Liability | 2,419 | 3,400 | 2,400 | 3,200 |
| 7231 | Workers Comp Insurance | 1,527 | 1,400 | 1,440 | 1,100 |
| 7232 | Unemployment Insurance | 524 | 350 | 500 | 500 |
| 7233 | FICA Taxes | 545 | 810 | 400 | 400 |
| 7246 | Benefit Insurance | 3,954 | 5,100 | 3,700 | 4,400 |
| 7311 | General Supplies | 2,930 | 4,000 | 2,500 | 4,000 |
| 7341 | Building/Grounds Maintenance | 7,911 | 15,500 | 5,100 | 15,200 |
| 7343 | Vehicle Maintenance | 1,842 | 2,500 | 1,500 | 2,000 |
| 7344 | Vehicle Gas, Oil, and Supplies | 1,404 | 2,000 | 1,600 | 2,000 |
| 7373 | Education and Training | - | 500 | 500 | 500 |
| 7389 | Misc. Expenses | 457 | - | - | - |
| 7409 | Street Sweeping Services | 54,000 | 54,000 | 54,000 | 55,900 |
| 7411 | Professional Services Retainer (Legal) | - | - | - | - |
| 7412 | Engineering Services | - | 2,000 | 1,000 | 2,000 |
| 7419 | Other Prof. Services | 1,500 | 1,750 | 1,500 | 1,720 |
| 7435 | Contract Seasonal Labor | - | 14,000 | 5,000 | 15,000 |
| 7481 | State Regional Annual Discharge Fee | 8,539 | 10,000 | 8,980 | 10,000 |
| 7486 | CERF Charges/Depreciation | 3,200 | 2,360 | 2,360 | 4,700 |
| 7520 | Project/Program Costs - Outreach | 166 | 1,000 | 500 | 500 |
| 8101 | Fund Admin - Transfer to GF | 37,247 | 38,447 | 38,447 | 39,990 |
| Total Expenditures | | 165,810 | 192,907 | 157,937 | 187,660 |
| | | | | | |
| Stormwater Assessment ERU Gross | | 126,279 | 126,299 | 126,299 | 126,306 |
| NPDES Group Program costs | | (29,429) | (30,299) | (30,299) | (34,801) |
| Commercial Insp by Central San | | (4,546) | (8,000) | (8,000) | (8,000) |
| Flood Control Dist Fiscal Mgmt Cost | | (705) | (3,000) | (3,000) | (3,000) |
| County Auditor/Controller Costs | | (3,721) | (3,800) | (3,800) | (3,800) |
| Mandatory Min. Reserve Withdrawl/(Deposit) | | 2,997 | - | (3,000) | (3,000) |
| Adjustment (Third Installment Timing) | | 10,626 | 5,427 | - | - |
| 4602 | Net Assessment Revenue | 101,501 | 86,627 | 78,200 | 73,705 |
| 4603 | Stormwater O & M Annual Fee | 4,137 | 4,360 | 5,960 | 5,020 |
| 5324 | Street Sweeping Fees | 57,593 | 54,000 | 54,800 | 55,900 |
| 5601 | Interest | 673 | 1,000 | 1,000 | 1,000 |
| 5606 | Unrealized Inv. Gain/Loss | (423) | - | - | - |
| 6007 | Transfer from Landscape Maintenance Fund | 1,008 | 1,040 | 1,040 | 1,080 |
| Total Revenue | | 164,489 | 147,027 | 141,000 | 136,705 |
| | | | | | |
| (Decrease) in Fund Balance | | (1,321) | (45,880) | (16,937) | (50,955) |
| Beginning Fund Balance | | 91,231 | 56,700 | 89,910 | 72,973 |
| Ending Fund Balance | | 89,910 | 10,820 | 72,973 | 22,018 |

City of Clayton
 Measure J Fund 220
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|-------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7324 | Dues and Subscriptions | 1,092 | 2,000 | 2,000 | 2,000 |
| 7385 | Transpac Fees | 25,628 | 30,000 | 25,084 | 30,000 |
| 8101 | Fund Admin - Transfer to GF | 4,494 | 4,639 | 4,639 | 4,830 |
| 8111 | Transfer to CIP Fund | 65,535 | 900,655 | 900,655 | 348,942 |
| Total Expenditures | | 96,749 | 937,294 | 932,378 | 385,772 |
| 5223 | Measure J Tax (Local Streets) | 298,835 | 285,000 | 295,000 | 295,000 |
| 5225 | Measure J Program 28a (Co-op) | 29,994 | 32,676 | 32,023 | 33,938 |
| 5601 | Interest Income | 5,049 | 1,000 | 3,300 | 2,000 |
| 5606 | Unrealized Inv. Gain/Loss | (4,704) | - | - | - |
| Total Revenue | | 329,174 | 318,676 | 330,323 | 330,938 |
| Increase (Decrease) in Fund Balance | | 232,425 | (618,618) | (602,055) | (54,834) |
| Beginning Fund Balance (Deficit) | | 424,464 | 618,618 | 656,889 | 54,834 |
| Ending Fund Balance | | 656,889 | - | 54,834 | - |

Fund Balance Restricted for:

| | | | | |
|-----------------------------------|----------------|----------|---------------|----------|
| Local Streets Maintenance Program | 602,688 | - | 54,242 | - |
| Co-operative 28(a) Program | 54,201 | - | 592 | - |
| Total Fund Balance | 656,889 | - | 54,834 | - |

City of Clayton
 Restricted Grants Fund 230
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|--|----------------|------------------------|-------------------|-------------------------|
| 7111 | Salaries/Regular | 67,215 | 66,300 | 55,000 | 72,400 |
| 7113 | Overtime | 14,318 | 18,000 | 48,300 | 30,000 |
| 7218 | LTD/STD Insurance | 742 | 800 | 750 | 830 |
| 7220 | PERS Retirement - Normal Cost | 7,621 | 8,100 | 6,700 | 9,500 |
| 7231 | Workers Comp Insurance | 2,940 | 3,000 | 3,100 | 3,700 |
| 7232 | Unemployment Insurance | 349 | 440 | 440 | 440 |
| 7233 | FICA Taxes | 1,125 | 1,000 | 930 | 1,100 |
| 7242 | Uniform Allowance | 900 | 900 | 1,160 | 900 |
| 7246 | Benefit Insurance | 1,723 | 2,000 | 600 | 2,000 |
| 7311 | General Supplies | 1,158 | 5,000 | 16,608 | 5,000 |
| 7313 | Small Tools & Equipment | 1,338 | - | - | - |
| 7332 | Telecommunications | 5,719 | 7,000 | 9,900 | 12,000 |
| 7342 | Machinery/Equipment Maintenance | - | - | - | - |
| 7371 | Travel | 152 | - | - | - |
| 7373 | Education & Training | - | - | - | - |
| 7411 | Professional Services Retainer | - | - | - | - |
| 7415 | Computer/IT Support | - | - | 15,000 | - |
| 7419 | Other Professional Services | - | - | 12,350 | 17,000 |
| 7420 | Administrative Costs | 136 | - | - | - |
| 7484 | Capital Outlay - Structures & Improvements | - | - | 8,873 | - |
| 7485 | Capital Outlay - Equipment and Machinery | 14,243 | 107,152 | 48,632 | 15,800 |
| 7520 | Project/Program costs | - | 10,570 | - | 15,821 |
| Total Expenditures | | 119,679 | 230,262 | 228,343 | 186,491 |
| 5222 | Avoid the 25 Grant | - | 2,000 | 2,000 | 2,000 |
| 5240 | Recycling Grant | 5,000 | - | - | - |
| 5250 | PEG Fees | 17,090 | 15,500 | 12,910 | 15,200 |
| 5260 | SLESF - PD | 139,416 | 100,000 | 148,000 | 130,000 |
| 5261 | DOJ Body Armor Grant | - | - | - | - |
| 5265 | State Alcohol Beverage Control Grant | - | - | - | - |
| 5270 | Insurance Risk | - | - | - | - |
| 5275 | SSMP Reimbursement (Concord) | - | - | 11,900 | - |
| 5285 | FEMA Grant | 3,353 | - | - | - |
| 5601 | Interest Income | 5,932 | 4,000 | 7,000 | 5,000 |
| 5606 | Unrealized Inv. Gain/Loss | (4,957) | - | - | - |
| Total Revenue | | 165,834 | 121,500 | 181,810 | 152,200 |
| Increase (Decrease) in Fund Balance | | 46,155 | (108,762) | (46,533) | (34,291) |
| Beginning Fund Balance | | 352,824 | 388,125 | 398,979 | 352,446 |
| Ending Fund Balance | | 398,979 | 279,363 | 352,446 | 318,155 |

City of Clayton
 Development Impact Fund 304
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|--|-----------------|------------------------|-------------------|-------------------------|
| 7113 | Overtime | 22,299 | - | - | - |
| 7311 | General Supplies | - | - | - | - |
| 7313 | Small Tools & Equipment | - | - | - | - |
| 7485 | Capital Outlay - Equipment & Machinery | - | 48,000 | - | 48,330 |
| 7520 | Projects | 14,418 | 16,995 | - | - |
| 7612 | Interest Expense | - | - | - | - |
| 8111 | Transfer to CIP Fund | 161,000 | - | - | - |
| Total Expenditures | | 197,717 | 64,995 | - | 48,330 |
| 5307 | Childcare Facility Fees | 1,640 | - | - | - |
| 5312 | Open Space In-Lieu Fee | 28,508 | - | - | - |
| 5313 | Parkland Dedication Fee | 20,552 | - | - | - |
| 5314 | Offsite Arterial Improvement Fees | 11,648 | - | - | - |
| 5315 | Tree Mitigation Fee | 59,828 | - | - | - |
| 5317 | Fire Protection Fee | 600 | - | 1,800 | - |
| 5323 | Community Facilities Fees | 3,600 | - | - | - |
| 5325 | Police Impact Fee | - | - | - | - |
| 5326 | Habitat Conservation Fee | 14,418 | - | - | - |
| 5601 | Interest Income | 9,054 | 8,000 | 10,000 | 10,000 |
| 5606 | Unrealized Investment Gain/Loss GASB31 | (6,648) | - | - | - |
| Total Revenue | | 143,200 | 8,000 | 11,800 | 10,000 |
| Increase (Decrease) in Fund Balance | | (54,517) | (56,995) | 11,800 | (38,330) |
| Beginning Fund Balance | | 579,148 | 531,225 | 524,631 | 536,431 |
| Ending Fund Balance | | 524,631 | 474,230 | 536,431 | 498,101 |

City of Clayton
 Successor Housing Agency Fund 616
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|---|--|------------------|------------------------|-------------------|-------------------------|
| 7411 | Professional Services Retainer (Legal) | - | 500 | - | - |
| 7413 | Special Legal Services | 2,389 | 10,000 | 5,000 | 10,000 |
| 7419 | Other Professional Services | 1,089 | 47,855 | 20,000 | 27,855 |
| 7420 | Administrative Costs | 120 | - | - | 2,000 |
| Total Expenditures | | 3,598 | 58,355 | 25,000 | 39,855 |
| 4110 | Program Revenues (Loan Repayments) | 91,400 | 96,400 | 96,400 | 101,400 |
| 5601 | Interest | 15,101 | 10,000 | 20,000 | 20,000 |
| 5606 | Unrealized Inv. Gain/Loss | 235,431 | - | - | - |
| Total Revenue | | 341,932 | 106,400 | 116,400 | 121,400 |
| Increase (Decrease) in Fund Balance | | 338,334 | 48,045 | 91,400 | 81,545 |
| Beginning Fund Balance | | 4,427,228 | 4,526,128 | 4,765,562 | 4,856,962 |
| Ending Fund Balance | | 4,765,562 | 4,574,173 | 4,856,962 | 4,938,507 |
| <i>Ending Fund Balance Includes:</i> | | | | | |
| Non-spendable Reserve | | 3,796,045 | 3,400,062 | 3,796,045 | 3,796,045 |
| Reserve Available for Appropriation | | 969,517 | 1,174,111 | 1,060,917 | 1,142,462 |
| Total Fund Balance | | 4,765,562 | 4,574,173 | 4,856,962 | 4,938,507 |

Proprietary Funds

2019-20

City of Clayton
Self Insurance Fund 501
Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|-------------------------------|-----------------|------------------------|-------------------|-------------------------|
| 7220 | PERS Retirement | 2,717 | - | - | - |
| 7351 | Insurance Premiums (EAP Plan) | 3,329 | 1,248 | 1,190 | 1,300 |
| 7352 | Insurance Claim Deductibles | 4,692 | 6,000 | 2,500 | 5,000 |
| 7413 | Special Legal Services | - | - | 2,500 | - |
| Total Expenses | | 10,738 | 7,248 | 6,190 | 6,300 |
| 5601 | Interest | 698 | 600 | 700 | 600 |
| 5606 | Unrealized Inv. Gain/Loss | (480) | - | - | - |
| 5790 | Other Revenues | - | - | - | - |
| 6001 | Transfers From General Fund | - | - | - | - |
| Total Revenue | | 218 | 600 | 700 | 600 |
| Increase (Decrease) in Net Position | | (10,520) | (6,648) | (5,490) | (5,700) |
| Beginning Net Position | | 48,638 | 42,321 | 38,118 | 32,628 |
| Ending Net Position | | 38,118 | 35,673 | 32,628 | 26,928 |

City of Clayton
 CERF Fund 502
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|--|----------------|------------------------|-------------------|-------------------------|
| 7390 | Depreciation Expense | 67,921 | 100,000 | 70,000 | 70,000 |
| 7485 | Capital Outlay - Equipment and Machinery | - | - | 500 | - |
| 7489 | Loss on sale of assets | 2,073 | - | - | - |
| Total Expenses | | 69,994 | 100,000 | 70,500 | 70,000 |
| 5328 | CERF Charges to Depts | 77,674 | 88,540 | 88,820 | 112,100 |
| 5601 | Interest | 2,534 | 2,200 | 2,500 | 2,500 |
| 5606 | Unrealized Inv. Gain/Loss | (1,993) | - | - | - |
| 5702 | Donations/Contributions | - | - | 27,585 | - |
| 5801 | Sale of Assets | 1,180 | 1,000 | 3,650 | 1,000 |
| 6099 | Capital Contributions | 115,379 | - | - | - |
| Total Revenue | | 194,774 | 91,740 | 122,555 | 115,600 |
| Increase (Decrease) in Net Position | | 124,780 | (8,260) | 52,055 | 45,600 |
| Beginning Net Position | | 471,265 | 457,227 | 596,045 | 648,100 |
| Ending Net Position | | 596,045 | 448,967 | 648,100 | 693,700 |

Fixed Asset Purchases:

| | | | | | |
|-----------------------------|---------------------------------|---------------|----------------|----------------|----------------|
| 1504 | Machinery, Vehicles & Equipment | 69,835 | 100,000 | 100,703 | 130,000 |
| Total Other Outflows | | 69,835 | 100,000 | 100,703 | 130,000 |

Net Position Composed of:

| | | | | |
|----------------------------------|----------------|----------------|----------------|----------------|
| Net Investment in Capital Assets | 439,262 | 275,285 | 497,550 | 557,550 |
| Unrestricted Net Position | 156,783 | 173,682 | 150,550 | 136,150 |
| Total Net Position | 596,045 | 448,967 | 648,100 | 693,700 |

City of Clayton
Pension Rate Stabilization Fund 503
Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|--------------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7220 | PERS Retirement - Normal Cost | - | - | - | - |
| 7221 | PERS Retirement - Unfunded Liability | - | - | - | - |
| Total Expenses | | - | - | - | - |
| 5601 | Interest | 2,091 | 3,500 | 3,500 | 4,000 |
| 5606 | Unrealized Inv. Gain/Loss | (2,231) | - | - | - |
| 6001 | Transfers From General Fund | 168,000 | - | 100,000 | - |
| Total Revenue | | 167,860 | 3,500 | 103,500 | 4,000 |
| Increase (Decrease) in Net Position | | 167,860 | 3,500 | 103,500 | 4,000 |
| Beginning Net Position | | - | 170,192 | 167,860 | 271,360 |
| Ending Net Position | | 167,860 | 173,692 | 271,360 | 275,360 |

City of Clayton
 Endeavor Hall Fund 702
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|--------------------------------------|------------------|------------------------|-------------------|-------------------------|
| 7111 | Salaries/Regular | 8,698 | 8,900 | 5,000 | 8,000 |
| 7113 | Overtime | - | 200 | - | 200 |
| 7116 | Part-time salaries | 1,242 | 2,000 | 1,800 | 2,000 |
| 7218 | LTD/STD Insurance | 92 | 110 | 100 | 100 |
| 7220 | PERS Retirement - Normal Cost | 974 | 1,060 | 600 | 800 |
| 7221 | PERS Retirement - Unfunded Liability | 1,053 | 1,200 | 700 | 1,100 |
| 7231 | Workers Comp Insurance | 408 | 410 | 421 | 400 |
| 7232 | Unemployment Insurance | 191 | 100 | 100 | 100 |
| 7233 | FICA Taxes | 153 | 130 | 100 | 110 |
| 7246 | Benefit Insurance | 1,753 | 1,830 | 1,100 | 1,500 |
| 7311 | General Supplies | 82 | 800 | 500 | 500 |
| 7332 | Telecommunications | 926 | 950 | 960 | 1,000 |
| 7335 | Gas & Electric Serv. | 2,856 | 3,410 | 3,170 | 3,500 |
| 7338 | Water Service | 1,357 | 1,590 | 1,570 | 1,700 |
| 7341 | Buildings & Grounds Mtn | 14,569 | 6,000 | 5,000 | 6,000 |
| 7343 | Vehicle Maintenance | 725 | 800 | 400 | 800 |
| 7344 | Vehicle Gas, Oil, and Supplies | 574 | 500 | 500 | 500 |
| 7346 | HVAC Mtn & Repairs | 1,038 | 1,500 | 1,500 | 1,500 |
| 7361 | Advertising | 223 | 500 | - | 500 |
| 7417 | Janitorial Services | 1,529 | 1,700 | 1,600 | 1,700 |
| 7429 | Animal/Pest Control Services | 1,200 | 1,300 | 1,200 | 1,260 |
| Total Expenses Before Depreciation | | 39,644 | 34,990 | 26,321 | 33,270 |
| 5607 | Rental Income | 27,890 | 30,000 | 28,000 | 30,000 |
| 5611 | Reserve for Endeavor Hall | - | - | - | - |
| Total Revenue | | 27,890 | 30,000 | 28,000 | 30,000 |
| Increase (Decrease) in Net Position Before Depreciation | | (11,754) | (4,990) | 1,679 | (3,270) |
| 7390 | Depreciation Expense | 37,257 | 37,500 | 37,500 | 37,500 |
| (Decrease) in Net Position After Depreciation | | (49,011) | (42,490) | (35,821) | (40,770) |
| Beginning Net Position | | 1,120,552 | 1,075,490 | 1,071,541 | 1,035,720 |
| Ending Net Position | | 1,071,541 | 1,033,000 | 1,035,720 | 994,950 |

Fixed Asset Purchases:

| | | | | | |
|-----------------------------|----------------------------------|----------|----------|----------|----------|
| 1504 | Improvements other than Building | - | - | - | - |
| Total Other Outflows | | - | - | - | - |

Net Position Composed of:

| | | | | |
|---|------------------|------------------|------------------|----------------|
| Net investment in capital assets | 1,147,485 | 1,103,608 | 1,106,093 | 1,068,593 |
| Unrestricted net position resulting from: | | | | |
| Due to the General Fund | (67,052) | (68,108) | (65,373) | (68,643) |
| Refundable Deposits Payable | (5,500) | (2,500) | (5,000) | (5,000) |
| General accounts payable | (3,392) | - | - | - |
| Total Net Position | 1,071,541 | 1,033,000 | 1,035,720 | 994,950 |

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Fiduciary Funds

2019-20

City of Clayton
 High Street Bridge Benefit Assessment District - Fund 217
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|----------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7611 | Principal (RDA Successor Agency) | 725 | 769 | 769 | 769 |
| 7612 | Interest Payment | 729 | 685 | 685 | 685 |
| Total Expenditures | | 1,454 | 1,454 | 1,454 | 1,454 |
| 4611 | High Street Bridge Assessment | 1,754 | 1,754 | 1,754 | 1,754 |
| 4650 | Special Assessment Payoff | - | - | - | - |
| 5601 | Interest | 102 | 80 | 120 | 120 |
| 5606 | Unrealized Investment Gain/Loss | (95) | - | - | - |
| Total Revenue | | 1,761 | 1,834 | 1,874 | 1,874 |
| Increase (Decrease) in Fund Balance | | 307 | 380 | 420 | 420 |
| Beginning Fund Balance | | 5,623 | 6,057 | 5,930 | 6,350 |
| Ending Fund Balance | | 5,930 | 6,437 | 6,350 | 6,770 |

Fund Balance Includes:

| | | | | |
|--------------------------------|-------|-------|-------|-------|
| Reserve for Bridge Maintenance | 5,400 | 5,700 | 5,700 | 6,000 |
|--------------------------------|-------|-------|-------|-------|

For financial reporting purposes, the High Street Bridge Assessment District Fund (No. 217) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton
Oak Street Bridge Benefit Assessment District - Fund 218
Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|---------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7381 | Property Tax Admin Cost | 258 | 258 | 258 | - |
| 7420 | Other Outside Services | 301 | 301 | 301 | - |
| 7520 | Projects | 4,396 | - | - | - |
| 7611 | Principal (General Fund) | 3,488 | 3,699 | 3,699 | - |
| 7612 | Interest Payment | 503 | 259 | 259 | - |
| Total Expenditures | | 8,946 | 4,517 | 4,517 | - |
| 4611 | Oak Street Bridge Assessment | 6,150 | 6,150 | 6,150 | 1,600 |
| 5601 | Interest Income | 212 | 180 | 250 | 250 |
| 5606 | Unrealized Investment Gain/Loss | (201) | - | - | - |
| 5790 | Other Revenue | - | - | - | - |
| Total Revenue | | 6,161 | 6,330 | 6,400 | 1,850 |
| Increase (Decrease) in Fund Balance | | (2,785) | 1,813 | 1,883 | 1,850 |
| Beginning Fund Balance | | 14,623 | 16,907 | 11,838 | 13,721 |
| Ending Fund Balance | | 11,838 | 18,720 | 13,721 | 15,571 |
| Fund Balance Includes: | | | | | |
| Reserve for Bridge Maintenance | | 11,604 | 17,600 | 13,204 | 14,804 |

For financial reporting purposes, the Oak Street Bridge Assessment District Fund (No. 218) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton
 Lydia Lane Sewer Benefit Assessment District - Fund 222
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|---------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7381 | Property Tax Admin Cost | 264 | 264 | 264 | 264 |
| 7419 | Other Professional Services | - | - | 570 | 1,000 |
| 7420 | Other Outside Services | 1,636 | 1,636 | 1,636 | 2,400 |
| 7611 | Principal | 5,000 | 5,000 | 5,000 | 5,000 |
| 7612 | Interest Payment | 9,649 | 9,350 | 9,350 | 9,050 |
| 7613 | Paying Agent Fees | 500 | 500 | 500 | 500 |
| Total Expenditures | | 17,049 | 16,750 | 17,320 | 18,214 |
| 4612 | Lydia Lane Sewer Assessment | 16,900 | 16,750 | 16,900 | 16,600 |
| 5601 | Interest | 1,083 | 800 | 1,400 | 1,400 |
| 5606 | Unrealized Investment Gain/Loss | (830) | - | - | - |
| Total Revenue | | 17,153 | 17,550 | 18,300 | 18,000 |
| Increase (Decrease) in Fund Balance | | 104 | 800 | 980 | (214) |
| Beginning Fund Balance | | 78,246 | 78,724 | 78,350 | 79,330 |
| Ending Fund Balance | | 78,350 | 79,524 | 79,330 | 79,116 |
| Fund Balance Includes: | | | | | |
| Bond Reserve Fund | | 12,901 | 12,813 | 12,500 | 12,500 |

For financial reporting purposes, the Lydia Lane Sewer Assessment District Fund (No. 222) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton
 Oak Street Sewer Benefit Assessment District - Fund 223
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|---------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7381 | Property Tax Admin Cost | 259 | 280 | 259 | 259 |
| 7420 | Other Outside Services | 1,241 | 1,220 | 1,241 | 1,241 |
| 7611 | Principal | 7,273 | 8,182 | 8,182 | 8,182 |
| 7612 | Interest Payment | 2,536 | 2,318 | 2,318 | 2,073 |
| Total Expenditures | | 11,309 | 12,000 | 12,000 | 11,755 |
| 4612 | Oak Street Sewer Assessment | 11,309 | 12,000 | 11,309 | 11,755 |
| 4650 | Special Assessment Payoff | - | - | - | - |
| 5601 | Interest | 110 | 80 | 70 | 80 |
| 5606 | Unrealized Investment Gain/Loss | (165) | - | - | - |
| Total Revenue | | 11,254 | 12,080 | 11,379 | 11,835 |
| Increase (Decrease) in Fund Balance | | (55) | 80 | (620) | 80 |
| Beginning Fund Balance | | 2,770 | 2,807 | 2,715 | 2,095 |
| Ending Fund Balance | | 2,715 | 2,887 | 2,095 | 2,175 |

