AGENDA

REGULAR MEETINGS

* * *

CLAYTON CITY COUNCIL
and
CLAYTON REDEVELOPMENT AGENCY

* * *

TUESDAY, November 2, 2010

6:30 p.m.

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

Mayor: Hank Stratford
Vice Mayor: David T. Shuey

Council Members
Howard Geller
Joseph A. Medrano
Julie K. Pierce

- 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 on Monday 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.

* CLAYTON REDEVELOPMENT AGENCY *

November 2, 2010

6:30 P.M.

1. **CALL TO ORDER THE RDA BOARD OF DIRECTORS** – Chairman Medrano.

2. **PUBLIC COMMENTS**

Citizens may address the Redevelopment Agency on items within the Agency's jurisdiction, (which are not on the agenda) by completing a speaker card and forwarding it 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 the Chair calls one's name, the speaker shall advance to 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. Board Members may respond to statements made or questions asked, or may 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 as each item is considered.

3. **CLOSED SESSION**

(a) *Government Code Section 54956.8*, Conference with Real Property Negotiator
Real Property: 268 Stranahan Circle, Clayton, CA (APN 119-620-035-4).
Instructions to Agency negotiator (Executive Director) concerning terms and conditions.
Negotiating Party: Ryan and Jennifer Ruff

Report Out From Closed Session: Chairman Medrano.

4. **ADJOURNMENT –** the next regular Redevelopment Agency meeting will be scheduled as needed.

# # # # #

* CITY COUNCIL *
November 2, 2010

7:00 P.M.

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

2. **CLOSED SESSION** – None.

3. **PLEDGE OF ALLEGIANCE** – led by Mayor Stratford.

4. **CONSENT CALENDAR**

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

(a) Approve the minutes of the regular meeting of October 21, 2010. (View Here)

(b) Approve Financial Demands and Obligations of the City. (View Here)

(c) Adopt a Resolution amending the City's Uniform Penalty Schedule for local parking violations by adding a fee of $3.00 onto each local parking ticket to fund a State-imposed surcharge for the State Trial Court Trust Fund (AB 1617, 2010 statute). (View Here)

(d) Approve the award of contract to Caltronics Business Systems for a 3-year lease and maintenance agreement for the replacement of the main copier at City Hall. (View Here)

(e) Adopt a Resolution of support for *Get Connected!*, a call for action to accelerate the deployment and implementation of broadband technology to unserved and underserved communities and populations in California. (View Here)

(f) Approve the closure of the Clayton Community Library on seven (7) Sundays in calendar year 2011 for observance of certain holidays and holiday weekends. (View Here)

5. **RECOGNITIONS AND PRESENTATIONS**

(a) Proclamation declaring November 2010 as "Pulmonary Hypertension Awareness Month" in the City of Clayton. (View Here)

6. **REPORTS**

(a) Planning Commission – Commissioner Ted Meriam
(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 – Introduction of candidates for City Council elected office.

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

Citizens may address the City Council on items within the Council's jurisdiction, (which are not on the agenda) by completing a speaker card available on the Lobby table and submitting it 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 by the Mayor, 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 Council may respond to statements made or questions asked, or may 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.

8. **PUBLIC HEARINGS** – None.

9. **ACTION ITEMS**

(a) Consider a series of actions to formally implement "Tier II" California Public Employees Retirement System (CalPERS) pension plans for all newly hired City employees. (View Here)
(City Clerk)

Staff recommendations: Following staff report and receipt of public comments, that Council:

1) By motion adopt the Resolution of Intent.

2) By motion, approve the City Clerk to read Ordinance No. 430 by title and number only and waive further reading; and

3) By motion, approve for Introduction and First Reading Ordinance No. 430 to Amend the Contract Between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the City of Clayton to Implement *California Government Code* Section 20475 (2.0% at 60 Full Formula for Miscellaneous Employees and 2.0% at 50 Full Formula for Local Public Safety) Providing Second Tier of Lower Level of Benefits for New City Employees.

(b) Council discussion and direction regarding the number of, dates and times for the 2011 series of the annual "Concerts in The Grove". (View Here)
(Councilmember Geller)

Staff recommendation: That Council provide the requested directives concerning the 4th year of the 2011 "Concerts in The Grove".

10. **<u>COUNCIL ITEMS</u>** – limited to requests and directives for future meetings.

11. **<u>ADJOURNMENT</u>**– the next regularly scheduled meeting will be on November 16, 2010.