For financial reporting purposes, the Oak Street Sewer Assessment District Fund (No. 223) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton
 Diablo Estates Benefit Assessment District - Fund 231
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|---------------------------------|----------------|------------------------|-------------------|-------------------------|
| 7335 | Gas & Electric Serv. | 138 | 300 | 200 | 300 |
| 7338 | Water Service | 4,661 | 9,600 | 5,000 | 5,300 |
| 7381 | Property Tax Admin Cost | 249 | 280 | 280 | 280 |
| 7384 | Legal Notices | - | 100 | 100 | 100 |
| 7411 | Legal Services Retainer | - | - | - | - |
| 7413 | Special Legal Services | - | - | - | - |
| 7419 | Other Prof. Services | 57,385 | 59,390 | 58,390 | 59,390 |
| 7420 | Administrative Costs | 2,121 | 2,189 | 2,189 | 2,277 |
| Total Expenditures | | 64,554 | 71,859 | 66,159 | 67,647 |
| 4611 | Fiduciary Fund Assessment | 82,911 | 85,580 | 85,583 | 89,015 |
| 5601 | Interest Income | 1,666 | 1,200 | 2,200 | 2,000 |
| 5606 | Unrealized Investment Gain/Loss | (1,528) | - | - | - |
| Total Revenue | | 83,049 | 86,780 | 87,783 | 91,015 |
| Increase (Decrease) in Fund Balance | | 18,495 | 14,921 | 21,624 | 23,368 |
| Beginning Fund Balance | | 98,180 | 112,419 | 116,675 | 138,299 |
| Ending Fund Balance | | 116,675 | 127,340 | 138,299 | 161,667 |

For financial reporting purposes, the Diablo Estates Benefits Assessment District Fund (No. 231) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton
 Clayton Financing Authority - Fund 405
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|----------------|--|------------------|------------------------|-------------------|-------------------------|
| 7482 | Capital Contributions | 170,126 | - | - | - |
| | Total Expenditures | 170,126 | - | - | - |
| 5601 | Interest Income | 8,870 | 10,000 | 11,500 | 10,000 |
| 5606 | Unrealized Investment Gain/Loss | (6,853) | - | - | - |
| | Total Revenue | 2,017 | 10,000 | 11,500 | 10,000 |
| | Increase (Decrease) in Fund Balance | (168,109) | 10,000 | 11,500 | 10,000 |
| | Beginning Fund Balance | 716,949 | 555,293 | 548,840 | 560,340 |
| | Ending Fund Balance | 548,840 | 565,293 | 560,340 | 570,340 |

For financial reporting purposes, the Clayton Financing Authority Fund (No. 405) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton
 Middle School Community Facilities District 1990-1 - Fund 420
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|-------------------------------------|-----------------|------------------------|-------------------|-------------------------|
| 7381 | Property Tax Admin Cost | 1,404 | 1,404 | 1,404 | 1,404 |
| 7419 | Other Prof. Services | 18,549 | 18,760 | 19,103 | 19,450 |
| 7420 | Other Outside Services | 16,452 | 16,950 | 16,950 | 17,630 |
| 7611 | Principal | 342,000 | 362,000 | 362,000 | 383,000 |
| 7612 | Interest Expense | 60,952 | 40,061 | 40,061 | 17,838 |
| 7613 | Paying Agent Fees | 715 | 2,000 | 787 | 1,000 |
| 7615 | Property Taxes | 603 | 650 | 603 | 650 |
| Total Expenditures | | 440,675 | 441,825 | 440,908 | 440,972 |
| 4609 | Middle School CFD 1990-1 Parcel Tax | 397,796 | 393,796 | 393,794 | 389,794 |
| 5601 | Interest Income | 3,087 | 2,000 | 2,000 | 2,000 |
| 5606 | Unrealized Investment Gain/Loss | (4,152) | - | - | - |
| Total Revenue | | 396,731 | 395,796 | 395,794 | 391,794 |
| Increase (Decrease) in Fund Balance | | (43,944) | (46,029) | (45,114) | (49,178) |
| Beginning Fund Balance | | 364,558 | 325,065 | 320,614 | 275,500 |
| Ending Fund Balance | | 320,614 | 279,036 | 275,500 | 226,321 |

For financial reporting purposes, the Middle School CFD 1990-1 Fund (No. 420) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton
 Clayton Financing Authority 2007 Middle School Refunding Bonds - Fund 422
 Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|---|---------------------------------------|-----------------|------------------------|-------------------|-------------------------|
| 7419 | Other Prof. Services | 6,371 | 6,550 | 6,855 | 7,050 |
| 2804 | Principal Payment (CFA 2007) | 340,000 | 370,000 | 350,000 | 360,000 |
| 7612 | Interest Expense | 78,795 | 63,595 | 64,854 | 50,525 |
| 7613 | Paying Agent Fees | 2,310 | 2,310 | 2,541 | 2,500 |
| Total Expenditures | | 427,476 | 442,455 | 424,250 | 420,075 |
| 5601 | Interest Income | 2,368 | 1,750 | 3,400 | 2,500 |
| 5606 | Unrealized Investment Gain/Loss | (1,425) | - | - | - |
| 5701 | Reimbursements/Refunds (CFD 1990-1) | 8,681 | 8,860 | 9,396 | 9,550 |
| 5815 | Interest on Loans/Bonds | 53,538 | 32,211 | 31,761 | 9,537 |
| 1251 | Principal Payment (CFD 1990-1) | 342,000 | 362,000 | 362,000 | 383,000 |
| Total Revenue | | 405,162 | 404,821 | 406,557 | 404,587 |
| Increase (Decrease) in Fund Balance | | (22,314) | (37,634) | (17,693) | (15,488) |
| Beginning Fund Balance | | 550,118 | 500,445 | 527,804 | 510,111 |
| Ending Fund Balance | | 527,804 | 462,811 | 510,111 | 494,623 |
| Restricted Portion of Fund Balance Includes: | | | | | |
| | CFD 1990-1 Special Tax Fund (Trustee) | 133,650 | 113,300 | 118,000 | 103,000 |
| | 2007 CFA TAB Reserve Fund (Trustee) | 251,547 | 251,990 | 252,000 | 252,000 |
| | Total | 385,197 | 365,290 | 370,000 | 355,000 |

For financial reporting purposes, the Clayton Financing Authority 2007 Middle School Refunding Bonds Fund (No. 422) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton
RDA Successor Agency Private Purpose Trust - Fund 615
Proposed Budget 19-20

| Account Number | Account Name | 2017-18 Actual | 2018-19 Adopted Budget | 2018-19 Projected | 2019-20 Proposed Budget |
|--|--|-----------------|------------------------|-------------------|-------------------------|
| 7419 | Other Professional Services | - | 1,200 | - | - |
| 7420 | Administrative Costs | 250,000 | 234,720 | 234,720 | 250,000 |
| 7612 | Interest Expense | 63,783 | 54,590 | 58,420 | 49,048 |
| 7613 | Paying Agent Fee | 1,980 | 1,980 | 2,178 | 2,200 |
| 2105 | Successor Housing Agency SERAF Loan | 148,103 | - | 145,103 | 151,103 |
| 2802 | 2014 Refunding Bonds Payable | 395,000 | 400,000 | 400,000 | 415,000 |
| Total Expenditures | | 858,866 | 692,490 | 840,421 | 867,351 |
| 4108 | Redevelopment Property Tax Trust Fund Rev. | 786,053 | 719,897 | 817,987 | 864,579 |
| 5601 | Interest | 2,124 | 2,500 | 3,500 | 2,000 |
| 5606 | Unrealized Investment Gain/Loss | (3,569) | - | - | - |
| 5790 | Other Revenues | 11,263 | 11,954 | 11,954 | 11,709 |
| Total Revenue | | 795,871 | 734,351 | 833,441 | 878,288 |
| Increase (Decrease) in Fund Balance | | (62,995) | 41,861 | (6,980) | 10,937 |
| Beginning Fund Balance | | 770,363 | 858,782 | 707,368 | 700,388 |
| Ending Fund Balance | | 707,368 | 900,643 | 700,388 | 711,325 |

Restricted Portion of Fund Balance Includes:

| | | | | |
|--------------------------|--------|---|---|---|
| Restricted Bond Proceeds | 41,923 | - | - | - |
|--------------------------|--------|---|---|---|

For financial reporting purposes, the RDA Successor Agency Fund (No. 615) is a Private Purpose Trust Fiduciary Fund, and is reported on a full accrual proprietary fund basis. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well debt service and loan transactions, which would otherwise be excluded from expenditures/revenues following proprietary fund GAAP accounting.

**CAPITAL IMPROVEMENT
PROGRAM BUDGET
2019-20**

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2019/20 – 2023/24



Capital Improvement Program

Presented to the City Council on
May 21, 2019

City Council

Tuija Catalano, Mayor

Julie K. Pierce, Vice Mayor

Jim Diaz

Jeff Wan

Carl "CW" Wolf

Staff

Gary A. Napper, City Manager

Scott Alman, City Engineer

T. Kevin Mizuno, Finance Manager

Janet Calderon, City Clerk, HR Manager

David Woltering, Community Development Director (Interim)

CITY OF CLAYTON
CAPITAL IMPROVEMENT PROGRAM FY 2018/19 TO 2022/23

*Completed - no project sheet included
**Deleted

Master Index of Projects by Number

| Project Number | Project Category | Project | Project Number | Project Category | Project |
|----------------|------------------|----------------------------------|----------------|------------------|---|
| 10330 | Streets | Overlays* | 10391 | Streets | Pavement Rehab 2006* |
| 10331 | Streets | Slurry Seals (Deleted)* | 10392 | Sewers | Oak - High Street* |
| 10332 | Streets | High Street Bridge* | 10393 | Parks | Skateboard Park |
| 10333 | Streets | Marsh Creek Road - TEA-21* | 10394 | Streets | Handicap Ramps - RDA Area* |
| 10334 | Parks | Community Dog Park* | 10394A | Streets | ADA Compliance Program |
| 10335 | Parks | El Molino Park* | 10395 | Streets | Catch Basin Modifications |
| 10336 | Parks | Lydia Lane Park Ph. H* | 10396 | Streets | East Marsh Creek Road Signal |
| 10337 | Facilities | Keller House Preservation* | 10397 | Streets | Utility Undergrounding |
| 10337A | Facilities | Keller House Rehabilitation | 10398 | Streets | Clayton Rd. MCR Slurry Seal* |
| 10338 | Facilities | Endeavor Hall | 10399 | Sewers | Pine Hollow Area* |
| 10339 | Facilities | Youth Center/Gym* | 10400 | Other | Downtown Economic Development |
| 10340 | Landscape | Marsh Creek Road LS* | 10400A | Other | Town Center Property Purchase* |
| 10341 | Streets | Center Street Crossing* | 10401 | Streets | Pedestrian Xing Signals** |
| 10342 | GHAD | Windmill Debris Basin* | 10402 | Streets | Clayton Road Trail Connection* |
| 10343 | GHAD | Crow Debris Basin | 10403 | Streets | Downtown Entry Signs* |
| 10344 | GHAD | Obsidian Landslide* | 10404 | Streets | Marsh Creek Rd. Retaining Wall* |
| 10345 | GHAD | Clayton Rd. Landslides* | 10405 | Streets | 2007 Pavement Patching Project** |
| 10346 | GHAD | Black Diamond Landslide** | 10406 | Streets | 2008 Pavement Rehab Project* |
| 10347 | GHAD | V-ditch Repairs* | 10407 | Parks | Community Park Upgrades* |
| 10347A | GHAD | Eagle Peak Slope Repair | 10408 | Streets | 2009 Pavement Rehab Project** |
| 10348 | GHAD | Keller Ridge Slope Repair | 10409 | Streets | 2010 Pavement Rehab Project* |
| 10349 | GHAD | Community Park Slide Repair | 10410 | Streets | 2011 Neighborhood Street Project** |
| 10350 | Facilities | Downtown Elec. Conn.* | 10411 | Streets | 2012 Neighborhood Street Project* |
| 10351 | Facilities | Fire Station* | 10412 | Streets | 2009 Arterial Overlay Project* |
| 10352 | Landscape | Library Landscaping* | 10413 | Parks | Community Park Parking Lot Expan.* |
| 10353 | Streets | Downtown Revitalization* | 10414 | Streets | East March Creek Rd. Upgrade** |
| 10354 | Streets | Four Oaks Area* | 10415 | Parks | Well Renovation* |
| 10355 | Streets | Oak Street Bridge* | 10416 | Streets | Marsh Creek Rd. (old) Overlay* |
| 10356 | Landscape | Westwood Open Space* | 10417 | Streets | 2013 Neighborhood Street Project* |
| 10357 | Facilities | Old City Hall Renovation* | 10418 | Streets | 2014 Neighborhood Street Project* |
| 10358 | Facilities | Grove Property Acquisition* | 10419 | Parks | Community Park Lighting, etc. |
| 10359 | Facilities | Endeavor Hall Parking I* | 10420 | Parks | School Bridge Area Improvements |
| 10360 | Facilities | Endeavor Hall Parking II* | 10421 | Creeks | Cardinal Trail Restoration* |
| 10361 | Facilities | Stanley Property** | 10422 | Sewers | El Molino Drive Sanitary Sewer Impr. |
| 10362 | Facilities | Stanley Property Parking* | 10423 | Facilities | Library Upgrades |
| 10363 | Facilities | Corp. Yard Expansion* | 10424 | Streets | 2015 Neighborhood Street Project* |
| 10364 | Streets | Downtown Signage** | 10425 | Streets | Keller Ridge Dr. Collector Street Rehab.* |
| 10365 | Facilities | Library Parking Expansion* | 10426 | Facilities | City Hall Parking Area Rehabilitation* |
| 10366 | Facilities | Police Parking Expansion* | 10427 | Facilities | Library Parking Lot Rehabilitation* |
| 10367 | Parks | Downtown Park* | 10428 | Facilities | Lydia Lane Park Parking Rehabilitation* |
| 10368 | Parks | City Hall Park* | 10429 | Facilities | 2012 Trail Repaving Project* |
| 10369 | Streets | Marsh Creek Road Narrowing** | 10430 | Landscape | Clayton Road Median Landscaping* |
| 10370 | Creeks | Creek Revitalization | 10431 | Landscape | Daffodil Hill Landscaping* |
| 10371 | Streets | Survey Monuments* | 10432 | Streets | 2016 Neighborhood Street Project* |
| 10372 | Streets | Traffic Signal Modifications* | 10433 | Streets | DVMS Safety Signing* |
| 10373 | Streets | Peacock Creek Dr. Signal* | 10434 | Parks | CCCP Scoreboard Replacement* |
| 10374 | Parks | North Valley Park* | 10435 | Facilities | Library HVAC Replacement* |
| 10375 | Parks | Samuel Ct. Park | 10436 | Streets | 2018 Neighborhood Street Project* |
| 10376 | Facilities | Equestrian Staging Area* | 10437 | Streets | 2016 Arterial Rehabilitation Project* |
| 10377 | Streets | DVMS - Right Turn Lane* | 10438 | Streets | Arterial Streetlight LED Project* |
| 10378 | Streets | Keller Ridge Drive Planters* | 10439 | Streets | El Portal Drive Restoration Project* |
| 10379 | Streets | Pine Hollow Road - Upgrade | 10440 | Parks | CCP - Field #1 Rehab |
| 10380 | Parks | Community Park - Rt. Turn Lane** | 10441 | Streets | OBAG 2 - 2018 Pavement Rehab** |
| 10381 | Parks | Bocce Ball Courts** | 10442 | Parks | North Valley Park Playground Rehab |
| 10382 | GHAD | Inclinometers* | 10443 | Facilities | ADA Accessibility - City Hall* |
| 10383 | GHAD | Keller Ridge Drive Subdrain* | 10444 | Facilities | City Hall HVAC Replacement* |
| 10384 | Streets | Mitchell Canyon Rd. Overlay* | 10445 | Facilities | 1005 & 1007 Oak St Building Demolition* |
| 10385 | Parks | Community Park Tot Lot* | 10446 | Other | Oak/Grassland Savanna Management |
| 10386 | GHAD | Wells (cancelled)* | 10447 | Facilities | Emergency Auxiliary Power |
| 10387 | Streets | Pavement Rehab 2002/03* | 10448 | Streets | School Intersection Improvement |
| 10388 | Streets | Pavement Rehab 2003/04* | 10449 | Streets | 2020 Neighborhood Streets Repave |
| 10389 | Streets | Pavement Rehab 2004* | 10450 | Streets | Downtown Pedestrian Improvement |
| 10390 | Streets | Pavement Rehab 2005* | 10451 | Other | Green Infrastructure |

CITY OF CLAYTON
CAPITAL IMPROVEMENT PROGRAM FY 2019/20 to 2023/24

Budget by Funding Source - FY 2017/18

| Source | Unspent Prior Funding | HUTA Fund | RMRA Fund | Federal Grants | Concord Sewer Fund | Measure J LSM | Measure J Co-op | Measure J Grant | Impact Fee Fund | Misc. Funding | 17/18 Funding Total | 18/19 Expenditures | Rollover Funding |
|---|-----------------------|------------|-----------|----------------|--------------------|---------------|-----------------|-----------------|-----------------|---------------|---------------------|--------------------|------------------|
| Fund Balance as of 6/30/17 | | \$ 228,689 | \$ - | \$ - | \$ 526,140 | \$ 400,980 | \$ 23,484 | \$ - | \$ 579,148 | \$ 84,471 | | | |
| Actual Revenue in FY 17/18 | | 281,737 | 51,602 | - | - | 298,457 | 30,717 | 374,672 | 143,200 | 347,085 | | | |
| Actual non-CIP Expenses in FY 17/18 | | (155,974) | - | - | - | (31,214) | - | - | (36,717) | - | | | |
| Funds Available for CIP in FY 17/18 | | 354,452 | 51,602 | - | 526,140 | 668,223 | 54,201 | 374,672 | 685,631 | 431,556 | | | |
| # Category Project | | | | | | | | | | | | | |
| 10337A Facilities Keller House Rehabilitation | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10343 GHAD Crow Debris Basin | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10347A GHAD Eagle Peak Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10348 GHAD Keller Ridge Drive Area Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10349 GHAD Community Park Slide Repair | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10370 Creeks Creek Revitalization | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10375 Parks Samuel Ct. Park | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10379 Streets Pine Hollow Road Upgrades | - | - | - | - | - | - | - | 28,500 | - | - | 28,500 | (29,610) | (1,110) |
| 10393 Parks Skateboard Park | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10394A Streets ADA Compliance Program | 3,052 | 6,000 | - | - | - | - | - | - | - | 137 | 6,137 | - | 9,189 |
| 10395 Streets Catch Basin Modifications | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10396 Streets East Marsh Creek Road Signal | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10397 Streets Utility Undergrounding | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10400 Other Downtown Economic Development | 1,314,771 | - | - | - | - | - | - | - | - | 20,752 | 20,752 | (4,836) | 1,330,687 |
| 10419 Parks Community park Lighting, etc. | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10420 Other School Bridge Area Improvements | 202,258 | - | - | - | - | - | - | - | - | 3,070 | 3,070 | - | 205,328 |
| 10422 Sewers El Molino Drive Sanitary Sewer Impr. | - | - | - | - | 33,488 | - | - | - | - | - | 33,488 | (33,488) | - |
| 10423 Facilities Library Upgrades | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10425 Streets Keller Ridge Collector Street Rehab | 35 | 35,899 | - | - | - | - | - | - | - | - | 35,899 | (35,934) | - |
| 10436 Streets 2018 Neighborhood Street Project | (2,552) | - | - | - | - | 38,117 | - | - | - | - | 38,117 | (35,565) | - |
| 10439 Streets El Portal Drive restoration Project | 5,430 | - | - | - | - | 27,432 | - | - | - | - | 27,432 | (32,862) | - |
| 10440 Parks Community Park - Field 1 Rehab | - | - | - | - | - | - | - | - | - | 50,620 | 50,620 | - | 50,620 |
| 10442 Parks North Valley Park Playground Rehab | - | - | - | - | - | - | - | - | 142,000 | 25,850 | 167,850 | (850) | 167,000 |
| 10443 Facilities City Hall ADA Accessibility | - | - | - | - | - | - | - | - | 19,000 | 16,477 | 35,477 | (6,442) | 29,035 |
| 10444 Facilities City HVAC Replacement | - | - | - | - | - | - | - | - | - | 256,443 | 256,443 | (229,858) | 26,585 |
| Subtotal - FYE 6/30/18 | | 41,899 | - | - | 33,488 | 65,549 | - | 28,500 | 161,000 | 373,349 | 703,785 | (409,445) | |
| Fund Balance as of June 30, 2018 | \$ 1,522,994 | \$ 312,553 | \$ 51,602 | \$ - | \$ 492,682 | \$ 602,674 | \$ 54,201 | \$ 346,172 | \$ 524,631 | \$ 58,207 | | | \$ 1,817,334 |

CITY OF CLAYTON
 CAPITAL IMPROVEMENT PROGRAM FY 2019/20 to 2023/24

Budget by Funding Source - FY 2018/19

| Source | Unspent Prior Funding | HUTA Fund | RMRA Fund | Federal Grants | State Grants | Concord Sewer Fund | Measure J LSM | Measure J Co-op | Measure J Grant | Impact Fee Fund | Misc. Funding | 18/19 Funding Total | 18/19 Est. Expenditures | Rollover Funding |
|---|-----------------------|------------|------------|----------------|--------------|--------------------|---------------|-----------------|-----------------|-----------------|---------------|---------------------|-------------------------|------------------|
| Fund Balance as of 6/30/18 | | \$ 312,553 | \$ 51,602 | \$ - | \$ - | \$ 492,652 | \$ 602,674 | \$ 54,201 | 346,172 | \$ 524,631 | \$ 58,207 | | | |
| Estimated Revenue thru FY 18/19 | | 292,180 | 181,700 | 385,000 | 86,553 | 225,000 | 297,527 | 32,810 | - | 11,800 | 83,472 | | | |
| Estimated non-CIP Expenses in FY 18/19 | | (153,225) | - | - | - | - | (31,723) | - | - | - | (14,390) | | | |
| Funds Available for CIP in FY 18/19 | | 451,508 | 233,302 | 385,000 | 86,553 | 717,652 | 868,478 | 87,011 | 346,172 | 536,431 | 127,289 | | | |
| # Category Project | | | | | | | | | | | | | | |
| 10337A Facilities Keller House Rehabilitation | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10343 GHAD Crow Debris Basin | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10347A GHAD Eagle Peak Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10348 GHAD Keller Ridge Drive Area Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10349 GHAD Community Park Slide Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10370 Creeks Creek Revitalization | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10375 Parks Samuel Cl. Park | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10379 Streets Pine Hollow Road Upgrades | (1,110) | 50,000 | - | - | - | - | - | - | - | - | - | 50,000 | (48,890) | - |
| 10393 Parks Skateboard Park | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10394A Streets ADA Compliance Program | 9,189 | 6,000 | - | - | - | - | - | - | - | - | 87 | 6,087 | - | 15,276 |
| 10395 Streets Catch Basin Modifications | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10396 Streets East Marsh Creek Road Signal | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10397 Streets Utility Undergrounding | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10400 Other Downtown Economic Development | 1,330,687 | - | - | - | - | - | - | - | - | - | 13,077 | 13,077 | (57,524) | 1,286,240 |
| 10419 Parks Community park Lighting, etc. | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10420 Other School Bridge Area Improvements | 205,328 | - | - | - | - | - | - | - | - | - | 1,935 | 1,935 | - | 207,263 |
| 10422 Sewers El Molino Drive Sanitary Sewer Impr | - | - | - | - | - | 207,652 | - | - | - | - | - | 207,652 | (207,652) | - |
| 10423 Facilities Library Upgrades | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10425 Streets Keller Ridge Collector Street Rehab | - | 171,553 | - | 385,000 | 25,775 | - | 241,443 | - | - | - | - | 823,771 | (823,771) | - |
| 10436 Streets 2018 Neighborhood Street Project | - | 22,050 | 64,355 | - | 60,778 | - | 572,793 | 86,419 | - | - | - | 806,395 | (806,395) | - |
| 10439 Streets El Portal Drive restoration Project | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10440 Parks Community Park - Field 1 Rehab | 50,620 | - | - | - | - | - | - | - | - | - | 477 | 477 | - | 51,097 |
| 10442 Parks North Valley Park Playground Rehab | 167,000 | - | - | - | - | - | - | - | - | - | 1,575 | 1,575 | - | 168,575 |
| 10443 Facilities City Hall ADA Accessibility | 29,035 | - | - | - | - | - | - | - | - | - | 11,189 | 11,189 | (40,224) | - |
| 10444 Facilities City Hall HVAC Replacement | 26,585 | - | - | - | - | - | - | - | - | - | 132 | 132 | (26,717) | - |
| 10445 Facilities City Hall Bungalow Demolition | - | - | - | - | - | - | - | - | - | - | 55,000 | 55,000 | (55,000) | - |
| Subtotal - FY 18/19 | | 249,603 | 64,355 | 385,000 | 86,553 | 207,652 | 814,236 | 86,419 | - | - | 83,472 | 1,977,290 | (2,066,173) | |
| Fund Balance as of June 30, 2019 | \$ 1,817,334 | \$ 201,905 | \$ 168,947 | \$ - | \$ - | \$ 510,000 | \$ 54,242 | \$ 592 | \$ 346,172 | \$ 536,431 | \$ 43,817 | | | \$ 1,728,451 |

CITY OF CLAYTON
CAPITAL IMPROVEMENT PROGRAM FY 2019/20 to 2023/24

Budget by Funding Source - FY 2019/20

| Source | Unspent Prior Funding | HUTA Fund | RMRA Fund | Federal Grants | State Grants | Concord Sewer Fund | Measure J LSM | Measure J Co-op | Measure J Grant | Impact Fee Fund | Misc. Funding | 19/20 Funding Total | 19/20 Est. Expenditures | Rollover Funding |
|--|-----------------------|------------|------------|----------------|--------------|--------------------|---------------|-----------------|-----------------|-----------------|---------------|---------------------|-------------------------|------------------|
| Fund Balance as of 6/30/19 | | \$ 201,905 | \$ 168,947 | \$ - | \$ - | \$ 510,000 | \$ 54,242 | \$ 592 | \$ 346,172 | \$ 536,431 | \$ 43,817 | | | |
| Estimated Revenue thru FY 19/20 | | 348,190 | 190,200 | 508,000 | - | - | 297,000 | 33,938 | 252,000 | - | 298,903 | | | |
| Estimated non-CIP Expenses in FY 19/20 | | (193,560) | - | - | - | - | (36,830) | - | - | - | - | | | |
| Funds Available for CIP in FY 19/20 | | 356,535 | 359,147 | 508,000 | - | 510,000 | 314,412 | 34,530 | 598,172 | 536,431 | 342,720 | | | |
| # Category Project | | | | | | | | | | | | | | |
| 10337A Facilities Keller House Rehabilitation | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10343 GHAD Crow Debris Basin | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10347A GHAD Eagle Peak Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10348 GHAD Keller Ridge Drive Area Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10349 GHAD Community Park Slide Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10370 Creeks Creek Revitalization | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10375 Parks Samuel Ct. Park | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10379 Streets Pine Hollow Road Upgrades | - | - | 359,147 | 308,000 | - | - | - | - | 346,172 | - | - | 1,013,319 | (1,013,319) | - |
| 10393 Parks Skateboard Park | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10394A Streets ADA Compliance Program | 15,276 | 6,000 | - | - | - | - | - | - | - | - | - | 6,000 | - | 21,276 |
| 10395 Streets Catch Basin Modifications | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10396 Streets East Marsh Creek Road Signal | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10397 Streets Utility Undergrounding | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10400 Other Downtown Economic Development | 1,286,240 | - | - | - | - | - | - | - | - | - | - | - | (3,000) | 1,283,240 |
| 10419 Parks Community park Lighting, etc. | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10420 Other School Bridge Area Improvements | 207,263 | - | - | - | - | - | - | - | - | - | - | - | - | 207,263 |
| 10422 Sewers El Molino Drive Sanitary Sewer Impr | - | - | - | - | - | 510,000 | - | - | - | - | - | 510,000 | (510,000) | - |
| 10423 Facilities Library Upgrades | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10440 Parks Community Park - Field 1 Rehab | 51,097 | - | - | - | - | - | - | - | - | - | 48,903 | 48,903 | (100,000) | - |
| 10442 Parks North Valley Park Playground Rehab | 168,575 | - | - | - | - | - | - | - | - | - | - | - | (168,575) | - |
| 10446 Other Oak/Grassland Savanna Management | - | - | - | - | - | - | - | - | - | - | 100,000 | 100,000 | (100,000) | - |
| 10447 Facilities Emergency Auxiliary Power | - | - | - | - | - | - | - | - | - | - | 100,000 | 100,000 | (100,000) | - |
| 10448 Streets School Intersection Improvement | - | - | - | - | - | - | 100,000 | - | - | - | - | 100,000 | (100,000) | - |
| 10449 Streets 2020 Neighborhood Streets Repave | - | 350,535 | - | - | - | - | 214,412 | 34,530 | - | - | - | 599,477 | (599,477) | - |
| 10450 Streets Downtown Pedestrian Improvement | - | - | - | - | - | - | - | - | 252,000 | - | - | 252,000 | (252,000) | - |
| 10451 Other Green Infrastructure Plan | - | - | - | - | - | - | - | - | - | - | 50,000 | 50,000 | (50,000) | - |
| Subtotal - FY 19/20 | | 356,535 | 359,147 | 308,000 | - | 510,000 | 314,412 | 34,530 | 598,172 | - | 298,903 | 2,779,699 | (2,996,371) | |
| Fund Balance as of June 30, 2020 | \$ 1,728,451 | \$ - | \$ - | \$ 200,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 536,431 | \$ 43,817 | | | \$ 1,511,779 |

CITY OF CLAYTON
CAPITAL IMPROVEMENT PROGRAM FY 2019/20 to 2023/24

Budget by Funding Source - FY 2020/21

| Source | Unspent Prior Funding | HUTA Fund | RMRA Fund | Federal Grants | State Grants | Concord Sewer Fund | Measure J LSM | Measure J Co-op | Measure J Grant | Impact Fee Fund | Misc. Funding | 20/21 Funding Total | 20/21 Est. Expenditures | Rollover Funding |
|---|-----------------------|------------|------------|----------------|--------------|--------------------|---------------|-----------------|-----------------|-----------------|---------------|---------------------|-------------------------|------------------|
| Fund Balance as of 6/30/20 | | \$ - | \$ - | \$ 200,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 536,431 | \$ 43,817 | | | |
| Estimated Revenue thru FY 20/21 | | 350,000 | 195,000 | - | - | - | 295,000 | 32,000 | - | - | - | | | |
| Estimated non-CIP Expenses in FY 20/21 | | (200,000) | - | - | - | - | (45,000) | - | - | - | - | | | |
| Funds Available for CIP in FY 20/21 | | 150,000 | 195,000 | 200,000 | - | - | 250,000 | 32,000 | - | 536,431 | 43,817 | | | |
| # Category Project | | | | | | | | | | | | | | |
| 10337A Facilities Keller House Rehabilitation | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10343 GHAD Crow Debris Basin | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10347A GHAD Eagle Peak Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10348 GHAD Keller Ridge Drive Area Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10349 GHAD Community Park Slide Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10370 Creeks Creek Revitalization | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10375 Parks Samuel Ct. Park | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10393 Parks Skateboard Park | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10394A Streets ADA Compliance Program | 21,276 | 6,000 | - | - | - | - | - | - | - | - | - | 6,000 | - | 27,276 |
| 10395 Streets Catch Basin Modifications | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10396 Streets East Marsh Creek Road Signal | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10397 Streets Utility Undergrounding | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10400 Other Downtown Economic Development | 1,283,240 | - | - | - | - | - | - | - | - | - | - | - | (3,000) | 1,280,240 |
| 10419 Parks Community park Lighting, etc. | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10420 Other School Bridge Area Improvements | 207,263 | - | - | - | - | - | - | - | - | - | - | - | - | 207,263 |
| 10423 Facilities Library Upgrades | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10440 Parks Community Park - Field 1 Rehab | 51,097 | - | - | - | - | - | - | - | - | - | - | - | - | 51,097 |
| 10446 Other Oak/Grassland Savanna Management | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10447 Facilities Emergency Auxiliary Power | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10448 Streets School Intersection Improvement | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10449 Streets 2020 Neighborhood Streets Repave | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10450 Streets Downtown Pedestrian Improvement | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10451 Other Green Infrastructure Plan | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal - FY 20/21 | | 6,000 | - | - | - | - | - | - | - | - | - | 6,000 | (3,000) | |
| Fund Balance as of June 30, 2021 | \$ 1,562,876 | \$ 144,000 | \$ 195,000 | \$ 200,000 | \$ - | \$ - | \$ 250,000 | \$ 32,000 | \$ - | \$ 536,431 | \$ 43,817 | | | \$ 1,565,876 |

CITY OF CLAYTON
 CAPITAL IMPROVEMENT PROGRAM FY 2019/20 to 2023/24

Budget by Funding Source - FY 2021/22

| Source | Unspent Prior Funding | HUTA Fund | RMRA Fund | Federal Grants | State Grants | Concord Sewer Fund | Measure J LSM | Measure J Co-op | Measure J Grant | Impact Fee Fund | Misc. Funding | 21/22 Funding Total | 21/22 Est. Expenditures | Rollover Funding |
|---|-----------------------|------------|------------|----------------|--------------|--------------------|---------------|-----------------|-----------------|-----------------|---------------|---------------------|-------------------------|------------------|
| Fund Balance as of 6/30/21 | | \$ 146,000 | \$ 195,000 | \$ 200,000 | \$ - | \$ - | \$ 250,000 | \$ 32,000 | \$ - | \$ 536,431 | \$ 43,817 | | | |
| Estimated Revenue thru FY 21/22 | | 350,000 | 200,000 | - | - | - | 300,000 | 32,000 | - | - | - | | | |
| Estimated non-CIP Expenses in FY 21/22 | | (200,000) | - | - | - | - | (50,000) | - | - | - | - | | | |
| Funds Available for CIP in FY 21/22 | | 294,000 | 395,000 | 200,000 | - | - | 500,000 | 64,000 | - | 536,431 | 43,817 | | | |
| # Category Project | | | | | | | | | | | | | | |
| 1037A Facilities Keller House Rehabilitation | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10343 GHAD Crow Debris Basin | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10347A GHAD Eagle Peak Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10348 GHAD Keller Ridge Drive Area Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10349 GHAD Community Park Slide Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10370 Creeks Creek Revitalization | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10375 Parks Samuel Ct. Park | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10379 Streets Pine Hollow Road Upgrades | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10393 Parks Skateboard Park | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10394A Streets ADA Compliance Program | 27,276 | 6,000 | - | - | - | - | - | - | - | - | - | 6,000 | - | 33,276 |
| 10395 Streets Catch Basin Modifications | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10396 Streets East Marsh Creek Road Signal | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10397 Streets Utility Undergrounding | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10400 Other Downtown Economic Development | 1,280,240 | - | - | - | - | - | - | - | - | - | - | - | (3,000) | 1,277,240 |
| 10419 Parks Community park Lighting, etc. | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10420 Other School Bridge Area Improvements | 207,263 | - | - | - | - | - | - | - | - | - | - | - | - | 207,263 |
| 10423 Facilities Library Upgrades | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10440 Parks Community Park - Field 1 Rehab | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10446 Other Oak/Grassland Savanna Management | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10447 Facilities Emergency Auxillary Power | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10448 Streets School Intersection Improvement | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10449 Streets 2020 Neighborhood Streets Repave | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10450 Streets Downtown Pedestrian Improvement | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10451 Other Green Infrastructure Plan | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal - FY 21/22 | | 6,000 | - | - | - | - | - | - | - | - | - | 6,000 | (3,000) | - |
| Fund Balance as of June 30, 2022 | \$ 1,514,779 | \$ 288,000 | \$ 395,000 | \$ 200,000 | \$ - | \$ - | \$ 500,000 | \$ 64,000 | \$ - | \$ 536,431 | \$ 43,817 | | | \$ 1,517,779 |

CITY OF CLAYTON
 CAPITAL IMPROVEMENT PROGRAM FY 2019/20 to 2023/24

Budget by Funding Source - FY 2022/23

| Source | Unspent Prior Funding | HUTA Fund | RMRA Fund | Federal Grants | State Grants | Concord Sewer Fund | Measure J LSM | Measure J Co-op | Measure J Grant | Impact Fee Fund | Misc. Funding | 22/23 Funding Total | 22/23 Est. Expenditures | Rollover Funding |
|---|-----------------------|-------------------|-------------------|-------------------|--------------|--------------------|-------------------|------------------|-----------------|-------------------|------------------|---------------------|-------------------------|---------------------|
| Fund Balance as of 6/30/22 | | \$ 288,000 | \$ 395,000 | \$ 200,000 | \$ - | \$ - | \$ 500,000 | \$ 64,000 | \$ - | \$ 536,431 | \$ 43,817 | | | |
| Estimated Revenue thru FY 22/23 | | 350,000 | 200,000 | - | - | - | 300,000 | 32,000 | - | - | - | | | |
| Estimated non-CIP Expenses in FY 22/23 | | (200,000) | - | - | - | - | (50,000) | - | - | - | - | | | |
| Funds Available for CIP in FY 22/23 | | 438,000 | 595,000 | 200,000 | - | - | 750,000 | 96,000 | - | 536,431 | 43,817 | | | |
| # Category Project | | | | | | | | | | | | | | |
| 10337A Facilities Keller House Rehabilitation | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10343 GHAD Crow Debris Basin | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10347A GHAD Eagle Peak Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10348 GHAD Keller Ridge Drive Area Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10349 GHAD Community Park Slide Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10370 Creeks Creek Revitalization | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10375 Parks Samuel Ct. Park | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10379 Streets Pine Hollow Road Upgrades | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10393 Parks Skateboard Park | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10394A Streets ADA Compliance Program | 33,276 | 6,000 | - | - | - | - | - | - | - | - | - | 6,000 | - | 39,276 |
| 10395 Streets Catch Basin Modifications | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10396 Streets East Marsh Creek Road Signal | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10397 Streets Utility Undergrounding | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10400 Other Downtown Economic Development | 1,277,240 | - | - | - | - | - | - | - | - | - | - | - | (3,000) | 1,274,240 |
| 10419 Parks Community park Lighting, etc. | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10420 Other School Bridge Area Improvements | 207,263 | - | - | - | - | - | - | - | - | - | - | - | - | 207,263 |
| 10423 Facilities Library Upgrades | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10440 Parks Community Park - Field 1 Rehab | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10446 Other Oak/Grassland Savanna Management | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10447 Facilities Emergency Auxiliary Power | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10448 Streets School Intersection Improvement | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10449 Streets 2020 Neighborhood Streets Repave | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10450 Streets Downtown Pedestrian Improvement | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10451 Other Green Infrastructure Plan | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal - FY 22/23 | | 6,000 | - | - | - | - | - | - | - | - | - | 6,000 | (3,000) | - |
| Fund Balance as of June 30, 2023 | \$ 1,517,779 | \$ 432,000 | \$ 595,000 | \$ 200,000 | \$ - | \$ - | \$ 750,000 | \$ 96,000 | \$ - | \$ 536,431 | \$ 43,817 | | | \$ 1,520,779 |

CITY OF CLAYTON
CAPITAL IMPROVEMENT PROGRAM FY 2019/20 to 2023/24

Budget by Funding Source - FY 2023/24

| Source | | | Unspent Prior Funding | HUTA Fund | RMRA Fund | Federal Grants | State Grants | Concord Sewer Fund | Measure J LSM | Measure J Co-op | Measure J Grant | Impact Fee Fund | Misc. Funding | 23/24 Funding Total | 23/24 Ret. Expenditures | Rollover Funding |
|--|------------|--------------------------------------|-----------------------|------------|------------|----------------|--------------|--------------------|---------------|-----------------|-----------------|-----------------|---------------|---------------------|-------------------------|------------------|
| Fund Balance as of 6/30/23 | | | | \$ 432,000 | \$ 595,000 | \$ 200,000 | \$ - | \$ - | \$ 750,000 | \$ 96,000 | \$ - | \$ 536,431 | \$ 43,817 | | | |
| Estimated Revenue thru FY 23/24 | | | | 350,000 | 200,000 | - | - | - | 300,000 | 32,000 | - | - | - | | | |
| Estimated non-CIP Expenses in FY 23/24 | | | | (200,000) | - | - | - | - | (50,000) | - | - | - | - | | | |
| Funds Available for CIP in FY 23/24 | | | | 582,000 | 795,000 | 200,000 | - | - | 1,000,000 | 128,000 | - | 536,431 | 43,817 | | | |
| # | Category | Project | | | | | | | | | | | | | | |
| 10337A | Facilities | Keller House Rehabilitation | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10343 | GHAD | Crow Debris Basin | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10347A | GHAD | Engle Peak Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10348 | GHAD | Keller Ridge Drive Area Slope Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10349 | GHAD | Community Park Slide Repair | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10370 | Creeks | Creek Revitalization | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10375 | Parks | Samuel Ct. Park | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10379 | Streets | Pine Hollow Road Upgrades | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10393 | Parks | Skateboard Park | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10394A | Streets | ADA Compliance Program | 39,276 | 6,000 | - | - | - | - | - | - | - | - | - | 6,000 | - | 45,276 |
| 10395 | Streets | Catch Basin Modifications | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10396 | Streets | East Marsh Creek Road Signal | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10397 | Streets | Utility Undergrounding | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10400 | Other | Downtown Economic Development | 1,274,240 | - | - | - | - | - | - | - | - | - | - | - | (3,000) | 1,271,240 |
| 10419 | Parks | Community park Lighting, etc. | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10420 | Other | School Bridge Area Improvements | 207,263 | - | - | - | - | - | - | - | - | - | - | - | - | 207,263 |
| 10423 | Facilities | Library Upgrades | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10440 | Parks | Community Park - Field 1 Rehab | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10446 | Other | Oak/Grassland Savanna Management | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10447 | Facilities | Emergency Auxiliary Power | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10448 | Streets | School Intersection Improvement | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10449 | Streets | 2020 Neighborhood Streets Repave | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10450 | Streets | Downtown Pedestrian Improvement | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10451 | Other | Green Infrastructure Plan | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal - FY 23/24 | | | | 6,000 | - | - | - | - | - | - | - | - | - | 6,000 | (3,000) | - |
| Fund Balance as of June 30, 2024 | | | \$ 1,520,779 | \$ 576,000 | \$ 795,000 | \$ 200,000 | \$ - | \$ - | \$ 1,000,000 | \$ 128,000 | \$ - | \$ 536,431 | \$ 43,817 | | | \$ 1,523,779 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|------------|----------------|-----------------------------|
| Facilities | 10337A | Keller House Rehabilitation |

DESCRIPTION - LOCATION

Rehabilitation of historical ranch home
And grounds located across Mt. Diablo
Creek from the library.



COMMENTS

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|----------------------------|------------|---------|---------|---------|---------|---------|--------------------|--------------------|
| Planning/Design | | | | | | | | |
| Construction/ Execution | | | | | | | \$1,780,477 | \$1,780,477 |
| Monitoring/ Inspections | | | | | | | | |
| Close-out/ Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | | | | | | \$1,780,477 | \$1,780,477 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|---------|---------|---------|---------|---------|--------------------|--------------------|
| Unfunded | | | | | | | \$1,780,477 | \$1,780,477 |
| | | | | | | | | |
| TOTAL | | | | | | | \$1,780,477 | \$1,780,477 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|---------------------------|
| GHAD | 10343 | Crow Place – Debris Basin |

DESCRIPTION - LOCATION

Clean out debris basin located in GHAD easement behind golf course and single-family lots.



COMMENTS

Subject to approval of increased assessments.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|---------|---------|---------|---------|---------|-----------|-----------|
| Planning/Design | | | | | | | \$10,000 | \$10,000 |
| Construction/Execution | | | | | | | \$95,000 | \$95,000 |
| Monitoring/Inspections | | | | | | | \$5,000 | \$5,000 |
| Close-out/Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | | | | | | \$110,000 | \$110,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|---------|---------|---------|---------|---------|-----------|-----------|
| Unfunded | | | | | | | \$110,000 | \$110,000 |
| | | | | | | | | |
| TOTAL | | | | | | | \$110,000 | \$110,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|-------------------------|
| GHAD | 10347A | Eagle Peak Slope Repair |

DESCRIPTION - LOCATION

Stabilize and/or repair large slope moving adjacent to single family houses and streets in Eagle Peak Subdivision.



COMMENTS

Cost estimate per Soils Engineer. Dependent on GHAD assessment increase.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|---------|---------|---------|---------|---------|--------------------|--------------------|
| Planning/Design | | | | | | | \$70,000 | \$70,000 |
| Construction/Execution | | | | | | | \$1,140,000 | \$1,140,000 |
| Monitoring/Inspections | | | | | | | \$30,000 | \$30,000 |
| Close-out/Punch List | | | | | | | \$10,000 | \$10,000 |
| Other | | | | | | | | |
| TOTAL | | | | | | | \$1,250,000 | \$1,250,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|---------|---------|---------|---------|---------|--------------------|--------------------|
| Unfunded | | | | | | | \$1,250,000 | \$1,250,000 |
| | | | | | | | | |
| TOTAL | | | | | | | \$1,250,000 | \$1,250,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|---|
| GHAD | 10348 | Keller Ridge Drive Area - Slope Repair |

DESCRIPTION - LOCATION

Stabilize and/or repair small slope pop-out adjacent to single-family homes.



COMMENTS

Subject to approval of increased assessments.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|---------|---------|---------|---------|---------|----------|----------|
| Planning/Design | | | | | | | \$5,000 | \$5,000 |
| Construction/Execution | | | | | | | \$50,000 | \$5,000 |
| Monitoring/Inspections | | | | | | | \$5,000 | \$50,000 |
| Close-out/Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | | | | | | \$60,000 | \$60,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|---------|---------|---------|---------|---------|----------|----------|
| Unfunded | | | | | | | \$60,000 | \$60,000 |
| | | | | | | | | |
| TOTAL | | | | | | | \$60,000 | \$60,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|----------------------------|
| GHAD | 10349 | Community Park - Landslide |

DESCRIPTION - LOCATION

Repair landslides that occurred above field #3 (uppermost field).



COMMENTS

Subject to approval of increased assessments.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|---------|---------|---------|---------|---------|------------------|------------------|
| Planning/Design | | | | | | | \$7,000 | \$7,000 |
| Construction/Execution | | | | | | | \$95,000 | \$95,000 |
| Monitoring/Inspections | | | | | | | \$8,000 | \$8,000 |
| Close-out/Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | | | | | | \$110,000 | \$110,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|---------|---------|---------|---------|---------|------------------|------------------|
| Unfunded | | | | | | | \$110,000 | \$110,000 |
| | | | | | | | | |
| TOTAL | | | | | | | \$110,000 | \$110,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|----------------------|
| Creeks | 10370 | Creek Revitalization |

DESCRIPTION - LOCATION

Clean out creeks, improve access to creek banks, reinforce creek banks and repair adjacent trails where needed, replace riparian vegetation.



COMMENTS

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|---------|---------|---------|---------|---------|-------------|-------------|
| Planning/Design | | | | | | | | |
| Construction/Execution | | | | | | | \$3,000,000 | \$3,000,000 |
| Monitoring/Inspections | | | | | | | | |
| Close-out/Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | | | | | | \$3,000,000 | \$3,000,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|---------|---------|---------|---------|---------|-------------|-------------|
| Unfunded | | | | | | | \$3,000,000 | \$3,000,000 |
| | | | | | | | | |
| TOTAL | | | | | | | \$3,000,000 | \$3,000,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|-----------------|
| Streets | 10375 | Samuel Ct. Park |

DESCRIPTION - LOCATION

Install landscaping and irrigation improvements.



COMMENTS

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|---------|---------|---------|---------|---------|-----------------|-----------------|
| Planning/Design | | | | | | | \$5,000 | \$5,000 |
| Construction/Execution | | | | | | | \$75,000 | \$75,000 |
| Monitoring/Inspections | | | | | | | \$5,000 | \$5,000 |
| Close-out/Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | | | | | | \$85,000 | \$85,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|---------|---------|---------|---------|---------|-----------------|-----------------|
| Unfunded | | | | | | | \$85,000 | \$85,000 |
| | | | | | | | | |
| TOTAL | | | | | | | \$85,000 | \$85,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|---------------------------|
| Streets | 10379 | Pine Hollow Rd. - Upgrade |

DESCRIPTION - LOCATION

Improve City entry on Pine Hollow Rd. with new painting, monument sign, etc.



COMMENTS

ROW controlled by Concord and/or County. Joint Project possible, though not probable.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------------|-----------------|--------------------|---------|---------|---------|---------|--------|--------------------|
| Planning/ Design | \$78,500 | | | | | | | \$78,500 |
| Construction/ Execution | | \$953,319 | | | | | | \$953,319 |
| Monitoring/ Inspections | | \$45,000 | | | | | | \$45,000 |
| Close-out/ Punch List | | \$15,000 | | | | | | \$15,000 |
| Other | | | | | | | | |
| TOTAL | \$78,500 | \$1,013,319 | | | | | | \$1,091,819 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|-----------------|--------------------|---------|---------|---------|---------|--------|--------------------|
| Measure J Grant | \$28,500 | \$346,172 | | | | | | \$375,000 |
| Gas Tax (RMRA) | | \$359,147 | | | | | | \$189,883 |
| OBAG II (Federal) | | \$308,000 | | | | | | \$308,000 |
| HUTA Gas Tax | \$50,000 | | | | | | | |
| TOTAL | \$78,500 | \$1,013,319 | | | | | | \$1,091,819 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|-----------------|
| Parks | 10393 | Skateboard Park |

DESCRIPTION - LOCATION

Construct Skateboard Park at an as yet Undetermined location.

COMMENTS

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|----------------------------|------------|---------|---------|---------|---------|---------|-----------|-----------|
| Planning/ Design | | | | | | | \$45,000 | \$45,000 |
| Construction/ Execution | | | | | | | \$660,000 | \$660,000 |
| Monitoring/ Inspections | | | | | | | | |
| Close-out/ Punch List | | | | | | | | |
| TOTAL | | | | | | | \$750,000 | \$750,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|---------|---------|---------|---------|---------|-----------|-----------|
| Unfunded | | | | | | | \$750,000 | \$750,000 |
| TOTAL | | | | | | | \$750,000 | \$750,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|-----------------|-----------------------|------------------------|
| Streets | 10394A | ADA Compliance Program |

DESCRIPTION - LOCATION

ADA Compliance City-wide.

COMMENTS

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-----------------------|-------------------|----------------|----------------|----------------|----------------|----------------|---------------|--------------|
| Planning/Design | | | | | | | | |
| Construction/ | | | | | | | \$500,000 | \$500,000 |
| Execution | | | | | | | | |
| Monitoring/ | | | | | | | | |
| Inspections | | | | | | | | |
| Close-out/ | | | | | | | | |
| Punch List | | | | | | | | |
| TOTAL | | | | | | | \$500,000 | \$500,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|--------------------------|-------------------|----------------|----------------|----------------|----------------|----------------|---------------|--------------|
| HUTA Gas Tax | \$15,276 | \$6,000 | \$6,000 | \$6,000 | \$6,000 | \$6,000 | | \$45,276 |
| Unfunded | | | | | | | \$454,724 | \$454,724 |
| TOTAL | \$15,276 | \$6,000 | \$6,000 | \$6,000 | \$6,000 | \$6,000 | \$454,724 | \$500,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|-----------------|-----------------------|---------------------------|
| Streets | 10395 | Catch Basin Modifications |

DESCRIPTION - LOCATION

Add cross-bar to openings

COMMENTS

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|----------------------------|------------|---------|---------|---------|---------|---------|-----------|-----------|
| Planning/Design | | | | | | | | |
| Construction/ Execution | | | | | | | \$100,000 | \$100,000 |
| Monitoring/ Inspections | | | | | | | | |
| Close-out/ Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | | | | | | \$100,000 | \$100,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|---------|---------|---------|---------|---------|--------|-----------|
| Unfunded | | | | | | | | \$100,000 |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL | | | | | | | | \$100,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|---|
| Streets | 10396 | East Marsh Creek Road Traffic Signal |

DESCRIPTION - LOCATION

Install traffic signal on Marsh Creek Road
To the east of Diablo Parkway.