# # # # #

MINUTES
OF THE
REGULAR MEETING
CLAYTON CITY COUNCIL

TUESDAY, October 19, 2010

Agenda Date: 11-2-10

Agenda Item: 4a

1. **CALL TO ORDER & ROLL CALL** – The meeting was called to order at 6:15 p.m. by Vice Mayor Shuey in Hoyer Hall of the Clayton Community Library, 6125 Clayton Road, Clayton, CA. Councilmembers present: Mayor Stratford (arrived during closed session), Vice Mayor Shuey, Councilmembers Geller, Medrano and Pierce. Staff present: City Manager Gary Napper, City Attorney Dan Adams, and City Clerk Laci Jackson.

2. **CLOSED SESSION** Vice Mayor Shuey announced the following purpose for Closed Session and then adjourned into Closed Session at 6:15 p.m.

(a) *Government Code Sections 54956.9 (a), (b) (1) and (c).*
Conference with Legal Counsel
Pending Litigation: *Katzman, et al. v. City of Clayton, et al.* Coordinated Cases Master/C07-01461/C07-00707, Superior Court of CA, Contra Costa County and related coverage issues.

Mayor Stratford arrived during Closed Session.

Report out from Closed Session: Mayor Stratford reported the Council received a report from Legal Counsel and provided direction.

3. **PLEDGE OF ALLEGIANCE** – led by Mayor Stratford.

4. **CONSENT CALENDAR-** Councilmember Medrano pulled Item 4(a) for discussion. Councilmember Medrano questioned how the error in calculating the price for the RAC had occurred.

City Manager stated the only information he had was provided in the staff report. He stated the City Engineer had interpreted the quote differently than the contractor had. The City Manager stated this did not change the lowest bidder since the RAC was an alternative bid option.

Members of the Council expressed grave disappointment and unhappiness over the outcome of this error and the subsequent reliance on the previous memo that RAC would be used.The Council appointed a sub-committee of Councilmember Medrano and Councilmember Pierce to meet with the City Engineer regarding this matter.

It was moved by Vice Mayor Shuey, seconded by Councilmember Pierce to approve the Consent Calendar as submitted (Passed; 5-0 vote).

(a) Information Only
1. City Engineer report the final contractor cost ($113,283) to use Rubberized Asphalt Concrete (RAC) for repaving of old Marsh Creek Road exceeds the allocation of Measure J monies for the project by approximately $50,000; therefore, use of standard hot mix asphalt (HMA) will occur on this street.

(b) Approved the minutes of the regular meeting of October 5, 2010.

(c) Approved Financial Demands and Obligations of the City.

(d) Approved the award of competitive bid contract in the amount of $24,337.63 to Diablo Ford of Pittsburg for the City's budgeted purchase of a 2010 Ford F-250 to replace a 1992 Ford F-450 using Capital Equipment Replacement Funds (CERF), declare the Ford F-450 truck as capital equipment surplus to the City's needs and authorize the City Manager to sell the surplus truck at public auction.

5. RECOGNITIONS AND PRESENTATIONS

(a) Mayor Stratford presented a Certificate of Appreciation to La Veranda Café for catering the Contra Costa County Mayors' Conference hosted by the City on October 7th at Endeavor Hall. He thanked Mr. Anis Maamari for his hard work on the event and stated the Council received compliments on the fantastic food. Mr. Maamari thanked the Council for trusting La Veranda to cater such an important civic event.

(b) Mayor Stratford presented a Certificate of Appreciation to Richard Taylor for 30 years of community service as the leader of the annual "Clayton Ghost Walk". Mr. Taylor thanked the Mayor and the Council for the recognition.

(c) Mayor Stratford read a Proclamation declaring October 24, 2010 as "Polio Eradication Day" in the City of Clayton and presented it to Mr. Ken Mishabori of the Clayton Valley Rotary. Mr. Mishabori stated the goal of Rotary is to end Polio now.

(d) Remarks by Mr. Rick Ramacier, General Manager of Central Contra Costa Transit Authority ("County Connection", or CCCTA), on its potential use of smaller busses. Mayor Stratford stated Mr. Ramacier was unable to attend this meeting due to illness.

6. REPORTS

(a) Planning Commission- No meeting held.

(b) Trails and Landscaping Committee- No meeting to report.

(c) The City Manager reported street improvement signs were placed early on the roads affected by the street paving project. He stated this is a $1.2 million project which will start with Old Marsh Creek Road and move to many neighborhood streets. He stated many of the curb ramps must be replaced in the project area because of required specification changes by the ADA. He stated it is required whenever a major or minor arterial is being repaired that handicap curb-cut ramps be brought up to code.

(d) City Council

Councilmember Medrano attended the Mayors' Conference in Clayton and stated the food was great.