COMMENTS

Project postponed by Council action.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|----------------------------|------------|---------|---------|---------|---------|---------|------------------|------------------|
| Planning/Design | | | | | | | \$45,000 | \$45,000 |
| Construction/ Execution | | | | | | | \$350,000 | \$350,000 |
| Monitoring/ Inspections | | | | | | | \$35,000 | \$35,000 |
| Close-out/ Punch List | | | | | | | | |
| Utility Relocation | | | | | | | \$80,000 | \$80,000 |
| Other | | | | | | | | |
| TOTAL | | | | | | | \$510,000 | \$510,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|---------|---------|---------|---------|---------|------------------|------------------|
| Unfunded | | | | | | | \$510,000 | \$510,000 |
| TOTAL | | | | | | | \$510,000 | \$510,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|------------------------|
| Streets | 10397 | Utility Undergrounding |

DESCRIPTION - LOCATION

Underground overhead utility lines at as
Yet undetermined locations.

COMMENTS

Funds are allocated to the City's Rule 20Aa
account annually but held by PG&E until
project is approved by the City Council and
commences.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|----------------------------|------------|---------|---------|---------|---------|---------|-------------|-------------|
| Planning/Design | | | | | | | | |
| Construction/ Execution | | | | | | | \$3,000,000 | \$3,000,000 |
| Monitoring/ Inspections | | | | | | | | |
| Close-out/ Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | | | | | | \$3,000,000 | \$3,000,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|----------|----------|----------|----------|----------|-------------|-------------|
| PG&E Rule 20A | \$463,852 | \$20,500 | \$20,500 | \$20,500 | \$20,500 | \$20,500 | | \$566,352 |
| Unfunded | | | | | | | \$2,433,648 | \$2,433,648 |
| TOTAL | \$463,852 | \$20,500 | \$20,500 | \$20,500 | \$20,500 | \$20,500 | \$2,433,648 | \$3,000,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|-------------------------------|
| Other | 10400 | Downtown Economic Development |

DESCRIPTION - LOCATION

Provide funding for improving the economic viability of the downtown area.



COMMENTS

Transferred \$1,040,843. To CIP 10400A in FY 12/13 to purchase a 1.67 AC parcel in Town Center. Parcel purchased from Clayton Community Church.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|---------|---------|---------|---------|---------|--------------------|--------------------|
| Planning/Design | | | | | | | | |
| Construction/Execution | | | | | | | | |
| Monitoring/Inspections | | | | | | | | |
| Close-out/Punch List | | | | | | | | |
| Other | | | | | | | \$1,286,240 | \$1,286,240 |
| TOTAL | | | | | | | \$1,286,240 | \$1,286,240 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|--------------------|---------|---------|---------|---------|---------|--------|--------------------|
| CIP Const. Fund | \$1,286,240 | | | | | | | \$1,286,240 |
| TOTAL | \$1,286,240 | | | | | | | \$1,286,240 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|---------------------------------------|
| Parks | 10419 | Community Park Lighting & Resurfacing |

DESCRIPTION - LOCATION

Install sports field lighting, remove and replace turf with synthetic surfacing at Clayton Community Park.



COMMENTS

Cost estimates per Cost-Benefit Analysis Prepared by PMC and dated August 31, 2009.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|---------|---------|---------|---------|---------|-------------|-------------|
| Planning/Design | | | | | | | | |
| Construction/Execution | | | | | | | | |
| Monitoring/Inspections | | | | | | | | |
| Close-out/Punch List | | | | | | | \$4,084,000 | \$4,084,000 |
| Other | | | | | | | | |
| TOTAL | | | | | | | \$4,084,000 | \$4,084,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|---------|---------|---------|---------|---------|-------------|-------------|
| Unfunded | | | | | | | \$4,084,000 | \$4,084,000 |
| | | | | | | | | |
| TOTAL | | | | | | | \$4,084,000 | \$4,084,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|-----------------|-----------------------|---------------------------------|
| Streets | 10420 | School Bridge Area Improvements |

DESCRIPTION - LOCATION

Improve area at Mt. Diablo Elementary School Bridge and Mitchell Creek to enhance Town Center area.

COMMENTS

Includes decorative wall, landscaping and Riparian vegetation restoration; funding transferred from CIP No. 10400, Downtown Economic Development.

No design or construction currently scheduled.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|-------------------|----------------|----------------|----------------|----------------|----------------|---------------|--------------|
| Planning/Design | | | | | | | \$20,000 | \$20,000 |
| Construction/Execution | | | | | | | \$172,263 | \$172,263 |
| Monitoring/Inspections | | | | | | | \$10,000 | \$10,000 |
| Close-out/Punch List | | | | | | | \$5,000 | \$5,000 |
| TOTAL | | | | | | | \$207,263 | \$207,263 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|--------------------------|-------------------|----------------|----------------|----------------|----------------|----------------|---------------|--------------|
| CIP Const. Fund | \$207,263 | | | | | | | \$207,263 |
| TOTAL | \$207,263 | | | | | | | \$207,263 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|---|
| Streets | 10422 | El Molino Drive Sanitary Sewer Improvements |

DESCRIPTION - LOCATION

Construct modifications to existing sanitary sewer mains to prevent potential sewer overflows in areas adjacent to Mt. Diablo Creek.



COMMENTS

Includes pipe enlargement and construction of a bypass line in El Molino Drive; funding from CIP 10400, Downtown Economic Development, returned as Concord has agreed to fund the bypass work (including preliminary design work) from annual sewer fees.

Preliminary design costs totaling approximately \$64,000 to date (FY 2004-2009) were tracked in the Development Impact Fees fund (304), temporarily covered by a General Fund loan authorized by City Council in FY 2004-05.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------------|------------------|---------|---------|---------|---------|--------|------------------|
| Planning/Design | \$225,000 | | | | | | | \$80,000 |
| Construction/Execution | \$50,000 | \$450,000 | | | | | | \$660,000 |
| Monitoring/Inspections | | \$40,000 | | | | | | \$35,000 |
| Close out/Punch List | | \$20,000 | | | | | | \$10,000 |
| TOTAL | \$275,000 | \$510,000 | | | | | | \$785,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|--------------------|------------------|------------------|---------|---------|---------|---------|--------|------------------|
| Concord Sewer Fund | \$275,000 | \$510,000 | | | | | | \$785,000 |
| TOTAL | \$275,000 | \$510,000 | | | | | | \$785,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|------------|----------------|------------------|
| Facilities | 10423 | Library Upgrades |

DESCRIPTION - LOCATION

Construct improvements to update Library including automatic checkout facilities, coffee/snack bar, etc.



COMMENTS

Includes 3,500 sf building addition plus new equipment and furniture.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|---------|---------|---------|---------|---------|--------------------|--------------------|
| Planning/Design | | | | | | | | |
| Construction/Execution | | | | | | | \$850,000 | \$850,000 |
| Monitoring/Inspections | | | | | | | | |
| Close-out/Punch List | | | | | | | | |
| Other | | | | | | | \$150,000 | \$150,000 |
| TOTAL | | | | | | | \$1,000,000 | \$1,000,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|---------|---------|---------|---------|---------|--------------------|--------------------|
| Unfunded | | | | | | | \$1,000,000 | \$1,000,000 |
| | | | | | | | | |
| | | | | | | | | |
| TOTAL | | | | | | | \$1,000,000 | \$1,000,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|--|
| Parks | 10440 | Clayton Community Park Field No. 1 Restoration |

DESCRIPTION - LOCATION

Rehabilitation of lower baseball/softball field (field No. 1).



COMMENTS

Council direction on funding and level of priority for next year still needed.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|-----------|---------|---------|---------|---------|--------|-----------|
| Planning/Design | | | | | | | | |
| Construction/Execution | | \$100,000 | | | | | | \$100,000 |
| Monitoring/Inspections | | | | | | | | |
| Close-out/Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | \$100,000 | | | | | | \$100,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|---|------------|----------|---------|---------|---------|---------|--------|-----------|
| Unfunded | | \$48,903 | | | | | | \$48,903 |
| Garbage Franchise Community Enhancement Fee | \$51,097 | | | | | | | \$51,097 |
| TOTAL | \$51,097 | \$48,903 | | | | | | \$100,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|----------|----------------|--|
| Parks | 10442 | North Valley Park Playground Rehabilitation |

DESCRIPTION - LOCATION

Install new playground equipment, shade structures and play surface.



COMMENTS

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------------|---------|---------|---------|---------|---------|--------|------------------|
| Planning/Design | | | | | | | | |
| Construction/Execution | \$168,575 | | | | | | | \$168,575 |
| Monitoring/Inspections | | | | | | | | |
| Close-out/Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | \$168,575 | | | | | | | \$168,575 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-----------------------|------------------|---------|---------|---------|---------|---------|--------|------------------|
| Open Space DIF | \$142,000 | | | | | | | \$142,000 |
| CIP Interest earnings | \$23,800 | | | | | | | \$23,800 |
| Project Interest | \$2,775 | | | | | | | \$2,775 |
| TOTAL | \$168,575 | | | | | | | \$168,575 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|------------|----------------|----------------------------------|
| Facilities | 10446 | Oak/Grassland Savanna Management |

DESCRIPTION - LOCATION

Management and enhancement of oak/grassland savanna open space parcels citywide. These parcels provide wildfire protection for the City by creating a low-fuel buffer zone between open space and developed neighborhoods. These parcels require management to prevent noxious and invasive plants from invading and taking over the grassland savanna. Noxious and invasive plants provide higher fuel loading and deplete the buffer protecting developed neighborhoods.



COMMENTS

We will seek Federal FEMA mitigation grant funding for this project.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|------------------|---------|---------|---------|---------|--------|------------------|
| Planning/Design | | \$100,000 | | | | | | \$100,000 |
| Construction/Execution | | | | | | | | |
| Monitoring/Inspections | | | | | | | | |
| Close-out/Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | \$100,000 | | | | | | \$100,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|------------------|---------|---------|---------|---------|--------|------------------|
| FEMA Grant | | \$100,000 | | | | | | \$100,000 |
| | | | | | | | | |
| Total | | \$100,000 | | | | | | \$100,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|------------|----------------|--|
| Facilities | 10447 | Emergency/Auxiliary Power at City Hall Complex |

DESCRIPTION – LOCATION

Design and ultimately construct/install emergency/auxiliary power (generator) to the City Hall complex including City Hall, Corporation Yard and Library building allowing the City to remain functional during a power outage or disaster.



COMMENTS

We will seek Federal FEMA mitigation grant funding for this project.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------------|------------|-----------|---------|---------|---------|---------|--------|-----------|
| Planning/Design | | \$100,000 | | | | | | \$100,000 |
| Construction/ Execution | | | | | | | | |
| Monitoring/ Inspections | | | | | | | | |
| Close-out/ Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | \$100,000 | | | | | | \$100,000 |

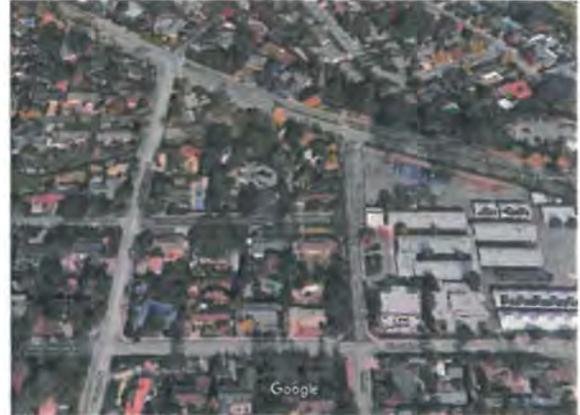
| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|-----------|---------|---------|---------|---------|--------|-----------|
| FEMA Grant | | \$100,000 | | | | | | \$100,000 |
| | | | | | | | | |
| Total | | \$100,000 | | | | | | \$100,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|------------|----------------|---|
| Facilities | 10448 | School Intersection Enhancement Project |

DESCRIPTION - LOCATION

Functional and operational enhancements to the intersections of Clayton Road and Marsh Creek Road adjacent to Diablo View Middle School and Clayton Road and Mt. Zion Drive adjacent to Mount Diablo Elementary School.



COMMENTS

Additional future project costs may be eligible candidates for Safe Routes to School grant funding.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------------|------------|-----------|---------|---------|---------|---------|--------|-----------|
| Planning/ Design | | \$50,000 | | | | | | \$50,000 |
| Construction/ Execution | | \$50,000 | | | | | | \$50,000 |
| Monitoring/ Inspections | | | | | | | | |
| Close-out/ Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | \$100,000 | | | | | | \$100,000 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|-----------|---------|---------|---------|---------|--------|-----------|
| Measure J LSM | | \$100,000 | | | | | | \$100,000 |
| | | | | | | | | |
| TOTAL | | \$100,000 | | | | | | \$100,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|------------|----------------|----------------------------------|
| Facilities | 10449 | 2020 Neighborhood Streets Repave |

DESCRIPTION - LOCATION

Pavement resurfacing and treatment on various neighborhood streets throughout the City.



COMMENTS

Priority is based on street assessment and PCI rating.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|------------------|---------|---------|---------|---------|--------|------------------|
| Planning/Design | | \$20,000 | | | | | | \$20,000 |
| Construction/Execution | | \$549,477 | | | | | | \$549,477 |
| Monitoring/Inspections | | \$20,000 | | | | | | \$20,000 |
| Close-out/Punch List | | \$10,000 | | | | | | \$10,000 |
| Other | | | | | | | | |
| TOTAL | | \$599,477 | | | | | | \$599,477 |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|------------------|---------|---------|---------|---------|--------|------------------|
| HUTA Gas Tax | | \$350,535 | | | | | | \$350,535 |
| Measure J LSM | | \$214,412 | | | | | | \$214,412 |
| Measure J Co-op | | \$34,530 | | | | | | \$34,530 |
| TOTAL | | \$599,477 | | | | | | \$599,477 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|------------|----------------|---------------------------------|
| Facilities | 10450 | Downtown Pedestrian Improvement |

DESCRIPTION - LOCATION

Construction of two raised and lighted crosswalks at Oak St and Center St. Also tabletop lighted intersection at Old Marsh Creek Rd and Main St.



COMMENTS

City Council approved master co-op agreement with CCTA (10/17/17) for Measure J Transportation for Livable Communities (TLC) program funds.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------------|------------|---------|---------|---------|---------|---------|--------|-------|
| Planning/ Design | | | | | | | | |
| Construction/ Execution | | | | | | | | |
| Monitoring/ Inspections | | | | | | | | |
| Close-out/ Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | | | | | | | |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|-------------------|------------|-----------|---------|---------|---------|---------|--------|-----------|
| Measure J (TLC) | | \$252,000 | | | | | | \$252,000 |
| TOTAL | | \$252,000 | | | | | | \$252,000 |

2019/20-2023/24 Capital Improvement Program

| Category | Project Number | Project |
|------------|----------------|---------------------------|
| Facilities | 10451 | Green Infrastructure Plan |

DESCRIPTION - LOCATION

Preparation of green infrastructure (GI) Plan identifying opportunity areas for the inclusion of GI projects.



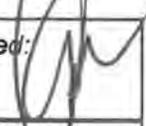
COMMENTS

Mandated in MRP 2.0 by SF Regional Water Quality Board. Report due October 2019.

| Estimated Cost | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|------------------------|------------|----------|---------|---------|---------|---------|--------|----------|
| Planning/Design | | \$50,000 | | | | | | \$50,000 |
| Construction/Execution | | | | | | | TBD | TBD |
| Monitoring/Inspections | | | | | | | | |
| Close-out/Punch List | | | | | | | | |
| Other | | | | | | | | |
| TOTAL | | \$50,000 | | | | | TBD | TBD |

| Funding (Sources) | Prior Yrs. | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Future | TOTAL |
|---------------------|------------|----------|---------|---------|---------|---------|--------|----------|
| General Fund Excess | | \$50,000 | | | | | | \$50,000 |
| Unfunded | | | | | | | TBD | TBD |
| TOTAL | | \$50,000 | | | | | TBD | TBD |



Approved: 
Gary A. Napper
City Manager

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: DAVID WOLTERING, INTERIM COMMUNITY DEVELOPMENT DIRECTOR 

DATE: MAY 21, 2019

SUBJECT: SECOND READING AND ADOPTION OF CITY-INITIATED ORDINANCE NO. 487, TO AMEND THE CLAYTON MUNICIPAL CODE, TITLE 12 – STREETS AND SIDEWALKS, TO ADD CHAPTER 12.05, “WIRELESS FACILITIES IN PUBLIC RIGHTS-OF-WAY” (ZOA-02-19)

RECOMMENDATION

Following staff's report and opportunity for public comments, it is recommended the City Council move to have Ordinance No. 487 be read by title and number only; and, then, by separate motion approve the Second Reading and Adoption of Ordinance No. 487, to amend the Clayton Municipal Code, Title 12 – Streets and Sidewalks, to add Chapter 12.05, “Wireless Facilities In Public Rights-of-Way”, with the finding the adoption of this Ordinance is not subject to the California Environmental Quality Act (CEQA) because CEQA only applies to projects which have the potential for causing a significant effect on the environment and this activity is not considered to be a project and can be seen with certainty that it will not have a significant effect or physical change to the environment. **(Attachment 1)**

BACKGROUND

At its May 7, 2019 regular meeting, the City Council adopted an Urgency Ordinance and a Resolution and approved Introduction and First Reading of a regular Ordinance to put in place regulatory requirements, including permit application, design and development standards, and operational standards, for installing wireless facilities in the public rights-of-way of the City of Clayton. This action was of particular importance because the Federal Communications Commission (FCC) had adopted a regulatory order that went into effect earlier this year that relaxes standards and gives more authority to carriers to install their wireless facilities in public rights-of-way throughout the country. Local jurisdictions, however, do retain some regulatory discretion in certain areas, including in the area of design and development standards

with objectives standards. It is known the wireless industry is in the process of deploying its next generation of wireless technology, 5G, a more distributed Small Cell wireless network, which relies heavily on using public rights-of-way for installation of these facilities. This 5G network is to deliver significantly more capacity than the current 4G wireless technology. The additional capacity is needed to support the significant increase in the use of video and live-streaming technology and the ever-increasing number of new products and devices dependent on wireless communication technology being introduced into the marketplace.

The City Council adopted both the Urgency Ordinance and the Resolution which provide the needed regulatory framework and design and development standards immediately as carriers may submit applications for wireless facilities in the City's public rights-of-way. The adopted package will require carriers to obtain a local Wireless Encroachment Permit to install the wireless facilities in the public rights-of-way, with noticing to those who may be impacted in the vicinity, full review of the proposed installation design, and submission of a radio frequency (RF) analysis to ensure that the proposed facility meets federal RF emissions standards. The adopted Resolution addresses matters of location, maximum height and size, and color and materials for the proposed wireless facilities.

Verizon Wireless was represented at the City Council meeting. The firm's representative requested certain modifications to the package as was stated in an accompanying letter from a law firm representing Verizon Wireless. The City Attorney and Community Development staff indicated the comments from the Verizon Wireless representatives did not require modifications to the package presented to Council. Staff did indicate, however, it would follow-up with Verizon Wireless and other carrier representatives and suggest refinements to the package in the future as deemed appropriate and necessary.

Subsequently, on May 16, 2019, members of staff (Andrew McCardle from the City Attorney's Office, City Engineer Scott Alman, and Interim Community Development Director David Woltering) initiated a conference call with Verizon Wireless representatives to share information regarding possibly in the future improving and/or refining the City's Ordinance/Resolution package for regulating wireless facilities in the public rights-of-way. Staff and Verizon representative agreed during the conference call to continue meeting to learn more about the possible network coverage needs of Verizon in the Clayton community and to discuss possible future language refinements in the Ordinance and/or Resolution.

ADDITIONAL MATERIALS

At the May 7, 2019 meeting, several Council Members requested to images of Small Cell wireless facilities in public rights-of-way. Attached to this Agenda Report are sample images of Small Cell facilities in public rights-of-way. (**Attachment 2**)

Since the May 7, 2019 public meeting, Council Member Wan submitted questions to staff related to this Agenda item. The City Attorney's office responded to those questions. Staff has attached a copy of the email response from the City Attorney's office. (Attachment 3)

DISCUSSION

The Ordinances and Resolution work in concert as described in more detail below:

- *Ordinances.* The ordinances will amend Title 12 of the Municipal Code to add Chapter 12.05, Wireless Facilities in the Public Right-of-Way. For all wireless facility installations in the ROW, these ordinances provide, among other regulations, the permit and review procedures as well as the operation and maintenance standards. The ordinances treat wireless installations in the ROW similar to other installations in the ROW by requiring an encroachment permit. Specifically, the ordinances set additional standards and requirements for obtaining an encroachment permit to install wireless facilities.
- *Design and Development Resolution.* The ordinances provide that design and development standards will be established and maintained by Resolution of the City Council. The Design and Development Resolution provides these standards. Given the frequent and often important changes to the law and technology of wireless installations, especially the pending litigation surrounding the FCC Order, design standards-by-resolution affords the City flexibility to readily adapt and tailor its regulations to these changes and the concerns of the City. The design and development standards that Clayton can impose include the following:
 - Establishing a maximum height and size of cellular antennae and support structures (cabinetry) that are allowed within the rights-of-way,
 - Prohibiting small cell antennae or equipment placement that causes interference with sight distances, ADA access, other adjacent utilities, pedestrian and bicycle traffic.
 - Requiring small cell facilities to be painted to match background materials and provide other stealth attributes to limit visual exposure.
 - Prohibiting new small cell facilities to be placed on existing wooden streetlight poles. If a telecommunications provider wants to place a small cell facility on a wooden pole, they will be required to replace the wooden pole with a metal pole matching surrounding metal poles.
 - Prohibiting placement of telecommunications equipment or materials onto the decorative and ornate streetlight poles in the Town Center Specific Plan area.

In addition to the already adopted Urgency Ordinance and Design and Development Resolution and the Regular Ordinance being considered for Second Reading and Adoption, City Staff is developing a standard application for wireless facility installations in the ROW and a master license agreement for use of City infrastructure such as streetlights, all of which together will serve as the City's framework for addressing applications for wireless facility installations in the ROW. Also, this package of documents will allow the City to order compliance with FCC radiofrequency (RF) emissions an application requirement and a condition of approval of any permit issued pursuant to the new permitting process.

ENVIRONMENTAL

The Ordinances and Resolution are not a "project" within the meaning of Section 15378 of the State CEQA Guidelines, because they have no potential for resulting in direct or indirect physical change in the environment. Rather, it is only once an application is filed to actually install a wireless facility would CEQA be implicated. Further, even if they were interpreted to permit a "project," any applicable wireless facility installation would likely be exempt from CEQA review in accordance with State CEQA Guidelines section 15302 (replacement or reconstruction), State CEQA Guidelines section 15303 (new construction or conversion of small structures), and/or State CEQA Guidelines section 15304 (minor alterations to land).

FISCAL IMPACT

There is no direct fiscal impact.

ATTACHMENTS

1. Ordinance No. 487 (Wireless Facilities in the Public Rights-of-Way).
2. Samples of Wireless Facility Images in Public Rights-of-Way.
3. Copy of email from City Attorney Malathy Subramanian to Council Member Jeff Wan with responses to questions from the Councilmember related to this Agenda item.

ORDINANCE NO. 487

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLAYTON TO AMEND THE CLAYTON MUNICIPAL CODE, TITLE 12 – STREETS AND SIDEWALKS, TO ADD CHAPTER 12.05, “WIRELESS FACILITIES IN PUBLIC RIGHTS-OF-WAY”.

WHEREAS, pursuant to the California State Constitution, the City of Clayton (“City”) has the authority to adopt such ordinances as it deems necessary and appropriate to assure good government in the City, to protect and preserve the City’s rights, property and privileges, and to preserve peace, safety and good order; and

WHEREAS, the City deems it to be necessary and appropriate to provide for certain standards and regulations relating to the location, placement, design, construction and maintenance of telecommunications towers, antennas and other structures within the City’s public rights-of-way, and providing for the enforcement of said standards and regulations, consistent with federal and state law limitations on that authority.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the City Council of the City of Clayton:

SECTION 1: The foregoing Recitals are adopted as findings of the City Council as set forth fully within the body of this ordinance.

SECTION 2: The Municipal Code for the City (“Code”) shall be amended to add a new Chapter 12.05, entitled “Wireless Facilities in Public Rights-Of-Way” as follows:

**Chapter 12.05
WIRELESS FACILITIES IN PUBLIC RIGHTS-OF-WAY**

12.05.010. Purpose.

- (a) The purpose of this Chapter is to establish a process for managing, and uniform standards for acting upon, requests for the placement of wireless facilities within the public rights-of-way of the City consistent with the City’s obligation to promote the public health, safety, and welfare, to manage the public rights-of-way, and to ensure that the public is not incommoded by the use of the public rights-of-way for the placement of wireless facilities. The City recognizes the importance of wireless facilities to provide high-quality communications service to the residents and businesses within the City, and the City also recognizes its obligation to comply with applicable Federal and State law regarding the placement of personal wireless services facilities in its public rights-of-way. This ordinance shall be interpreted consistent with those provisions.

- (b) The City of Clayton requires radio frequency (RF) emissions studies as described in this Chapter to ensure all installations are compliant with Federal Communications Commission (FCC) regulations.

12.05.020. Definitions. The terms used in this Chapter shall have the following meanings:

Application: A formal request, including all required and requested documentation and information, submitted by an applicant to the City for a wireless encroachment permit.

Applicant: A person filing an application for placement or modification of a wireless facility in the public right-of-way.

Base Station: shall have the meaning as set forth in 47 C.F.R. Section 1.6100(b)(1), or any successor provision.

Eligible Facilities Request: shall have the meaning as set forth in 47 C.F.R. Section 1.6100(b)(3), or any successor provision.

FCC: The Federal Communications Commission or its lawful successor.

Municipal Infrastructure: City-owned or controlled property structures, objects, and equipment in the ROW, including, but not limited to, street lights, traffic control structures, banners, street furniture, bus stops, billboards, or other poles, lighting fixtures, or electroliers located within the ROW.

Permittee: any person or entity granted a wireless encroachment permit pursuant to this Chapter.

Personal Wireless Services: shall have the same meaning as set forth in 47 U.S.C. Section 332(c)(7)(C)(i).

Personal Wireless Services Facility: means a wireless facility used for the provision of personal wireless services.

Public Right-of-Way, or ROW: shall have the same meaning as in Section 12.04.010, but shall also include any portion of any road or public way which the City has the responsibility to maintain or manage.

Small Cell Facility: shall have the same meaning as “small wireless facility” in 47 C.F.R. 1.6002(l), or any successor provision (which is a personal wireless services facility that meets the following conditions that, solely for convenience, have been set forth below):

(1) The facility—

(i) is mounted on a structure 50 feet or less in height, including antennas, as defined in 47 C.F.R. Section 1.1320(d), or

(ii) is mounted on a structure no more than 10 percent taller than other adjacent structures, or

- (iii) does not extend an existing structure on which it is located to a height of more than 50 feet or by more than 10 percent, whichever is greater;
- (2) Each antenna associated with the deployment, excluding associated antenna equipment (as defined in the definition of antenna in 47 C.F.R. Section 1.1320(d)), is no more than three cubic feet in volume;
- (3) All other wireless equipment associated with the structure, including the wireless equipment associated with the antenna and any pre-existing associated equipment on the structure, is no more than 28 cubic feet in volume;
- (4) The facility does not require antenna structure registration under 47 C.F.R. Part 17;
- (5) The facility is not located on Tribal lands, as defined under 36 C.F.R. Section 800.16(x); and
- (6) The facility does not result in human exposure to radiofrequency radiation in excess of the applicable safety standards specified in 47 C.F.R. Section 1.1307(b).

Support Structure: Any structure capable of supporting a base station.

Tower: Any structure built for the sole or primary purpose of supporting any FCC-licensed or authorized antennas and their associated facilities, including structures that are constructed for personal wireless services including, but not limited to, private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul, and the associated site. This definition does not include utility poles.

Underground areas: Those areas where there are no electrical facilities or facilities of the incumbent local exchange carrier in the right of way; or where the wires associated with the same are or are required to be located underground; or where the same are scheduled to be converted from overhead to underground. Electrical facilities are distribution facilities owned by an electric utility and do not include transmission facilities used or intended to be used to transmit electricity at nominal voltages in excess of 35,000 volts.

Utility Pole: A structure in the ROW designed to support electric, telephone and similar utility lines. A tower is not a utility pole.

Wireless Encroachment Permit: A permit issued pursuant to this Chapter authorizing the placement or modification of a wireless facility of a design specified in the permit at a particular location within the ROW; and the modification of any existing support structure to which the wireless facility is proposed to be attached.

Wireless Facility, or Facility: The transmitters, antenna structures and other types of installations used for the provision of wireless services at a fixed location, including, without limitation, any associated tower(s), support structure(s), and base station(s).

Wireless Infrastructure Provider: A person that owns, controls, operates or manages a wireless facility or portion thereof within the ROW.

Wireless Regulations: Those regulations adopted pursuant to Section 5 and implementing the provisions of this Chapter.

Wireless Service Provider: An entity that provides personal wireless services to end users.

12.05.030. Scope.

- (a) **In general.** There shall be a type of encroachment permit entitled a “wireless encroachment permit,” which shall be subject to all of the same requirements as an encroachment permit would under Chapter 12.04, Article II in addition to all of the requirements of this Chapter. Unless exempted, every person who desires to place a wireless facility in the public rights-of-way or modify an existing wireless facility in the public rights-of-way must obtain a wireless encroachment permit authorizing the placement or modification in accordance with this Chapter. Except for small cell facilities, facilities qualifying as eligible facilities requests, or any other type of facility expressly allowed in the public right-of-way by state or federal law, no other wireless facilities shall be permitted pursuant to this Chapter.
- (b) **Exemptions.** This Chapter does not apply to:
 - (1) The placement or modification of facilities by the City or by any other agency of the state solely for public safety purposes.
 - (2) Installation of a "cell on wheels," "cell on truck" or a similar structure for a temporary period in connection with an emergency or event, but no longer than required for the emergency or event, provided that installation does not involve excavation, movement, or removal of existing facilities.
- (c) **Other applicable requirements.** In addition to the wireless encroachment permit required herein, the placement of a wireless facility in the ROW requires the persons who will own or control those facilities to obtain all permits required by applicable law, and to comply with applicable law, including, but not limited, applicable law governing radio frequency (RF) emissions.
- (d) **Pre-existing Facilities in the ROW.** Any wireless facility already existing in the ROW as of the date of this Chapter’s adoption shall remain subject to the provisions of the City Code in effect prior to this Chapter, unless and until an extension of such facility’s then-existing permit is granted, at which time the provisions of this Chapter shall apply in full force going forward as to such facility. The review of any request for a renewal of a permit for such pre-existing facilities shall be conducted pursuant to this Chapter, rather than the portion(s) of the City Code that it was previously reviewed under.
- (e) **Public use.** Except as otherwise provided by California law, any use of the public right-of-way authorized pursuant to this Chapter will be subordinate to the City’s use and use by the public.

12.05.040. Administration.

- (a) **City Engineer.** The City Engineer or their designee is responsible for administering this Chapter. As part of the administration of this Chapter, the City Engineer may:
 - (1) Interpret the provisions of this Chapter;

- (2) Ensure that applications are reviewed by the other applicable departments including, but not limited to, the Community Development Department and Maintenance Department.
 - (3) Develop and implement standards governing the placement and modification of wireless facilities consistent with the requirements of this Chapter, including regulations governing collocation and resolution of conflicting applications for placement of wireless facilities;
 - (4) Develop and Implement acceptable designs and development standards for wireless facilities in the public rights-of-way, taking into account the zoning districts bounding the public rights-of-way;
 - (5) Develop forms and procedures for submission of applications for placement or modification of wireless facilities, and proposed changes to any support structure consistent with this Chapter;
 - (6) Determine the completeness of any application and collect any fee or deposit established by this Chapter;
 - (7) Establish any application deposit amount;
 - (8) Establish deadlines for submission of information related to an application, and extend or shorten deadlines where appropriate, consistent with state and federal laws and regulations;
 - (9) Issue any notices of incompleteness, requests for information, or conduct or commission such studies as may be required to determine whether a permit should be issued, consistent with state and federal laws and regulations;
 - (10) Require, as part of, and as a condition of completeness of any application, notice to members of the public that may be affected by the placement or modification of the wireless facility and proposed changes to any support structure;
 - (11) Subject to appeal as provided herein, determine whether to approve, approve subject to conditions, or deny an application; and
 - (12) Take such other steps as may be required to timely act upon applications for placement of wireless facilities, including issuing written decisions and entering into agreements to mutually extend the time for action on an application.
- (b) **Appeal.**
- (1) Any person adversely affected by the decision of the City Engineer pursuant to this Chapter may appeal the City Engineer's decision to the Independent Hearing Officer, which may decide the issues *de novo*, and whose written decision will be the final decision of the City. The Independent Hearing Officer shall be a qualified person appointed by the City Manager. Any costs associated with an appeal and the Independent Hearing Officer shall be borne by the appealing party. An appeal by a wireless infrastructure provider must be taken jointly with the wireless service provider that intends to use the personal wireless services facility.
 - (2) Where the City Engineer grants an application based on a finding that denial would result in a prohibition or effective prohibition under applicable federal law, the decision shall be automatically appealed to the Independent Hearing Officer. All appeals must be filed within two (2) business days of the written decision of the City Engineer, unless the City Engineer extends the time therefore. An extension may not be granted where extension would result in approval of the application by operation of law.

- (3) Any appeal shall be conducted so that a timely written decision may be issued in accordance with applicable law.

12.05.050. General Standards for Wireless Facilities in the Public Rights-of-Way.

- (a) **Generally.** Wireless facilities in the ROW shall meet the minimum requirements set forth in this ordinance and the wireless regulations, in addition to the requirements of any other applicable law.
- (b) **Regulations.** The wireless regulations and decisions on applications for placement of wireless facilities in the ROW shall, at a minimum, ensure that the requirements of this section are satisfied, unless it is determined that applicant has established that denial of an application would, within the meaning of federal law, prohibit or effectively prohibit the provision of personal wireless services, or otherwise violate applicable laws or regulations. If that determination is made, the requirements of this Chapter may be waived by the City Engineer, but only to the minimum extent required to avoid the prohibition or violation.
- (c) **Minimum Standards.** Wireless facilities shall be installed and modified in a manner that minimizes risks to public safety, avoids placement of aboveground facilities in underground areas, avoids installation of new support structures in the public rights-of-way, and otherwise maintains the integrity and character of the neighborhoods and corridors in which the facilities are located; ensures that installations are subject to periodic review to minimize the intrusion on the rights of way; and ensures that the City bears no risk or liability as a result of the installations, and that such use does not inconvenience the public, interfere with the primary uses of the rights-of-way, or hinder the ability of the City or other government agencies to improve, modify, relocate, abandon, or vacate the public rights of way or any portion thereof, or to cause the improvement, modification, relocation, vacation, or abandonment of facilities in the rights of way.
- (d) **Design Standards and Location Preferences.** All new wireless facilities and collocations, modifications, or other changes to existing wireless facilities that are not eligible facilities requests must conform to the design and development standards adopted by resolution of the City Council.

12.05.060. Applications.

- (a) **Submission.** Unless the wireless regulations provide otherwise, applicant shall submit a paper copy and an electronic copy of any application, amendments, or supplements to an application, or responses to requests for information regarding an application to the City Engineer.
- (b) **Pre-application meeting.** Prior to filing an application for a wireless encroachment permit, an applicant is strongly encouraged to schedule a pre-application meeting with the City Engineer to discuss the proposed facility, the requirements of this Chapter, and any potential impacts of the proposed facility.
- (c) **Content.** An applicant shall submit an application on the form approved by the City Engineer, which may be updated from time-to-time, but in any event shall require the submission of all required fee(s), documents, information, and any other materials

necessary to allow the City Engineer to make required findings and ensure that the proposed facility will comply with applicable federal and state law, the City Code, and will not endanger the public health, safety, or welfare. If no form has been approved, applications must contain all information necessary to show that applicant is entitled to the wireless encroachment permit requested, and must specify whether the applicant believes state or federal law requires action on the application within a specified time period.

- (d) **Fees.** Application fee(s) or deposits shall be required to be submitted with any application for a wireless encroachment permit. Through the Master Fee Schedule, City Council will establish fees, including hourly rates charged against the deposit determined by the City Engineer. Notwithstanding the foregoing, no application fee shall be refundable, in whole or in part, to an applicant for a wireless encroachment permit unless paid as a refundable deposit.
- (e) **Waivers.** Requests for waivers from any requirement of this section and implementing resolution(s) shall be made in writing to the City Engineer or his or her designee. The City Engineer may grant or deny a request for a waiver pursuant to this subsection. The City Engineer may grant a request for a waiver if it is demonstrated that, notwithstanding the issuance of a waiver, the City will be provided all information necessary to understand the nature of the construction or other activity to be conducted pursuant to the permit sought. All waivers approved pursuant to this subsection shall be (1) granted only on a case-by-case basis, and (2) narrowly-tailored to minimize deviation from the requirements of the City Code.
- (f) **Incompleteness.** For personal wireless facilities and eligible facilities requests, applications will be processed, and notices of incompleteness provided, in conformity with state, local, and federal law. If such an application is deemed incomplete, the City Engineer shall notify the applicant in writing, specifying the material missing from the application.

12.05.070. Findings; Decisions; Consultants.

(a) Findings Required for Approval.

- (1) Except for eligible facilities requests, the City Engineer or Independent Hearing Officer, as the case may be, shall approve an application if, on the basis of the application and other materials or evidence provided in review thereof, it finds the following:
 - (i) The facility is not detrimental to the public health, safety, and welfare;
 - (ii) The facility complies with this Chapter and all applicable design and development standards;
 - (iii) The facility meets applicable requirements and standards of state and federal law;and
- (2) For eligible facilities requests, the City Engineer or Independent Hearing Officer, as the case may be, shall approve an application if, on the basis of the application and other materials or evidence provided in review thereof, it finds the following:
 - (i) That the application qualifies as an eligible facilities request; and
 - (ii) That the proposed facility will comply with all generally-applicable laws.

- (b) **Decisions.** Decisions on an application by the City Engineer or Independent Hearing Officer shall be in writing and include the reasons for the decision.

- (c) **Independent Consultants.** The City Engineer or Independent Hearing Officer, as the case may be, is authorized, in its discretion, to select and retain independent consultant(s) with expertise in telecommunications in connection with the review of any application under this Chapter. Such independent consultant review may be retained on any issue that involves specialized or expert knowledge in connection with an application, including, but not limited to, application completeness or accuracy, structural engineering analysis, or compliance with FCC radio frequency emissions standards. All costs associated with the work by authorized independent consultants shall be the responsibility of the applicant and paid through the deposit account established by the project.

12.05.080. Conditions of Approval.

- (a) **Generally.** In addition to any supplemental conditions imposed by the City Engineer or Independent Hearing Officer, as the case may be, all permits granted pursuant to this Chapter shall be subject to the following conditions, unless modified by the approving authority:
- (1) *Code Compliance.* The permittee shall at all times maintain compliance with all applicable federal, state and local laws, regulations and other rules, including, without limitation, those applying to use of public rights-of-way.
 - (2) *Permit Duration.* A wireless encroachment permit shall be valid for a period of ten (10) years, unless pursuant to another provision of the Code or these conditions, it expires sooner or is terminated. At the end of ten (10) years from the date of issuance, such Permit shall automatically expire, unless an extension or renewal has been granted. At least one hundred fifty (150) days prior to expiration, a person holding a wireless encroachment permit must either (1) notify the City that they will not be applying for a new permit to extend the use of the facility and remove the facility within thirty (30) days following the permit's expiration (provided that removal of support structure owned by City, a utility, or another entity authorized to maintain a support structure in the right of way need not be removed, but must be restored to its prior condition, except as specifically permitted by the City); or (2) submit an application to renew the permit, which application must, among all other requirements, demonstrate that the impact of the wireless facility cannot be reduced. The wireless facility may remain in place until it is acted upon by the City and all appeals from the City's decision exhausted. The applicant shall apply for an encroachment permit for the removal of the facility and pay the associated fees, if required.
 - (3) *Timing of Installation.* The installation and construction authorized by a wireless encroachment permit shall begin within ninety (90) days after its approval, or it will expire without further action by the City. The installation and construction authorized by a wireless encroachment permit shall conclude, including any necessary post-installation repairs and/or restoration to the ROW, within thirty (30) days following the day construction commenced.
 - (4) *Commencement of Operations.* The operation of the approved facility shall commence no later than thirty (30) days after the completion of installation, or the wireless encroachment permit will expire without further action by the City.

- (5) *As-Built Drawings.* The Permittee shall submit an as-built drawing within thirty (30) days after installation of the facility. As-builts shall be in a format as approved by the City Engineer.
- (6) *Inspections; Emergencies.* The City or its designee may enter onto the facility area to inspect the facility upon 48 hours prior notice to the permittee. The permittee shall cooperate with all inspections and may be present for any inspection of its facility by the City. The City reserves the right to enter or direct its designee to enter the facility and support, repair, disable, or remove any elements of the facility in emergencies or when the facility threatens imminent harm to persons or property. The City shall make an effort to contact the permittee prior to disabling or removing any facility elements, but in any case shall notify permittee within one (1) working day of doing so.
- (7) *Contact.* The permittee shall at all times maintain accurate contact information for all parties responsible for the facility, which shall include a phone number, street mailing address and email address for at least one natural person.
- (8) *Insurance.* Permittee shall obtain and maintain throughout the term of the permit [commercial general liability insurance with a limit of \$2,000,000 per occurrence for bodily injury and property damage and \$10,000,000 general aggregate including premises operations, contractual liability, personal injury, and products completed operations.] The relevant policy(ies) shall name the City, its elected/appointed officials, commission members, officers, representatives, agents, and employees as additional insureds. Permittee shall use its best efforts to provide thirty (30) days' prior notice to the City of to the cancellation or material modification of any applicable insurance policy.
- (9) *Indemnities.* The permittee and, if applicable, the owner of the property upon which the wireless facility is installed shall defend, indemnify and hold harmless the City, its agents, officers, officials, and employees (i) from any and all damages, liabilities, injuries, losses, costs, and expenses, and from any and all claims, demands, law suits, writs of mandamus, and other actions or proceedings brought against the City or its agents, officers, officials, or employees to challenge, attack, seek to modify, set aside, void or annul the City's approval of the permit, and (ii) from any and all damages, liabilities, injuries, losses, costs, and expenses, and any and all claims, demands, law suits, or causes of action and other actions or proceedings of any kind or form, whether for personal injury, death or property damage, arising out of or in connection with the activities or performance of the permittee or, if applicable, the property owner or any of each one's agents, employees, licensees, contractors, subcontractors, or independent contractors. In the event the City becomes aware of any such actions or claims the City shall promptly notify the permittee and, if applicable, the property owner and shall reasonably cooperate in the defense. The City shall have the right to approve, which approval shall not be unreasonably withheld, the legal counsel providing the City's defense, and the property owner and/or permittee (as applicable) shall reimburse City for any costs and expenses directly and necessarily incurred by the City in the course of the defense.
- (10) *Performance Bond.* Prior to issuance of a wireless encroachment permit, the permittee shall file with the City, and shall maintain in good standing throughout

the term of the approval, a performance bond or other surety or another form of security for the removal of the facility in the event that the use is abandoned or the permit expires, or is revoked, or is otherwise terminated. The security shall be in the amount equal to 200 % of the cost of physically removing the facility and all related facilities and equipment on the site, based on the higher of two contractor's quotes for removal that are provided by the permittee but in no case less than \$10,000. The permittee shall reimburse the City for staff time associated with the processing and tracking of the bond, based on the hourly rate adopted by the City Council. Reimbursement shall be paid when the security is posted and during each administrative review.

- (11) *Adverse Impacts on Adjacent Properties.* Permittee shall undertake all reasonable efforts to avoid undue adverse impacts to adjacent properties and/or uses that may arise from the construction, operation, maintenance, modification, and removal of the facility.
- (12) *Noninterference.* Permittee shall not move, alter, temporarily relocate, change, or interfere with any existing structure, improvement, or property without the prior consent of the owner of that structure, improvement, or property. No structure, improvement, or property owned by the City shall be moved to accommodate a permitted activity or encroachment, unless the City determines that such movement will not adversely affect the City or any surrounding businesses or residents, and the Permittee pays all costs and expenses related to the relocation of the City's structure, improvement, or property. Prior to commencement of any work pursuant to a wireless encroachment permit, the Permittee shall provide the City with documentation establishing to the City's satisfaction that the Permittee has the legal right to use or interfere with any other structure, improvement, or property within the public right-of-way or City utility easement to be affected by Permittee's facilities.
- (13) *No Right, Title, or Interest.* The permission granted by a wireless encroachment permit shall not in any event constitute an easement on or an encumbrance against the public right-of-way. No right, title, or interest (including franchise interest) in the public right-of-way, or any part thereof, shall vest or accrue in Permittee by reason of a wireless encroachment permit or the issuance of any other permit or exercise of any privilege given thereby.
- (14) *No Possessory Interest.* No possessory interest is created by a wireless encroachment permit. However, to the extent that a possessory interest is deemed created by a governmental entity with taxation authority, Permittee acknowledges that City has given to Permittee notice pursuant to California Revenue and Taxation Code Section 107.6 that the use or occupancy of any public property pursuant to a wireless encroachment permit may create a possessory interest which may be subject to the payment of property taxes levied upon such interest. Permittee shall be solely liable for, and shall pay and discharge prior to delinquency, any and all possessory interact taxes or other taxes, fees, and assessments levied against Permittee's right to possession, occupancy, or use of any public property pursuant to any right of possession, occupancy, or use created by this permit.
- (15) *General Maintenance.* The site and the facility, including, but not limited to, all landscaping, fencing, and related transmission equipment, shall be maintained in a

neat and clean manner and in accordance with all approved plans. All graffiti on facilities shall be removed at the sole expense of the permittee within forty eight (48) hours after notification from the City. Maintenance work and resulting restoration work shall be completed in a time frame as required by the City Engineer. The applicant shall apply for an encroachment permit (with associated fees) for all work within the public right of way, if required.

- (16) *RF Exposure Compliance.* All facilities shall comply with all standards and regulations of the FCC and any other state or federal government agency with the authority to regulate RF exposure standards. After transmitter and antenna system optimization, but prior to unattended operations of the facility, permittee or its representative shall conduct on-site post-installation RF emissions testing to demonstrate actual compliance with the FCC OET Bulletin 65 RF emissions safety rules for general population/uncontrolled RF exposure in all sectors. For this testing, the transmitter shall be operating at maximum operating power, and the testing shall occur outwards to a distance where the RF emissions no longer exceed the uncontrolled/general population limit.
- (17) *Testing.* Testing of any equipment shall take place on weekdays only, and only between the hours of 9:00 a.m. and 4:00 p.m., except that testing is prohibited on City holidays that fall on a weekday. In addition, testing is prohibited on weekend days. All testing for RF emissions shall be overseen by the City's RF consultant to ensure that operation of the facility is in full compliance with FCC Regulations. An encroachment permit shall be obtained by the applicant for such work, if required, unless waived by the City Engineer.
- (18) *Modifications.* No changes shall be made to the approved plans without review and approval in accordance with this Chapter. All facilities shall be in conformance with the approved plans.
- (19) *Agreement with City.* If not already completed, permittee shall enter into the appropriate agreement with the City, as determined by the City, prior to constructing, attaching, or operating a facility on Municipal Infrastructure. This permit is not a substitute for such agreement.
- (20) *Conflicts with Improvements.* For all facilities located within the ROW, the permittee shall remove or relocate, at its expense and without expense to the City, any or all of its facilities when such removal or relocation is deemed necessary by the City by reason of any change of grade, alignment, or width of any right-of-way, for installation of services, water pipes, drains, storm drains, power or signal lines, traffic control devices, right-of-way improvements, or for any other construction, repair, or improvement to the right-of-way.
- (21) *Abandonment.* If a facility is not operated for a continuous period of 90 days, the wireless encroachment permit and any other permit or approval therefor shall be deemed abandoned and terminated automatically, unless before the end of the 90 day period (i) the City Engineer has determined that the facility has resumed operations, or (ii) the City has received an application to transfer the permit to another service provider. No later than thirty (30) days from the date the facility is determined to have been abandoned or the permittee has notified the City Engineer of its intent to vacate the site, the permittee shall remove all equipment and improvements associated with the use and shall restore the site to its original

condition to the satisfaction of the City Engineer. The permittee shall provide written verification of the removal of the facilities within thirty (30) days of the date the removal is completed. If the facility is not removed within thirty (30) days after the permit has been discontinued pursuant to this subsection, the site shall be deemed to be a nuisance, and the City may cause the facility to be removed at permittee's expense or by calling any bond or other financial assurance to pay for removal. If there are two (2) or more users of a single facility or support structure, then this provision shall apply to the specific elements or parts thereof that were abandoned, but will not be effective for the entirety thereof until all users cease use thereof.

- (22) *Encourage Co-location.* Where the facility site is capable of accommodating a co-located facility upon the same site in a manner consistent with the permit conditions for the existing facility, the owner and operator of the existing facility shall allow co-location of third party facilities, provided the parties can mutually agree upon reasonable terms and conditions.
 - (23) *Records.* The permittee must maintain complete and accurate copies of all permits and other regulatory approvals issued in connection with the facility, which includes without limitation this approval, the approved plans and photo simulations incorporated into this approval, all conditions associated with this approval and any ministerial permits or approvals issued in connection with this approval. In the event that the permittee does not maintain such records as required in this condition or fails to produce true and complete copies of such records within a reasonable time after a written request from the City, any ambiguities or uncertainties that would be resolved through an inspection of the missing records will be construed against the permittee.
 - (24) *Attorney's Fees.* In the event the City determines that it is necessary to take legal action to enforce any of these conditions, or to revoke a permit, and such legal action is taken, the Permittee shall be required to pay any and all costs of such legal action, including reasonable attorney's fees, incurred by the City, even if the matter is not prosecuted to a final judgment or is amicably resolved, unless the City should otherwise agree with Permittee to waive said fees or any part thereof. The foregoing shall not apply if the Permittee prevails in the enforcement proceeding.
- (b) **Eligible Facilities Requests.** In addition to the conditions provided in Section 9(a) of this Chapter and any supplemental conditions imposed by the City Engineer or Independent Hearing Officer, as the case may be, all permits for an eligible facility requests granted pursuant to this Chapter shall be subject to the following additional conditions, unless modified by the approving authority:
- (1) *Permit subject to conditions of underlying permit.* Any permit granted in response to an application qualifying as an eligible facilities request shall be subject to the terms and conditions of the underlying permit.
 - (2) *No permit term extension.* The City's grant or grant by operation of law of an eligible facilities request permit constitutes a federally-mandated modification to the underlying permit or approval for the subject tower or base station. Notwithstanding any permit duration established in another permit condition, the City's grant or grant by operation of law of a eligible facilities request permit will not extend the permit term for the underlying permit or any other underlying regulatory approval, and its

term shall be coterminous with the underlying permit or other regulatory approval for the subject tower or base station.

- (3) *No waiver of standing.* The City's grant or grant by operation of law of an eligible facilities request does not waive, and shall not be construed to waive, any standing by the City to challenge Section 6409(a) of the Spectrum Act, any FCC rules that interpret Section 6409(a) of the Spectrum Act, or any modification to Section 6409(a) of the Spectrum Act.
- (c) **Small Cell Facilities Requests.** In addition to the conditions provided in Section 9(a) of this Chapter and any supplemental conditions imposed by the City Engineer or Independent Hearing Officer, as the case may be, all permits for a small cell facility granted pursuant to this Chapter shall be subject to the following condition, unless modified by the approving authority:
 - (1) *No waiver of standing.* The City's grant of a permit for a small cell facility request does not waive, and shall not be construed to waive, any standing by the City to challenge any FCC orders or rules related to small cell facilities, or any modification to those FCC orders or rules.

12.05.090. Breach; Termination of Permit.

- (a) **For breach.** A wireless encroachment permit may be revoked for failure to comply with the conditions of the permit or applicable law. Upon revocation, the wireless facility must be removed; provided that removal of a support structure owned by City, a utility, or another entity authorized to maintain a support structure in the right-of-way need not be removed, but must be restored to its prior condition, except as specifically permitted by the City. All costs incurred by the City in connection with the revocation and removal shall be paid by entities who own or control any part of the wireless facility.
- (b) **For installation without a permit.** An wireless facility installed without a wireless encroachment permit (except for those exempted by this Chapter) must be removed; provided that removal of support structure owned by City, a utility, or another entity authorized to maintain a support structure in the right of way need not be removed, but must be restored to its prior condition, except as specifically permitted by the City. All costs incurred by the City in connection with the revocation and removal shall be paid by entities who own or control any part of the wireless facility.
- (c) **Municipal Infraction.** Any violation of this Chapter will be subject to the same penalties as are addressed in Chapter 1.20 or other applicable Code sections.

12.05.100. Infrastructure Controlled By City. The City, as a matter of policy, will negotiate agreements for use of Municipal Infrastructure. The placement of wireless facilities on those structures shall be subject to the agreement. The agreement shall specify the compensation to the City for use of the structures. The person seeking the agreement shall additionally reimburse the City for all costs the City incurs in connection with its review of, and action upon the person's request for, an agreement.

12.05.110. Nondiscrimination. In establishing the rights, obligations and conditions set forth in this Chapter, it is the intent of the City to treat each applicant or public right-of-way user in a competitively neutral and nondiscriminatory manner, to the extent required by law, and with

considerations that may be unique to the technologies, situation and legal status of each particular applicant or request for use of the public rights-of-way.

SECTION 3: The City Manager, or his or her delegate, is directed to execute all documents and to perform all other necessary City acts to implement effect this Ordinance.

SECTION 4: CEQA. This Ordinance is not a project within the meaning of Section 15378 of the State of California Environmental Quality Act (“CEQA”) Guidelines, because it has no potential for resulting in physical change in the environment, directly or indirectly. The Ordinance does not authorize any specific development or installation on any specific piece of property within the City’s boundaries. Moreover, when and if an application for installation is submitted, the City will at that time conduct preliminary review of the application in accordance with CEQA. Alternatively, even if the Ordinance is a “project” within the meaning of State CEQA Guidelines section 15378, the Ordinance is exempt from CEQA on multiple grounds. First, the Ordinance is exempt CEQA because the City Council’s adoption of the Ordinance is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. (State CEQA Guidelines, § 15061(b)(3)). That is, approval of the Ordinance will not result in the actual installation of any facilities in the City. In order to install a facility in accordance with this Ordinance, the wireless provider would have to submit an application for installation of the wireless facility. At that time, the City will have specific and definite information regarding the facility to review in accordance with CEQA. And, in fact, the City will conduct preliminary review under CEQA at that time. Moreover, in the event that the Ordinance is interpreted so as to permit installation of wireless facilities on a particular site, the installation would be exempt from CEQA review in accordance with either State CEQA Guidelines section 15302 (replacement or reconstruction), State CEQA Guidelines section 15303 (new construction or conversion of small structures), and/or State CEQA Guidelines section 15304 (minor alterations to land). The City Council, therefore, directs that a Notice of Exemption be filed with the County Clerk of the County of Contra Costa within five working days of the passage and adoption of the Ordinance.

SECTION 5: Severability. If any section, subsection, provision, sentence, clause, phrase or word of this Ordinance is for any reason held to be illegal or otherwise invalid by any court of competent jurisdiction, such invalidity shall be severable, and shall not affect or impair any remaining section, subsection, provision, sentence, clause, phrase or word included within this Ordinance, it being the intent of the City that the remainder of the Ordinance shall be and shall remain in full force and effect, valid, and enforceable.

SECTION 6: In accordance with _____, this ordinance shall become effective on the _____ day following its passage and adoption.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF CLAYTON this
_____ day of _____, _____, by the following vote:

AYES:

NOES:

ABSENT:

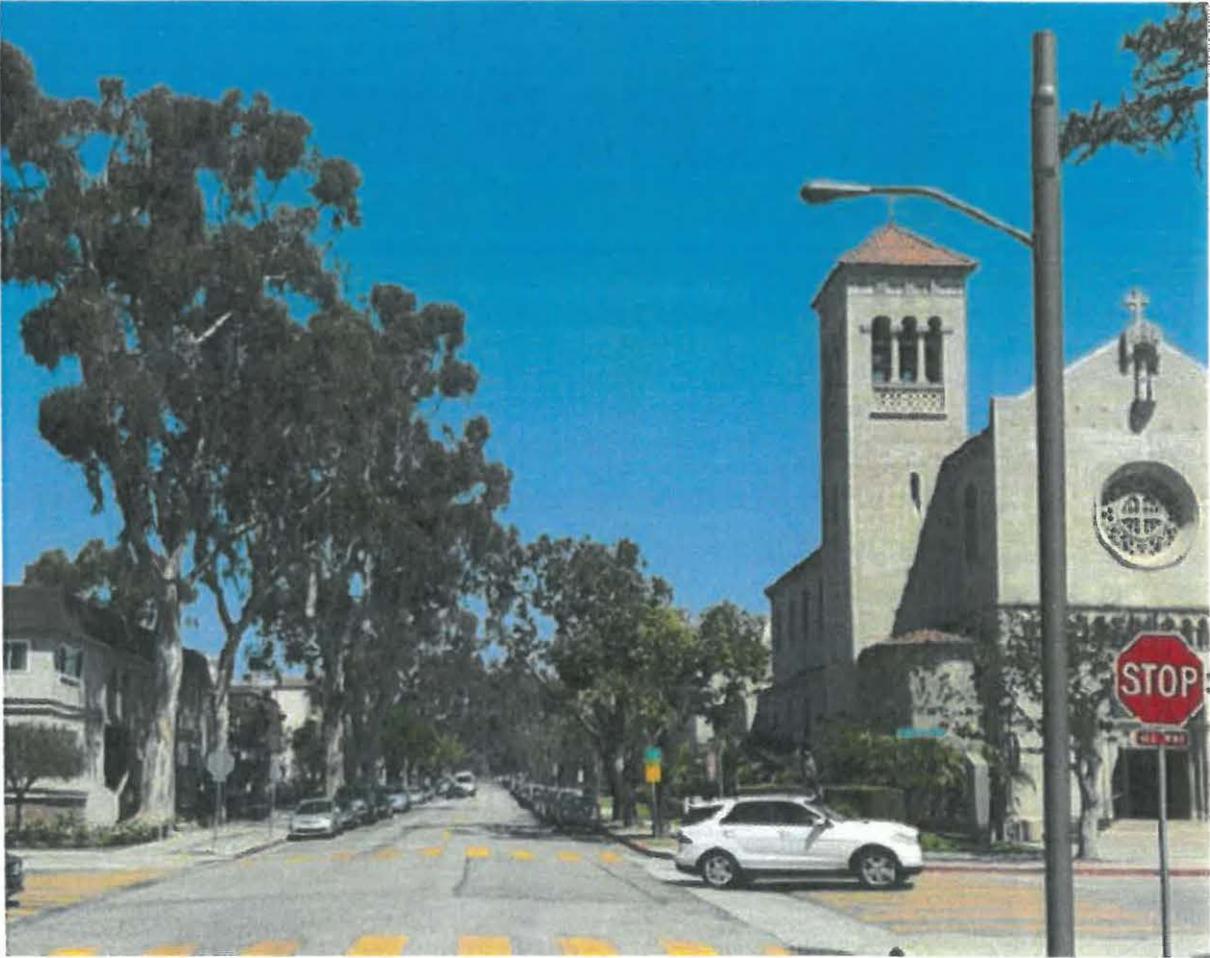
APPROVED:

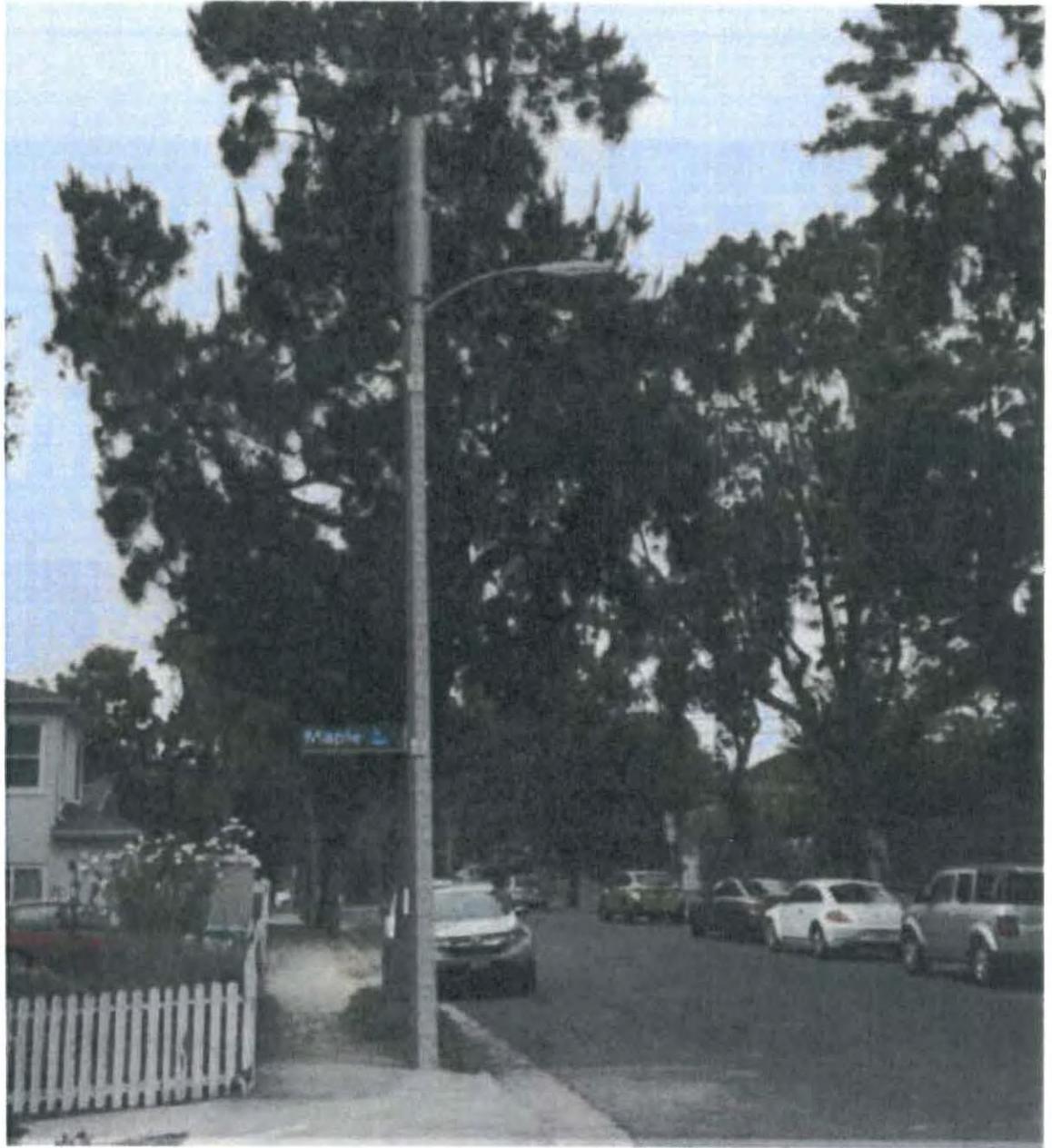
ATTEST:

_____, **City Clerk**

APPROVED AS TO FORM:

_____, **City Attorney**





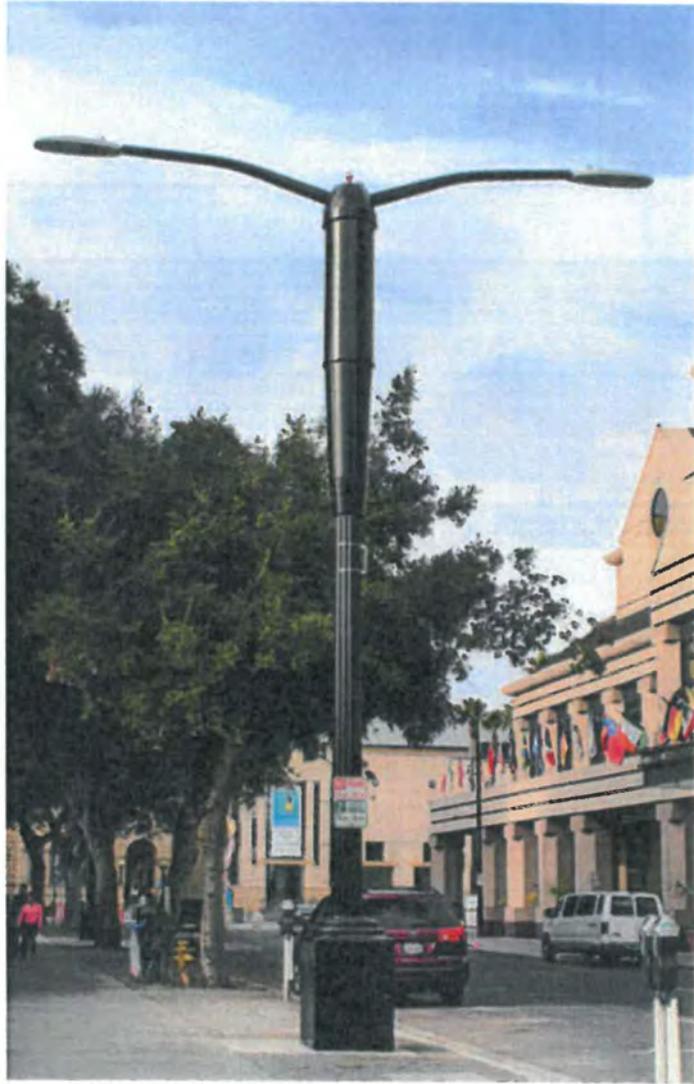


This has 4G and 5G antennas



This has 4G and 5G antennas





David Woltering

From: Malathy Subramanian <Malathy.Subramanian@bbklaw.com>
Sent: Thursday, May 16, 2019 11:12 AM
To: Jeff Wan
Cc: Gary Napper; Andrew McCardle; David Woltering
Subject: FW: Questions regarding Small Cell Wireless

Hi Jeff,

My colleague Andrew McCardle answered the questions you asked below in the body of your email. Please let us know if you have any additional questions.

Best,

Mala

From: Jeff Wan <jwan@ci.clayton.ca.us>
Date: May 8, 2019 at 11:38:42 AM PDT
To: Malathy Subramanian <malathy.subramanian@bbklaw.com>, David Woltering <dwoltering@ci.clayton.ca.us>
Cc: Gary Napper <gnapper@ci.clayton.ca.us>
Subject: Questions regarding Small Cell Wireless

CAUTION - EXTERNAL SENDER.

As mentioned last night, I had a few questions and comments regarding the small cell wireless topic we discussed. By reference, the FCC letter is here: <https://docs.fcc.gov/public/attachments/FCC-18-133A1.pdf>. My questions are bolded below:

First as regards to the letter received from Mackenzie & Albritton:

Federal Communications Commission FCC 18-133 Before the Federal Communications Commission Washington, D.C. 20554 DECLARATORY RULING AND THIRD REPORT AND ORDER TABLE OF CONTENTS

docs.fcc.gov

Federal Communications Commission FCC 18-133 4 deployed where it is needed most: 97 percent of new deployments would be in rural and suburban communities that otherwise would be on the wrong side of the digital divide.8 8.

Page 1 quotes FCC letter paragraph 86 defining “reasonable” as standards are “technically feasible” and meant to avoid “out-of character deployments.”, however the actual language used is more expansive than that. It states, aesthetic requirements that are reasonable in that they are technically feasible and reasonably directed to avoiding or remedying the intangible public harm of unsightly or out-of-character deployments are also permissible. Parsing this correctly would yield a different calculus.

Per paragraph 87, To be permissibly reasonable, aesthetic criteria would need to be:

Technically feasible; and

Reasonable directed to avoiding; or

Reasonable directed to remedying

The intangible public harm of unsightly; or

Out of character deployments.

Unsightly-ness and out of character are not defined in the letter. Are these terms defined somewhere else in the CFR, or any other place?

- **BB&K:** Unfortunately, the FCC Small Cell Order is ambiguous and lacks details in certain areas. It did not provide further explanations of these terms, and there have not yet been challenges in court that could offer more of an idea as to the terms’ meanings. As a result, City staff had to interpret them as best it can until more guidance has been provided. The flexibility afforded by establishing the Design Standards through resolution, rather than putting them into the Municipal Code, is crucial because the standards can be more easily amended as needed.

Section I

#1 – First, the letter as written indicates that an appeal process under proposed section 12.05.040(b)(1) MUST be done *de novo*. This is not accurate. That section says that the Independent Hearing Officer, MAY decide the issues *de novo* – it is not a requirement. Second, the letter asserts that an appeal involves notice and hearings. This is also not accurate. This proposed code section simply indicates that the review on appeal is the final decision of the City. In any event, review *de novo* isn’t mutually exclusive with reasonable, objective

standards. This comment seems to imply that an appeal wouldn't be evaluated based on reasonableness and objective criteria and I don't think that's in evidence. **Is that a fair interpretation as regards to this section?**

- **BB&K:** We agree that the appeals process will be objective and reasonable and that it will not introduce the subjectivity that Verizon alleges in its letter. We have seen a similar argument made in numerous other cities, and those cities also implemented a similar appeals process.

#2 - Has the "materially inhibit" standard been adjudicated in the 9th circuit or at SCOTUS? It seems that it stems from FCC interpretation itself in California Payphone from 1997. However, in 2014 at the ninth circuit, in American Tower Corp. v. City of San Diego, 763 F.3d 1035, 1056-57 (9th Cir. 2014), the court used the "effectively prohibit" language that we have in our draft ordinance. Is there controlling precedent that you can identify the controlling precedent that establishes the correct legal standard of "materially inhibit"?

- **BB&K:** The "effectively prohibit" language comes from 47 U.S.C. Section 253(a), which states as follows: "No State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effective of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service." Verizon is arguing that we should use the language from the FCC Small Cell Order, but we opted for the "effectively prohibit" phrasing because we feel that it is better to quote the statute rather than the FCC's interpretation of the statute.

#3 – FCC letter uses terms like "out of character" and "unsightly" without defining those terms. Clearly design standards must be reasonable, or follow the objectively reasonable standard. However, indicating all the circumstances that could constitute what is objectively reasonable is a question of fact and would need to be evaluated based on the totality of circumstances. Is that a fair evaluation of how the process would work?

- **BB&K:** Yes, ultimately that is the analysis to perform, which may have to be done by a court. Currently, the best action that the City can take is to continue to work with carriers to establish standards that meet the City's needs without preventing installations. Then, there is always a chance that a carrier whose application is denied based on one or more design standards could challenge those standards and a court would have to decide whether a specific standard is "reasonable." Such a process may also play out in other cities, and Clayton can amend its design standards, if necessary, based on the outcome of those cases. Please note that the City staff is scheduling a call with Verizon's counsel to further discuss the letter and the Verizon representative's comments made at the City Council meeting.

More specifically, 12.05.050(c) that describes minimum standards is hardly vague as indicated in the response letter. It describes specific circumstances – minimize risk to public safety, avoid placement of above ground facilities in underground areas, avoid installation of new support structures in public right of ways, ensure periodic review, make sure installations doesn't interfere with the primary uses of the right of way. My interpretation is that I do see 12.05.080(a)(11) as slightly vague. **Can we add a non exclusive list of examples of things that would constitute adverse impacts on adjacent properties like loss of use or access, fire risk, noise, etc.?**

- **BB&K:** With regards to Section 12.05.050(c), we would agree with your assessment. The goal was to articulate minimum standards and the City's general intent for the wireless regulations, and then details are provided throughout the wireless ordinance and the design standards.
- **BB&K:** With regards to Section 12.05.080(a)(11), this item is part of the standard conditions of approval. Per Section 12.05.080(a), the approving authority can modify the list when issuing a permit. As a result, City staff can prepare some examples to add to that condition of approval when issuing a permit.

There is an objection over the use of the word "welfare" in 12.05.070(a)(1)(i). Health, Safety, and Welfare have long been recognized as within the purview of local governments' police power. This language is consistent with that. **My interpretation is that this concern is unfounded - is that consistent with your understanding?**

- **BB&K:** We agree that the use of the term "welfare" is not improper and that there is no need to remove it.

#4 – The letter indicates that applicants are required to pay a deposit for any consultant fees. This does not seem accurate. Section 12.05.070(c) indicates that any cost associated with the work of independent consultants are paid through the deposit account established by the project. This section does not indicate a requirement for a deposit itself. **Is there anywhere in the ordinance or design guidelines that require a deposit?** We discussed deposits last night but I don't see that being required anywhere.

- **BB&K:** You are correct that an additional deposit for consultants is not required by the wireless ordinance. Section 12.05.060(d) authorizes the City Engineer to determine the overall deposit amount required. The City will then draw from that refundable deposit account to ensure that the fees being charged are cost-based and thus in compliance with the FCC Small Cell Order. Any charges for the use of independent consultants would be deducted from the same deposit account.

And while exorbitant consultant fees are prohibited, recovery of reasonable approximation of reasonable costs is specifically allowed per paragraph 56 of the FCC letter. Our draft code section reflects this, in that only the costs associated with these independent consultants would be borne by the applicant, and these services would only be utilized on an issue that involves specialized or expert knowledge. The implication that City staff should have the expertise to evaluate all manner of scenario that may be presented in the future is unfounded and without evidence. The city focuses on its core operations and contracts out services for areas that require particular expertise, as does many cities. Our City Engineer is a contracted position so to say that the City itself should have in house expertise to perform evaluations is not grounded in reality.

- **BB&K:** We agree that the additional language suggested by Verizon is unnecessary. The telecommunications field is quite technical and certain analysis can require a high level of expertise. The FCC seems to acknowledge this fact by allowing local governments to charge applicants for independent consultant fees, as long as the costs are not exorbitant. The FCC Small Cell Order does not

restrict the specific instances in which local governments can use such consultants.

#5 – Is there any discussion in the FCC letter about the duration of a permit? There is concern over a 90 day period to being work, however given the shot clock for review and approval, the streamlining should apply across the board.

- **BB&K:** Per CA state law, a permit duration is presumed to be unreasonable if it is for less than 10 years (though there can be exceptions for safety reasons). The 90-day deadline to begin construction work is a condition of approval, and the list of standard conditions in Section 12.05.080(a) can be amended by the approving authority when issuing a permit. As a result, City staff can consider input from carriers and extend the 90-day timeline if needed when issuing a permit. However, we agree with your point that since cities are burdened by the FCC's concerns with efficiency, it seems fair that permittees should also work to streamline the entire process.

Section II

#1 – Can we modify the least visible and compatibility criteria to say something to the effect that visual appearance should not be sufficiently distracting as to impact the health, safety, and welfare of vehicular traffic and pedestrians?

- **BB&K:** Regarding Verizon's argument here, Section 3(A)(1) is meant to be a statement of general intent, so that is why it is not more detailed. It is meant to signal what will be covered throughout the design standards. We can certainly add something to that section about visual distraction with regards to vehicle and pedestrian traffic given the Council's concerns with those impacts.

#2 – Can we modify Section 3(B)(1) to read the preference for existing street light or utility poles? Other than that, there is no stated preference for city owned property so I'm not sure what the concern is over ownership preference.

- **BB&K:** We will talk to the City staff about adding utility poles to that section. I am also unsure of the reason for Verizon's concern, but I think that it is either that they like to combat any restriction whenever possible or that they do not wish to pay the City for use of its infrastructure.
 - Section 3(B)(4) voices a preference for use of existing infrastructure, which would include streetlights and utility poles, so perhaps the staff may suggest combining the two sections. We countered Verizon's argument by pointing out that the City is not requiring the use of city-owned infrastructure (which it is not permitted to do) but rather only stating a preference.

#3 – What is our ability to limit above ground utility installations in areas that have underground utilities present? Last night it was stated that the ability to install poles is not unfettered, but we didn't get into the details of the contours of that limitation. **Can you elaborate on what the limits are if any, and where the source of those limits are found?**

- **BB&K:** The limits on the telecommunications companies' right to install poles in the right-of-way comes from the phrasing in California Public Utilities Code Section 7901 stating that their use of the right-of-way cannot "incommode the public use of the road or highway...." Courts, including a recent California Supreme Court decision, have established that local governments' authority to ensure that the carriers' use of the right-of-way does not incommode the public use includes aesthetic concerns.
 - Regarding undergrounding, the standards need to be non-discriminatory, so if other utilities are not all required to underground in a certain area, then it is more difficult to justify a standard requiring that telecommunications companies underground their equipment. To prevent challenges, the City staff opted to encourage undergrounding while still establishing design standards for instances in which a carrier cannot or will not underground their equipment.
 - Also, this section of Verizon's letter specifically seems to miss that the City is only discouraging installations directly in front of single-family residential properties, and we disagree with their assertion that this standard would prohibit installations in residential districts.

#4 – This part of the letter seems to indicate that the draft ordinance prohibits ground mounted cabinets. In fact 3(B)(5) says the opposite. It says that if ground mounted equipment is required, then it shall be enclosed in a cabinet limited to the size necessary to fit the equipment.

- **BB&K:** We agree with your assessment. After having reviewed similar letters in a number of cities, there are sometimes carrier arguments that seem to be "cookie cutter" or "stock" language. Here, the initial sentence of this section of Verizon's letter acknowledges that the City has a preference for undergrounding, but then a significant portion of Verizon's argument discusses prohibitions on ground-mounted cabinets, even though such a prohibition is not present in the design standards.

In addition, 3(B)(5) doesn't contain an underground requirement as indicated in the letter. The city has a preference for undergrounding of equipment. The letter also asserts that the draft guidelines do not provide reasonable, non-discriminatory and objective standards for ground cabinets. On the contrary, this is also not accurate. 3(B)(5) specifically describes the criteria for ground cabinets – enclosed, and only large enough for necessary equipment. The cabinets should be painted, coated, and screened by vegetation to match existing infrastructure and/or the surrounding environment.

- **BB&K:** We agree with your assessment here as well. This point seems to be another instance of Verizon using "stock" language for a specific topic that misses the content of the City's design standards.

#5 – To support the assertion that the city may not prohibit strand mounted facilities, the letter cites a matter adjudicated in the 2nd circuit. We are in the 9th circuit. **Is there something that supports Verizon’s position that is controlling in our area?**

- **BB&K:** There is not yet a clear answer about whether a prohibition on strand-mounted facilities complies with the FCC Small Cell Order or other applicable law. We disagree with Verizon’s argument that this prohibition is dictating their technology because it is an aesthetic standard implemented as a result of the FCC Small Cell Order. However, Verizon does touch upon a pertinent point of analysis, which is that any challenge to the application of this standard would involve a consideration of what is already installed on the poles and cables at a specific installation site. If the site is clear of all such installations, an aesthetic-based argument is more justifiable, but if the site has installations on the cables and would already appear to be visually cluttered, then justifying the standard may be more difficult in such an instance.
- **BB&K:** City staff will discuss this issue with Verizon (and any other carriers that provide input) to determine if there is a better middle ground, such as only prohibiting strand-mounted facilities in residential areas or discouraging these installations everywhere (rather than prohibiting them).

The conclusion that the prohibition on strand mounted facilities must be stricken is not supported by the 2nd circuit matter that is cited. 47 U.S.C. § 332(c)(7)(A) “preserves the authority of State and local governments over zoning and land use matters. There is a presumption against preemption because zoning and land use are matters within a local government’s traditional police powers. This section is most reasonably understood as permitting localities to exercise zoning power based on matters not directly regulated by the FCC. Strand mounted facilities are not directly regulated by the FCC, rather FCC provides that local governments may not discriminate “among providers of functionally equivalent services” or take action prohibiting or effectively prohibiting “the provision of personal wireless services.” Prohibiting strand mounted facilities does not discriminate among providers nor does it effectively prohibit the provision of services.

The conclusion that this section of the draft guidelines violates federal law seems like a bit of a stretch. However, our draft ordinance prohibits all strand mounted facilities. I’d like to explore allowing strand mounted, but limiting them by proximity to any existing facility so they are sufficiently spaced apart. **Is that possible?**

- **BB&K:** Easing the prohibition on strand-mounted facilities is certainly possible and could be a good compromise with carriers. The approach you suggest is one option. As we mentioned in our response above, another option is to discourage (rather than prohibit) such installations, either entirely or only in certain areas. This topic will be addressed on the call with Verizon, and the City staff can assess such options after gathering further input.

#6 – concerns noted in item #6 regarding pole mounts facility dimensions seems unfounded. There doesn’t seem to be any issue other than preference with regard to using language such as “smallest”. Utilizing the smallest equipment necessary is reasonable, and objective. Moreover, 4(B)(2) does not dictate the technology to be used, rather it establishes

guidelines should a certain type of installation be deemed necessary. **Is that a fair interpretation?**

- **BB&K:** We agree that this standard was acceptable as expressing the desire for small equipment. I think that perhaps Verizon is interpreting it to mean that they have to use the smallest equipment available on the market rather than the smallest equipment that they have that will provide the service they intend for that installation, but I will have to wait for the conference call to get more clarification. At the very least, I will be asking them to provide some specific dimensions or sizes that they would propose for the standards.

#7 – it seems that PUC 7901 provides that poles may be installed anywhere – same question as above for Section II #3.

- **BB&K:** Similar to our analysis above, the City's authority to restrict pole installations comes from insuring that the carriers' use of the right-of-way is not incommoding the public use. We view a restriction on new poles as a valid aesthetic criteria that curbs the installation of many new structures, especially when existing infrastructure is available. However, to prevent any violation of federal law (e.g., a prohibition of service), we inserted the waiver provision and provided design standards for new pole installations.

Overall I think pictures or examples of installations would be useful in evaluating the criteria. I am concerned that the tapestry of regulation that we've created may be seen as violative of the prohibition against overly restrictive regulations. And while that may pose a small risk, the downstream impact independent of that risk is that we may make the city unattractive for the type of technology infrastructure being proposed. **Given the downtown is prohibited, in front of residential is discouraged, and no new poles are allowed except by waiver, my question is if that appears overly restrictive in the context of the FCC letter?**

- **BB&K:** Overall, we do not feel that the design standards are overly restrictive, but we want to work with carriers to ensure that the City does not face numerous challenges or waiver requests and that carriers are not dissuaded from installing within the City. As a result, City staff is willing to compromise when needed, as long as it does not negatively impact the safety of the residents or the aesthetics of the right-of-way.
 - Also, we agree that adding photo examples of installations would be valuable, and we are working with City staff to compile such examples of installations that they find desirable.

Thanks,
Jeff



Agenda Date: 5-21-2019

Agenda Item: 8c

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY ATTORNEY

DATE: MAY 21, 2019

SUBJECT: CONSIDER THE ADOPTION OF AMENDMENTS TO CITY COUNCIL GUIDELINES AND PROCEDURES TO ADD NEW POLICIES PROHIBITING COUNCIL MEMBERS AND PLANNING COMMISSIONERS USE OR RECEIPT OF DIGITAL OR ELECTRONIC COMMUNICATIONS TO/FROM THE PUBLIC RELATED TO ITEMS ON THE RESPECTIVE AGENDA DURING A CITY COUNCIL OR PLANNING COMMISSION MEETING

RECOMMENDATION

Adopt updated Council Guidelines and Procedures to add new policies prohibiting Council Members and Planning Commissioners use or receipt of digital or electronic communications to/from the public related to items on the respective agenda during a City Council or Planning Commission meeting.

BACKGROUND

On May 7, 2019, the City Council considered a request from Council Member Diaz to develop a Council Policy on members of the City Council receiving communications from the public at the dais during discussion of agenda items at that public meeting.

DISCUSSION

The Council asked the City Attorney to update the City Council Guidelines and Procedures to prohibit the use or receipt of digital or electronic communications from the public related to items on the City Council agenda. In addition, the Council requested that the same prohibition apply to Planning Commissioners. Attached in redline format is the updated City Council Guidelines and Procedures.

Attachment

1. Updated Council Guidelines and Procedures [Note pages 9 and 11)

COUNCIL GUIDELINES AND PROCEDURES

*** CITY OF CLAYTON ***

In order to maximize the effectiveness of the Clayton City Council, the following guidelines have been adopted.

A. GENERAL

1. The Council takes courageous action when necessary to keep Clayton on the cutting edge of well-run, well-managed, innovative cities.
2. The Council provides leadership and participates in regional, state and national programs and meetings.
3. The Council looks to its Commissions and Committees for independent advice and some legislative actions.
4. There is extensive citizen participation and work on City programs and documents.
5. There are numerous meetings other than regular Council meetings.
6. There is a commitment to training for staff, Council and Commission members.
7. Council Members will inform the City Clerk when they will be out of town as early as possible so absences can be calendared.
8. Council Members receive the same information as much as possible: Citizen complaints, letters, background, etc. [All Members receive copies of everything].
9. Technology is used to create efficiencies.
10. Unwanted reports and documents are returned to staff for distribution to the public or for recycling.

B. COUNCIL VALUES

1. Each Councilperson is elected to and encouraged to represent his or her opinion and to work to carry out what he or she believes is in the best interests of Clayton and its citizens.
2. The Council and the City Manager are a participatory team.
3. The Council is high energy and achievement oriented.

4. Council Members exhibit care and respect for each other as persons.
5. Council Members promote care and respect for each other's point of view. Each Member has a right to be heard.
6. Opinions are expressed honestly, openly, civilly and with integrity.
7. Humor is an important tool.
8. Traditions are respected but not always binding.

C. COUNCIL INTERACTION AND COMMUNICATION

1. The Mayor makes Council sub-committee appointments annually in December; the Mayor is encouraged to seek input from Council regarding appointment preferences.
2. Members will take seriously the responsibility of reporting to Council on sub-committees and other regional, state and national board/agency/group activities in which they are involved.
3. Each Council Member has the responsibility to initiate resolution of problems as soon as possible.
4. Members shall recall and abide by the Brown Act when giving information to each other outside of public meetings.
5. Cheap shots at each other are not allowed by Members during public meetings, in the media, or at any other time.
6. Relationships are informal, but Council Members need to be aware of impact on and perception of the public.
7. Council Members will be flexible in covering Council responsibilities for each other.
8. Council Sub-Committees.
 - a. Sub-committee areas belong to the Council as a whole; they are not seen as territorial.
 - b. Sub-committees shall keep the rest of the Council fully informed. The rest of the Council is responsible for letting a sub-committee know if they want more information or to give input.
 - c. Before sub-committees start moving in new directions, they will obtain direction from the rest of the Council.

- d. Sub-committee reports will be made under “Council Reports” at Council meetings, when appropriate.
- e. Sub-committee memos will be sent on an interim basis to update other Council Members on:
 - 1). Issues being discussed.
 - 2). Options being considered.
 - 3). Progress.
- f. Appropriate reports will also be included in the City Manager’s “Weekly Report”.
- g. Council may contact Department Heads or the City Manager to be briefed on any sub-committee work.
- h. Council shall review the performance of citizen committees no less frequently than every six months.
- i. Sub-committees are task oriented with scheduled dates of completion.

D. COUNCIL INTERACTION AND COMMUNICATION WITH STAFF

- 1. City Manager.
 - a. Council Members should always feel free to communicate with the City Manager.
 - b. When a Council Member is unhappy about the performance of a Department, he/she should discuss this with the City Manager, not any other employee [the City Manager will inform the Mayor of any serious violations of this norm].
 - c. Concerns about the performance of Department Heads must be taken to the City Manager and/or Mayor first for resolution through proper channels.
 - d. In passing along critical information, the City Manager will inform all Council Members.
 - e. Council will provide ongoing feedback, information and perceptions to the City Manager, including some response to the “Weekly Report”.
 - f. Council will page the City Manager if there is an emergency and he/she cannot be reached by phone.

2. Staff in General.

- a. Council may make reasonable requests for information directly from Department Heads.
- b. An informal system of direct communication with staff is used but not abused by Council.
- c. Staff will inform Council immediately when an unusual event occurs that the public would be concerned about [e.g., major vehicular accidents; major police activities; areas cordoned off by police or fire, etc.].
- d. The Council and staff will not intentionally blind side each other in public; if there is an issue or a question a Council Member has regarding an agenda item, that Member will contact staff prior to the meeting.

E. COUNCIL RESPONSIBILITIES FOR KEEPING INFORMED

1. Read Commission minutes and staff reports to find out issues being addressed.
2. Read documents on planning items.
3. Read City Manager "goal updates" list for Council.
4. Do homework diligently and thoroughly.

F. MAYOR SELECTION

1. Election to Vice Mayor and Mayor requires supporting votes of three (3) Council Members, but in the interest of harmony unanimous consensus is to be sought and encouraged.
2. Any Council Member wanting or not wanting a role has a responsibility to tell all other Members.
3. As far as possible and until otherwise decided, Council Members will take turns as Mayor.
4. Mayorship will be a one-year term, commencing with the first meeting in December.
5. Selection of a Mayor is not a lock-step system. The Vice Mayor is generally expected to ascend to Mayor.
6. All Council Members are peers, and the Mayor and Vice Mayor serve at the pleasure of the Council.

G. MAYOR'S ROLE

1. Each Mayor operates somewhat uniquely from past Mayors; the role is largely defined by the person based on style.
2. The elected Mayor is to chair the meetings with proper decorum and to treat all Council Members and the public with respect.
3. The Mayor will inform the Council of any correspondence received or sent in relation to City business. This will be done within reason so as not to create a paper-trail overload. (Use of voice mail is encouraged, whenever possible).
4. The Mayor will forward pertinent information to other Council Members.

H. CITIZEN COMPLAINTS

1. City residents are considered "customers" and will be treated with courtesy and respect.
2. Council Members will receive copies of citizen written complaints, as received.
3. Council Members will be informed on telephone complaints, as appropriate.
4. Staff will inform Council of their response to complaints; copies of written responses should be included in Council packets.
5. Responses to citizens are personalized and professional.
6. Written responses will be selective. Responses will be made to all complaints.
7. Staff will draft a copy of responses for Council to use; letters over Council signatures checked out with signatory.
8. Council should not go to a hands-on mode when complaints occur. Issues will be referred to appropriate staff who will be given adequate time to respond.
9. If a Council Member wants action based on a citizen complaint, he/she should go through the City Manager's office to insure proper handling.

I. PUBLIC MEETINGS

1. Agendas.

a. Formation.

- 1). The City Manager and the City Clerk will prepare a draft agenda and review it with the Mayor for finalization.
- 2). Any member of the Council may request that an item be placed on the agenda by contacting the Mayor. It is the Mayor's discretion as to which regularly scheduled meeting the requested agenda item will appear, after consultation with the City Manager regarding availability of staff time to prepare necessary reports and the extent and number of items already scheduled for each upcoming Council meeting.

b. Council may move to table any agenda item for future study.

c. Council Members will feel free to ask for continuance if enough time has not been available for the Council to prepare.

d. If a Member is ill or away for any big or "personal" agenda item, the item may be tabled at the Member's request.

e. Council may refuse to act on items where critical materials were not available in the Friday agenda packet.

f. Agenda packets are available by 5:00 PM on the Friday preceding the Tuesday meeting.

g. No item on the agenda will be taken up after 11:00 PM without the unanimous consent of the Council Members present.

2. Consent Calendar.

a. Items placed on the Consent Calendar are those considered by the Mayor or the City Manager to be routine in nature; they are enacted in one motion. There is normally no separate discussion of these items, unless requested.

b. The Consent Calendar is used judiciously for items such as minutes, routine City business, some appeals, items already approved in the Budget, etc.

- c. The Mayor will inquire of the public, "Is there anyone who wishes to speak to anything on the Consent Calendar?" [to be in bold type on the agenda]. If so, the item is pulled off the Calendar for separate discussion.
 - d. If a Council Member has a question on a Consent Calendar item for their information only, they are encouraged to ask staff ahead of time, rather than having it pulled off for discussion during the meeting.
 - e. If there is time before the meeting, Council Members will inform staff of items they wish to pull from the Consent Calendar.
 - f. If additional information is requested by a Council Member, staff will provide back-up material to all Council Members.
3. It is reasonable to expect that staff be prepared to give an oral report on every agenda item.
 4. The Mayor works with the City Manager to decide how much information needs to be disseminated at the meeting based on the item, and Council and audience needs.
 5. There will be no packing of the audience by individual Council Members for specific agenda items.
 6. Corrections to minutes should be passed to the City Clerk before the meeting, if possible.
 7. Public Comment.
 - a. As required by law.
 - b. To be directed to the Mayor and Council, not staff or the audience.
 - c. Has a three (3) minute time limit enforced at the Mayor's discretion; is announced in advance and consistently applied.
 - d. Is addressed early in the meeting.
 - e. A Council Member may ask staff to put an item on a future agenda.
 - f. Council may ask staff to respond, when appropriate.
 - g. The following options may be considered by the Mayor during times of high controversy:

- 1). The Mayor designates a block of time early in the meeting (20 minutes) and any comments beyond this limit will be held until the end of the meeting.
 - 2). The Mayor polls the audience for an indication of the number of people wishing to speak, then calls on individuals to speak.
8. The Mayor should survey the audience, as appropriate, to move agenda items up or back to address audience items of concern.
 9. Public participation is encouraged on all public agenda items.
 10. Council and staff will treat participants and each other with courtesy. Derogatory or sarcastic comments are inappropriate.
 11. The public will likewise be encouraged by the Mayor to maintain meeting decorum.
 12. Council and staff will treat the public with respect; refer to citizens by surnames, as appropriate.
 13. In Council meetings when citizens are agitated, the Mayor may call a short recess to calm the situation.
 14. The portion of a regular Council meeting before 7:00 PM, in addition to the present items, should include Council and City Manager reports; action items are discussed first and reports second; Council will ask staff for a summary, if appropriate.
 15. The Mayor allows other Members to speak first, then gives his/her views and afterward summarizes the discussion. Council Members should not be redundant if they concur with what has already been said.
 16. Voting.
 - a. Each Council Member is given an opportunity to speak before a motion.
 - b. Attempts are always made to reach consensus on significant issues.
 - c. On split votes, each Member shares his/her views about the issue and the reasons for his/her vote.
 - d. Once a vote is final, Council Members will support the action taken. If a Council Member wants a vote to be reconsidered, he/she will follow The Standard Code of Parliamentary Procedure.

- e. Any Council Member may request a roll call vote on any given issue.
- 17. When any Council Member believes something would be helpful during a meeting, he/she is free to suggest change in the procedure.
- 18. Department Head attendance is encouraged at every Council meeting when there is a pertinent issue relative to that Department on the agenda; other staff attendance at Council meetings is at the City Manager's discretion.
- 19. Written documents, written statements, citizen petitions, references, newspaper articles or other materials submitted at or read by a council member or a member of the public at a City Council meeting become part of the Agenda Packet retained for that meeting, not an attachment to the official minutes prepared by the City Clerk of said meeting.
- 20. Council Members shall not use or receive digital or electronic communications (such as electronic text or visual communications and attachments distributed via email, instant messaging, twitter or comparable services) regarding an agenda item at any time during the meeting of the City Council at which he or she is in attendance.

J. EXECUTIVE SESSION IN GENERAL

- 1. Council will receive written reports for Closed Session items, as appropriate; these reports are to be returned to staff at the end of the meeting.
- 2. The City Manager will schedule pre-meeting Closed Sessions if it will save the City money [due to consultant or legal fees, etc.].
- 3. There is to be no violation of Executive Session confidentiality. Council Members will not talk to affected/opposing parties or anyone else (press, etc.) regarding Executive Session items without Council direction and concurrence.
- 4. The Mayor will make a public report after every Closed Session in the same meeting.

K. REDEVELOPMENT, GEOLOGIC HAZARD ABATEMENT DISTRICT (GHAD), AND CLAYTON FINANCING AUTHORITY MEETINGS

- 1. All general procedural rules apply as related to normal agenda, consent calendar, etc. These meetings generally follow the Council meeting.

L. SPECIAL MEETINGS

1. Any member may request the Mayor to call a Special Meeting and the Mayor will call it unless there are extenuating circumstances. Special Meetings will be called as specified in the California Government Code.

M. CITY ELECTION YEAR

1. Election year politics should be conducted in such a fashion that the business of Clayton can carry on as usual.
2. Council Candidates will be introduced at Council meetings as candidates only after they have filed their nomination papers.

N. MEMBERS OF COMMISSIONS AND COMMITTEES

1. Commissions and Committees are appointed by the Council as advisory bodies.
2. Commissions and Committees need to:
 - a. Consider Council vision.
 - b. Understand their roles, authority, limitations, etc.
 - c. Know annual priorities.
 - d. Work within established process and parameters [e.g., citizen involvement].
 - e. Have a Council Member serve as liaison.
3. Criteria to be considered in the selection and re-appointment of Commissions. *
 - a. Lack of conflicts of interest.
 - b. Attendance [may not miss two consecutive meetings without an excuse].
 - c. Level of participation and preparation.
 - d. Support of community vision and values.
 - e. Respect for staff and public.

- f. Work for community versus personal purposes.
- g. Perform as a team player.
- h. Be a resident [unless there is exceptional need].
- i. Be competent.
- j. Representative of community as a group [e.g., differing points of view, area of residence, aspects of community, backgrounds, experts versus generalists, etc.].
- k. Appointments are to be made by Council as a whole, not on promises by individual Council Members or Mayor.
- * [A Commissioner may be removed if he/she is in violation of criteria under this section].

4. Selection Process.

- a. Commission candidate application information is to include: Council vision statement, expectations, Brown Act requirements, suggestion to attend a Commission meeting, problem-solving model, etc.
- b. City Council reviews applications, giving input to the Ad-Hoc Committee regarding ranking; Council may request input from Department Heads and City Manager.
- c. Ad-Hoc Committee conducts interviews and makes recommendations to Council [let Council Members know before the meeting who is being recommended in time for individual review].
- d. Council appoints Commissioners [goal is 5-0 consensus vote].
- e. Information packet (including Brown Act, Minutes, Ordinance forming Commission, Calendar of League of California Cities events) is provided to Commissioners by staff.

5. Commissions encouraged to be representative of and involve the entire community.

6. Planning Commissioners shall not use or receive digital or electronic communications (such as electronic text or visual communications and attachments distributed via email, instant messaging, twitter or comparable services) regarding an agenda item at any time during the meeting of the Planning Commission at which he or she is in attendance.

* * * * *

Revised: 21 May 2019
Revised: 20 February 2007
Revised: 20 August 2002
Adopted: 05 May 1998

MINUTES
REGULAR MEETING
OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT (GHAD)

December 4, 2018

1. **CALL TO ORDER AND ROLL CALL** – the meeting was called to order at 8:11 p.m. by Chairman Catalano. Board Members present: Chairman Catalano, Board Members Pierce, Wan and Wolfe. Board Members absent: Vice Chair Diaz. Staff present: City Manager Gary Napper, District Manager Scott Alman, General Legal Counsel Mala Subramanian, and Secretary Janet Calderon.

2. **PUBLIC COMMENTS** – None.

3. **CONSENT CALENDAR** – It was moved by Board Member Pierce, seconded by Board Member Wan, to approve the Consent Calendar as submitted. (Passed; 4-0 vote).

(a) Approved the Board of Directors' minutes for its regular meeting on July 17, 2018.

4. **ANNUAL REORGANIZATION OF THE BOARD OF DIRECTORS**

(a) Nominations and election of Chair

Chairman Catalano opened the floor to nominations for Chair in 2019.

Board Member Pierce nominated Board Member Wolfe for the office of Chairperson. No other nominations were received.

Chairman Catalano called for the vote to elect Carl Wolfe as GHAD Chairperson. Motion passed (4-0 vote).

(b) Nominations and election of Vice Chair

Chairperson Wolfe opened the floor to nominations for Vice Chair in 2019.

Board Member Pierce nominated Jeff Wan for the office of Vice Chair. No other nominations were received.

Chairperson Wolfe called for the vote to elect Jeff Wan as GHAD Vice Chair. Motion passed (4-0 vote).

5. PUBLIC HEARINGS – None.

6. ACTION ITEMS – None.

7. BOARD ITEMS – None.

8. ADJOURNMENT - on call by Chairperson Wolfe the Board meeting adjourned at 8:14 p.m.

#

Respectfully submitted,

Janet Catalano, Secretary

Approved by the Board of Directors
Oakhurst Geological Hazard Abatement District

Carl Wolfe, Chairperson



Agenda Date: 5-21-2019
Agenda Item: 5a GHAD

GHAD STAFF REPORT

TO: HONORABLE CHAIRPERSON AND BOARD MEMBERS

FROM: SCOTT ALMAN, DISTRICT MANAGER

DATE: MAY 21, 2019

SUBJECT: PRESENTATION AND CONSIDERATION OF A RESOLUTION TO APPROVE THE PROPOSED OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT (GHAD) BUDGET FOR FISCAL YEAR 2019-20 AND SET A PUBLIC HEARING TO BE HELD ON JULY 16, 2019 TO CONSIDER THE LEVY OF THE CORRESPONDING REAL PROPERTY TAX ASSESSMENTS IN FY 2019-20

RECOMMENDATION

Staff recommends the Board take the following set of actions regarding the Oakhurst Geological Hazard Abatement District (GHAD) budget for FY 2019-20:

- 1) Receive the District Manager's report;
- 2) Receive public comment;
- 3) Adopt the Resolution approving the District's budget for FY 2019-20, which action includes setting July 16, 2019 as the Public Hearing date on the proposed GHAD real property tax assessments for FY 2019-20.

BACKGROUND

In April of 2000, the Oakhurst Geological Hazard Abatement District (GHAD) was established by vote of the property owners within the geographic boundaries of the established District. Those property owners approved, by ballot, annual assessments to fund routine hazard abatement and maintenance within the GHAD as well as the operational needs of the District. The ballot measure specifically addressed and approved an annual assessment adjustment not to exceed the increase or decrease in the Bay Area Consumer Price Index (CPI) as reported in April of each subsequent year. These annual assessments are the only source of revenue for the District. Without further real property owners' approval via ballot, the District cannot create nor mandate additional revenues to fund additional hazard abatement or prevention services.

Annually each May, the General Manager prepares and submits a budget report for Board consideration and approval. The attached Budget Report has been prepared for FY 2019-20.

If the proposed budget and assessments are acceptable to the Board, it is recommended the Board approve the attached Resolution approving the proposed District budget, announcing the Board of Directors' intention to levy assessments, setting July 16, 2019 as the Public Hearing date, and directing the mailing of notices to affected property owners.

FISCAL IMPACT

Real property owners within the GHAD previously voted against any assessment increase. Based on the "no" vote of the GHAD property owners, the GHAD continues to only be able to afford minor maintenance work and minimal administrative costs in the GHAD-owned open space areas. In order for the District to generate any additional future public works improvements or abatement repairs, the property owners would have to vote to increase their annual assessments beyond the currently approved CPI adjustment.

This budget and the corresponding proposed assessments are calculated and prepared using the approved CPI adjustment, this year of +4.01% between April 2018 and April 2019.

For the second year, the GHAD Budget experiences a reduced general liability insurance premium contribution of \$7,000 (down from \$16,000 in 2017-18) due to the time lapse since prior hillside movement claims.

CONCLUSION

Staff recommends approval of the attached Budget and the Resolution of Intention.

Attachments: 2019-20 Budget Report
Resolution of Intention
Notice of Public Hearing

GHAD BUDGET REPORT

DATE: May 01, 2019
TO: BOARD OF DIRECTORS
FROM: SCOTT D. ALMAN, P.E., GENERAL MANAGER
RE: FISCAL YEAR 2019-20

Background

In April 2000, the property owners within the Oakhurst Geological Hazard Abatement District (GHAD) approved, by ballot, assessments to cover the routine maintenance and operational needs of the District. The ballot measure also approved a method and formula for its annual property assessments to keep pace (increase or decrease) with the economy based on the annual adjustment in the Bay Area Consumer Price Index (CPI). The current CPI for the period April 2018 to April 2019 (the evaluation period established in the original ballot measure) reveals an economic index increase of 4.01%.

These annual assessments remain the only source of revenues to the District as it is solely funded by the private property owners within the District. Without the real property owners' further voter approval, the District cannot create or mandate additional revenue to fund hazard abatement or prevention services.

Kelok Way Area

In its proposal to take over the Kelok Way area monitoring work, BS&A strongly recommended the replacement of the slope inclinometer that is located at the "top of slope north of the cul-de-sac at Kelok Way," as it has "... *experienced excessive casing deformation due to ground movement at a depth of 52-feet below the ground surface. This precludes measurement of any on-going movement at this apparent slide-plane location or below.*" The estimated \$35,000.00 cost to replace this inclinometer was included in the approved 2018-19 annual district budget. The wet winter precluded the installation of the inclinometer. Additionally, a street and sidewalk deformation has occurred on the easterly side of Ahwanee Lane just south of the intersection with Miwok Way. Our Geotechnical Engineering firm, BS&A, characterized the deformation as a trench migration issue that could become extensive and be an expensive issue to correct. Based on this new street issue cropping during the past rainy season, this repair needs to take precedence over the installation of the new slope inclinometer at Kelok. With very limited funds available to make repairs, the inclinometer may need to be delayed several years until sufficient funds can be saved to fund the installation of the new inclinometer.

Pebble Beach Area

The inclinometer in the slope below the street (SI-2) has pinched at a depth of 72 feet thereby prohibiting measurement below that depth. The readings in the upper 72 feet indicate the upper area has not internally moved significantly since the last readings in 2016. BS&A strongly recommends the replacement of inclinometer SI-2 but its replacement has not yet been proposed due to insufficient District funds being available.

V-Ditch Maintenance

Staff is once again proposing to set aside \$20,000 in this year's budget for completion of additional ditch replacement and maintenance work.

Fund Balance (Reserves)

The GHAD's fund balance is shown to be \$4,555.00 as June 30, 2019. Staff anticipates utilizing all available funding during FY 2019-20 for District services, resulting in a projected June 30, 2020 ending fund balance of \$0.00.

Presley Lawsuit Settlement Fund Balance

This fund balance is projected to stand at approximately \$106,279 in remaining funds from the original Presley lawsuit settlement (2003) on June 30, 2019. We are anticipating an increase of approximately \$1,500 in the fund balance due to interest earnings resulting in an ending balance of \$107,779 on June 30, 2020.

It was originally intended the remaining original Presley lawsuit settlement funds be used to rehabilitate street pavement in the Keller Ridge area once the ongoing movement ceased. While some pavement work has been accomplished, having no other reserves and no interest by the property owners in raising the annual assessments, the District ultimately has little option but to eventually use these funds to cover any of the District's funding shortfalls that may occur for as long as possible.

FY 2019-20 PROPOSED BUDGET

This Budget proposes to continue funding just the routine operations, along with the ongoing monitoring and legal defense costs, of the District through the allowable annual assessments. The year-to-year increase allowable per the most current CPI-U is 4.01% (April 2018 to April 2019, San Francisco-Oakland-Hayward, All Items, All Urban Consumers Index, published by the U.S. Bureau of Labor Statistic).

Following is the recommended budget for the GHAD for FY 2019-20:

BEGINNING FUND BALANCE

Balance 7-1-2019

\$4,555.00

EXPENSES

Postage

\$800.00

| | |
|--|-----------------|
| Liability Insurance Premium | 7,000.00 |
| County Collections Charge for Assessments | 1,260.00 |
| Legal Notices | 100.00 |
| Miscellaneous | 300.00 |
| Engineering Services | 8,300.00 |
| Special Legal Services | 1,500.00 |
| Project Costs | 20,427.00 |
| District Administration (transfer to General Fund) | <u>7,780.00</u> |

TOTAL EXPENSES **\$47,467.00**

INCOME

| | |
|----------------------|---------------|
| Property Assessments | \$42,780.00 |
| Interest on Funds | <u>132.00</u> |

TOTAL INCOME **\$42,912.00**

FY 2019-20 PROPOSED PROPERTY ASSESSMENTS

FY 2019-20 property assessments include an increase of 4.01% which is consistent with the adjustment in the Bay Area Consumer Price Index (CPI) from April 2018 to April 2019.

As stated above, the annual assessment will be the same as last year except for an annual adjustment consistent with this year's increase in the CPI. Exhibit A explains the methodology of the assessments and provides a summary of the proposed assessment for this year.

EXHIBIT A

OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT

METHOD OF ASSESSMENT

A geological hazard abatement district is in essence the same as a benefit assessment district, and therefore the costs budgeted for the district (assessments) must be apportioned to individual parcels according to the benefit received.

The voter approved ballot measure that established the district divided the total development into three separate assessment areas. After reviewing the needs of each area and the benefits of the District to each area, the following percentages of the total budget/cost (including reserves) has been assigned to each area:

- Area 1 which includes the lower 6000's, lower 5000's, Duets, and Townhouses was assigned 25% of the total budget.
- Area 2 which includes the Upper 6000's, upper 5000's, 8,000's, condominiums was assigned 50% of the total budget, and
- Area 3 which includes the 10000's was assigned 25% of the total budget

The number of housing units in each area is not considered a benefit factor and the amount of the assessment per unit will vary greatly from area to area.

The type of housing unit is considered when assigning benefit and the different types of housing mixed into Areas 1 and 2 have been assigned different assessment factors to account for the differing type of housing as follows:

| | |
|---|------|
| Single Family home (regardless of size) | 1.00 |
| Duets | 0.75 |
| Multi-family | 0.50 |

The process of calculating assessments for each parcel includes the following steps:

1. Calculate amount of total budget that each area is responsible for (Assumed budget of \$42,780.46);
 - a. Area 1 = 25% of \$42,780.46, or \$10,695.12
 - b. Area 2 = 50% of \$42,780.46, or \$21,390.23
 - c. Area 3 = 25% of \$42,780.46, or \$10,695.12
2. Calculate the number of equivalent assessed units that the budget percentage will be spread over for each area;
 - a. Single family dwellings (regardless of size) = equivalency factor of 1.0
 - b. Duets = equivalency factor of 0.75
 - c. Multi-family = equivalency factor of 0.5

Area 1:

| AREA 1 | \$10,695.12 | | | |
|-----------|----------------|--------------------|--------|---------------------------|
| Sub-Area: | Dwelling Units | Dwelling Unit Type | Factor | Equivalent Assessed Units |
| Tr. 6990 | 92 | sfd | 1 | 92.00 |
| Tr. 7065 | 108 | duet | 0.75 | 81.00 |
| Tr. 7066 | 117 | multifamily | 0.5 | 58.50 |
| Tr. 7033 | 52 | multifamily | 0.5 | 26.00 |
| Tr. 7311 | 118 | duet | 0.75 | 88.50 |
| Tr. 7768 | 55 | sfd | 1 | 55.00 |
| Tr. 7769 | 53 | sfd | 1 | 53.00 |
| Sub-total | 595 | | | 454.00 |

3. Spread the total budget amount assigned to the area to each tract (sub-area) based on the numbers of equivalent assessed units;

| AREA 1 | \$10,695.12 | | |
|-----------|---------------------------|------------|------------------------------|
| Sub-Area: | Equivalent Assessed Units | Percentage | Assessment Assigned by tract |
| Tr. 6990 | 92.00 | 20.27% | \$2,167.29 |
| Tr. 7065 | 81.00 | 17.84% | \$1,908.16 |
| Tr. 7066 | 58.50 | 12.89% | \$1,378.12 |
| Tr. 7033 | 26.00 | 5.72% | \$612.50 |
| Tr. 7311 | 88.50 | 19.50% | \$2,084.84 |
| Tr. 7768 | 55.00 | 12.11% | \$1,295.66 |
| Tr. 7769 | 53.00 | 11.67% | \$1,248.55 |
| Sub-total | 454.00 | 100.00% | \$10,695.12 |

4. Calculate the rate per dwelling unit;

| AREA 1 | \$10,695.12 | | |
|-----------|------------------------------|----------------|------------------------------|
| Sub-Area: | Assessment Assigned by Tract | Dwelling Units | Assessment per Dwelling Unit |
| Tr. 6990 | \$2,167.29 | 92 | \$23.56 |
| Tr. 7065 | \$1,908.16 | 108 | \$17.67 |
| Tr. 7066 | \$1,378.12 | 117 | \$11.78 |
| Tr. 7033 | \$612.50 | 52 | \$11.78 |
| Tr. 7311 | \$2,084.84 | 118 | \$17.67 |
| Tr. 7768 | \$1,295.66 | 55 | \$23.56 |
| Tr. 7769 | \$1,248.55 | 53 | \$23.56 |
| Sub-total | \$10,695.12 | 595 | |

District Boundaries

As of FY 1999-00, the District was complete and consisted of 200 single family homes, 226 duets, and 169 townhouses in Area 1; 612 single family homes and 136 condos in Area 2; and 141 single family homes in Area 3.

SUMMARY OF ASSESSMENTS

| AREA I 2018-19 ASSESSMENT | | | Total = | \$10,695.12 | | |
|-----------------------------|---------|-------------|---------|-------------|-------------|-------------|
| Subarea | # Units | Type | Factor | Ass. Units | 18/19 Asses | Total |
| Tr. 6990 | 92 | sfd | 1.00 | 92.00 | \$23.56 | \$2,167.29 |
| Tr. 7065 | 108 | duets | 0.75 | 81.00 | \$17.67 | \$1,908.16 |
| Tr. 7066 | 117 | multifamily | 0.50 | 58.50 | \$11.78 | \$1,378.12 |
| Tr. 7303 | 52 | multifamily | 0.50 | 26.00 | \$11.78 | \$612.50 |
| Tr. 7311 | 118 | duets | 0.75 | 88.50 | \$17.67 | \$2,084.84 |
| Tr. 7768 | 55 | sfd | 1.00 | 55.00 | \$23.56 | \$1,295.66 |
| Tr. 7769 | 53 | sfd | 1.00 | 53.00 | \$23.56 | \$1,248.55 |
| Subtotals | 595 | | | 454.00 | | \$10,695.12 |
| AREA II 2018-19 ASSESSMENT | | | Total = | \$20,565.55 | | |
| Subarea | # Units | Type | Factor | Ass. Units | 18/19 Asses | Total |
| Tr. 7256 | 70 | sfd | 1.00 | 70.00 | \$31.46 | \$2,201.94 |
| Tr. 7257 | 60 | sfd | 1.00 | 60.00 | \$31.46 | \$1,887.37 |
| Tr. 7260 | 75 | sfd | 1.00 | 75.00 | \$31.46 | \$2,359.22 |
| Tr. 7261 | 70 | sfd | 1.00 | 70.00 | \$31.46 | \$2,201.94 |
| Tr. 7262 | 99 | sfd | 1.00 | 99.00 | \$31.46 | \$3,114.17 |
| Tr. 7263 | 101 | sfd | 1.00 | 101.00 | \$31.46 | \$3,117.08 |
| Tr. 7264 | 102 | sfd | 1.00 | 102.00 | \$31.46 | \$3,208.53 |
| Tr. 7766 | 35 | sfd | 1.00 | 35.00 | \$31.46 | \$1,100.97 |
| Tr. 7766 | 60 | multifamily | 0.50 | 30.00 | \$15.73 | \$943.69 |
| Tr. 7767 | 76 | multifamily | 0.50 | 38.00 | \$15.73 | \$1,195.34 |
| Subtotals | 748 | | | 680.00 | | \$21,390.23 |
| AREA III 2018-19 ASSESSMENT | | | Total = | \$10,282.78 | | |
| Subarea | # Units | Type | Factor | Ass. Units | 18/19 Asses | Total |
| Tr. 7249 | 69 | sfd | 1.00 | 69.00 | \$75.85 | \$5,233.78 |
| Tr. 7255 | 72 | sfd | 1.00 | 72.00 | \$75.85 | \$5,461.34 |
| Subtotals | 141 | | | 141.00 | | \$10,695.12 |
| Grand Totals | 1,484 | | | 1,275.00 | | \$42,780.46 |

GHAD RESOLUTION NO. XX- 2019

**A RESOLUTION APPROVING A BUDGET AND DECLARING THE INTENT
TO LEVY AND COLLECT ASSESSMENTS FOR THE OAKHURST
GEOLOGICAL HAZARD ABATEMENT DISTRICT FOR FISCAL YEAR 2019-20,
AND GIVING NOTICE OF THE TIME AND PLACE FOR HEARING
ON THE LEVY OF THE PROPOSED ASSESSMENT**

**THE BOARD OF DIRECTORS
OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT
Clayton, California**

WHEREAS, by Resolution No. 5-89, the Clayton City Council formed the Oakhurst Geological Hazard Abatement District (herein "GHAD"), pursuant to Division 17, Geological Hazard Abatement Districts, of the Public Resources Code, Section 26500 et seq.; and

WHEREAS, the General Manager has prepared and filed a Budget Report with the Board of Directors setting forth, among other things, the proposed real property assessments upon assessable lots and parcels of land within the GHAD for fiscal year 2019-20, which report is dated June 01, 2019; and

WHEREAS, the proposed real property assessments do not represent an increase in excess of the latest annual adjustment of the Bay Area CPI (CPI-U), such annual increase formula having been approved by the voters of GHAD on April 18, 2000; and

WHEREAS, the Board of Directors reviewed the Budget Report at its regular meeting on May 21, 2019, and found the same to be satisfactory and in compliance with Section 26651 of the Public Resources Code; and

WHEREAS, it is now necessary for the Board of Directors to establish the date for the public hearing on levying of the proposed real property assessments for fiscal year 2019-20 and to direct its Secretary to give the required notice of such hearing;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Directors of the GHAD as follows:

1. The Budget Report, dated May 1, 2019, prepared by the District Manager and each part thereof, is sufficient in each particular, has fairly and properly apportioned the cost of the maintenance and improvement to each parcel of land in the GHAD in proportion to the estimated benefits to be received by each parcel respectively from such maintenance and improvements, is hereby approved as filed and is, by reference, included herein.

2. The Board of Directors hereby declares its intent to levy and collect the real property assessments within the GHAD for fiscal year 2019-20, as follows:

| <u>GHAD AREA</u> | <u>SUBD</u> | <u># UNITS</u> | <u>TYPE</u> | <u>\$ ASSESS PER LOT</u> | <u>TOTAL \$ PER SUBD</u> |
|------------------|-------------|----------------|--------------|--------------------------|--------------------------|
| I | 6990 | 92 | Sfd | \$22.65 | \$2,083.73 |
| I | 7065 | 108 | Duets | \$16.99 | \$1,834.59 |
| I | 7066 | 117 | multi-family | \$11.32 | \$1,324.98 |
| I | 7303 | 52 | multi-family | \$11.32 | \$588.88 |
| I | 7311 | 118 | Duets | \$16.99 | \$2,004.46 |
| I | 7768 | 55 | Sfd | \$22.65 | \$1,245.71 |
| I | 7769 | 53 | Sfd | \$22.65 | \$1,200.41 |
| II | 7256 | 70 | Sfd | \$30.24 | \$2,117.04 |
| II | 7257 | 60 | Sfd | \$30.24 | \$1,814.61 |
| II | 7260 | 75 | Sfd | \$30.24 | \$2,268.26 |
| II | 7261 | 70 | Sfd | \$30.24 | \$2,117.04 |
| II | 7262 | 99 | Sfd | \$30.24 | \$2,994.10 |
| II | 7263 | 101 | Sfd | \$30.24 | \$3,054.59 |
| II | 7264 | 102 | Sfd | \$30.24 | \$3,084.83 |
| II | 7766 | 35 | Sfd | \$30.24 | \$1,058.52 |
| II | 7766 | 60 | multi-family | \$15.12 | \$907.30 |
| II | 7767 | 76 | multi-family | \$15.12 | \$1,149.25 |
| III | 7249 | 69 | Sfd | \$72.93 | \$5,032.00 |
| III | 7255 | 72 | Sfd | \$72.93 | \$5,250.78 |
| | Total | 1484 lots | | TOTAL | \$41,131.11 |

3. The GHAD consists of a portion of the City of Clayton as shown on the GHAD Diagram on file with the Secretary.

4. The Budget Report of the General Manager on file with the Secretary contains a fully detailed description of the proposed maintenance and improvements, consisting of open space inspection and the maintenance thereof, with the estimated cost of the maintenance and improvements, a diagram of the District, and a proposed assessment of the estimated cost of such maintenance and improvements.

5. **On Tuesday, July 16, 2019, at or near the hour of 7:00 p.m., at a regular Board of Directors meeting at Hoyer Hall in the Clayton Community Library situated at 6125 Clayton Road, Clayton, California,** the regular meeting place of the GHAD Board of Directors, any and all persons having any interest in the lands within the GHAD, liable to be assessed for the expenses of the GHAD for fiscal year 2019-20, may be heard, and any such persons may also present any objections that they may have by written protest, filed with Secretary at or before the time set for hearing.

6. The Secretary shall give notice of the passage of this Resolution and of the time and place of hearing of protests as herein designated by causing a notice of the passage of this Resolution and of the time and place of hearing of protests to be mailed to all owners of property within the GHAD as required by Section 26652 of the Public Resources Code.

Passed, Approved and Adopted by the Board of Directors of the GHAD at a regular public meeting thereof held on May 21, 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

THE BOARD OF DIRECTORS OF GHAD

Carl Wolfe, Chairperson

ATTEST:

Janet Calderon, Secretary

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed by the Board of Directors of the GHAD at a regular public meeting thereof held on May 21, 2019.

Janet Calderon, Secretary

**NOTICE OF PUBLIC HEARING REGARDING THE LEVY OF ASSESSMENTS ON
REAL PROPERTY IN THE OAKHURST GEOLOGICAL HAZARD ABATEMENT
DISTRICT PURSUANT TO PUBLIC RESOURCES CODE SECTION 26652.**

KNOW ALL INTERESTED PARTIES BY THIS NOTICE THAT:

1. The District General Manager did present on May 21, 2019, to the Board of Directors, his report dated June 01, 2019, indicating a total budget for FY 2019-20 of **\$41,131.11** and recommending the real property assessments shown on the attached table to pay for the obligations of the Oakhurst Geological Hazard Abatement District ("District") during FY 2019-20.

2. The Board of Directors accepted and approved the report on May 21, 2019, by adopting GHAD Resolution No. XX-2019, which set forth, among other things:

- a. The Board's intent to levy and collect a per unit assessment in accordance with the recommendations of the District Manager as specified to pay for the obligations of said District during FY 2019-20.
- b. The date of Tuesday, July 16, 2019, at 7:00 p.m., at Hoyer Hall in the Clayton Community Library, situated at 6125 Clayton Road, Clayton, California, as the date, time and place for hearing protests against the levy of said assessments to operate the District in fiscal year 2019-20.

3. The per unit assessments for the previous fiscal year 2018-19 were as shown on the attached table. The proposed per unit assessments represent an increase equal to the latest annual adjustment in the San Francisco, All Items, All Urban Consumers Index (4.01%; April 2018 – April 2019). The proposed assessments are in compliance with the annual increase formula previously approved by the GHAD voters on April 18, 2000 and therefore do not constitute an assessment increase under law.

4. A general description of the items to be maintained and operated in the District and paid for by the assessment is as follows: open space areas and geological hazard mitigation devices and improvements, and District administrative expenses.

5. All interested parties may obtain further particulars concerning the proposed per unit assessments in the District and a description and map of the boundaries of the District by referring to GHAD Resolution XX-2019, and the report of June 01, 2019, which are on file with the GHAD Secretary in Clayton City Hall. In addition, interested parties may contact the District General Manager directly by phone at (925) 969-8181 or in person, by appointment only, at 6000 Heritage Trail, Clayton, California, or view the reports at www.ci.clayton.ca.us.

NOW, THEREFORE, any and all persons having any interest in lands within the District liable to be assessed for the expenses of the District for Fiscal Year 2019-20, may appear at the public hearing, the time and place thereof being set forth above, and offer protest to said proposed assessment increase, and any of said persons may also present any objections they may have by written protest filed with the Secretary, Oakhurst Geological Hazard Abatement District, City of Clayton, 6000 Heritage Trail, Clayton, California, 94517, at or before the time set for public hearing.

JANET CALDERON
Secretary
Oakhurst Geological Hazard Abatement District

DATED: May 21, 2019

**OAKHURST GEOLOGICAL HAZARD ABATEMENT DISTRICT
PROPOSED ANNUAL ASSESSMENTS
FISCAL YEAR 2018/19**

| <u>GHAD AREA</u> | <u>SUBD. NAME</u> | <u>SUBD. #</u> | <u># UNITS</u> | <u>TYPE</u> | <u>PROPOSED ASSESS.</u> | <u>2017-2018 ASSESS.</u> | <u>ANNUAL \$ INCREASE</u> |
|------------------|-----------------------------|----------------|----------------|--------------|-------------------------|--------------------------|---------------------------|
| I | Windmill Canyon I | 6990 | 92 | 6,000 sf | \$22.65 | \$22.02 | 0.63 |
| I | Black Diamond I | 7065 | 108 | Duets | \$16.99 | \$16.50 | 0.49 |
| I | Chaparral Springs I | 7066 | 117 | Multi-family | \$11.32 | \$11.06 | 0.26 |
| I | Chaparral Springs II | 7303 | 52 | Multi-family | \$11.32 | \$11.06 | 0.26 |
| I | Black Diamond II | 7311 | 118 | Duets | \$16.99 | \$16.50 | 0.49 |
| I | Oak Hollow IIA | 7768 | 55 | 5,000 sf | \$22.65 | \$22.02 | 0.63 |
| I | Oak Hollow IIB | 7769 | 53 | 5,000 sf | \$22.65 | \$22.02 | 0.63 |
| II | Eagle Peak I | 7256 | 70 | 8,000 sf | \$30.24 | \$29.24 | 1.00 |
| II | Eagle Peak II | 7257 | 60 | 8,000 sf | \$30.24 | \$29.24 | 1.00 |
| II | Falcon Ridge I | 7260 | 75 | 8,000 sf | \$30.24 | \$29.24 | 1.00 |
| II | Falcon Ridge II | 7261 | 70 | 8,000 sf | \$30.24 | \$29.24 | 1.00 |
| II | Windmill Canyon II | 7262 | 99 | 6,000 sf | \$30.24 | \$29.24 | 1.00 |
| II | Windmill Canyon III | 7263 | 101 | 6,000 sf | \$30.24 | \$29.24 | 1.00 |
| II | Windmill Canyon IV/Ironwood | 7264 | 102 | 6,000 sf | \$30.24 | \$29.24 | 1.00 |
| II | Oak Hollow I | 7766 | 35 | 5,000 sf | \$30.24 | \$29.24 | 1.00 |
| II | Diablo Ridge I | 7766 | 60 | Multi-family | \$15.12 | \$14.70 | 0.42 |
| II | Diablo Ridge II | 7767 | 76 | Multi-family | \$15.12 | \$14.70 | 0.42 |
| III | Peacock Creek I | 7249 | 69 | 10,000 sf | \$72.93 | \$70.58 | 2.35 |
| III | Peacock Creek II | 7255 | 72 | 10,000 sf | \$72.93 | \$70.58 | 2.35 |