Councilmember Pierce attended the Mayors' Conference and stated she was impressed by the catering from La Veranda and the condition of Endeavor Hall. She attended a Regional Planning meeting and the Eagle Scout Court of Honor for Stephen Cuff.

Councilmember Geller attended the Mayors' Conference and stated La Veranda provided excellent food and service. He also attended the Mt. Diablo School Districts 5k fundraiser and the Clayton Club Saloon's first annual local band festival.

Councilmember Shuey attended the Mayors' Conference and stated he recived great compliments on the food and stated the evening showcased La Veranda as one of the great restaurants Clayton has to offer the public.

Mayor Stratford attended the Mayors' Conference and thanked La Veranda and the City Clerk for their work on the event. He attended an Eagle Court of Honor for Stephen Cuff, a "Do the Right Thing" meeting, and reminded the public, to vote yes on Proposition 22, to protect local funds.

(e) Other

Mayor Stratford stated he, Vice Mayor Shuey, Jim Diaz, and Ted Meriam were running for the two City Council seats in the November 2010 election. In accordance with Council policy, he invited Mr. Diaz in the audience forward to speak.

Mr. Diaz thanked the Clayton Pioneer and Library Association for sponsoring the Candidates Night last Monday and stated he would be holding a "Meet the Candidate" event at the Clayton Club on October 24th from 2-4pm. Sunday he will be attending the Clayton Community Church service.

Vice Mayor Shuey thanked the Clayton Pioneer and the Library Foundation for sponsoring the Candidates Night last night.

7. <u>PUBLIC COMMENT ON NON-AGENDA ITEMS</u>

Police Officer Darren Billington thanked the City Council for the opportunity to speak and introduced himself as the new President of the Clayton Police Officers Association. He stated the other new board members are Vice President Jason Shaw and Secretary Rich McEachin. He stated his main goal in coming to the meeting was to open the lines of communication with the City Council because of past miscommunication. He stated the POA is hoping to be more involved within the community. Mayor Stratford thanked Officer Billington for coming to the meeting.

Richard Taylor thanked the City Council for the support of the Ghost Walk over the last 30 years. He stated the Ghost Walk will be held this year on Sunday, October 31st meeting in front of Endeavor Hall 8 p.m.

8. <u>PUBLIC HEARINGS</u> – None.

9. <u>ACTION ITEMS</u>

(a) Determination of date and time for the City Council's annual meeting with Clayton Town Center property owners and Downtown business persons to discuss matters of mutual interest and concern regarding community events and activities in the Town Center, promotion of a healthier local business economy, and a request to consider allowing City-approved food and/or alcohol booth(s) at the "Concerts in The Grove" series.

The City Manager stated the Council needed to determine a date and time to hold an annual meeting with business owners and operators, and to decide the scope of topics for the study session. He included in the Staff Report a suggested list of subject matters.

It was moved by Vice Mayor Shuey, seconded by Councilmember Pierce to call a Special Meeting of the City Council for November 23rd at 9am in Hoyer Hall, Clayton Community Library to discuss:

a. Critique of the 2010 Concerts series and suggestions for 2011 series
b. Request to allow City-approved food and/or alcohol booth(s) at Concerts series
c. Consideration of suggestions/improvements to various community events held in the Town Center (e.g. CBCA festivals; 4th of July Parade; Labor Day Derby/Car Show, etc.)
d. Roundtable discussion on ideas or programs to promote a healthier local business economy.

(Passed; 5-0 vote).

10. **COUNCIL ITEMS**

Councilmembers Geller and Pierce suggested the 2011 Concert dates and schedule be placed on an upcoming Agenda.

11. **ADJOURNMENT**-- On call by Mayor Stratford the meeting adjourned at 7:45 p.m.

Respectfully submitted,

____
Laci J. Jackson, City Clerk

APPROVED BY CLAYTON CITY COUNCIL

____
Hank Stratford, Mayor

CITY OF CLAYTON
Founded 1857 ... Incorporated 1964

Agenda Date: 11/02/10

Agenda Item: 4b

Approved:

Gary A. Napper
City Manager/Executive Director

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: MERRY PELLETIER, FINANCE MANAGER

DATE: NOVEMBER 02, 2010

SUBJECT: INVOICE SUMMARY

RECOMMENDATION **Approve the following Invoices.**

Due to a timing issue with our new Financial Edge software, we were unable to process the City's current invoices. The attached list of vendor names, brief descriptions and the amounts owing is a short composite of the normal stack of invoices. If there are any questions, please contact us and we will be happy to elaborate on any information you would like.

10/29/10	Invoices for Payment	$152,196.84

Attachment:
Invoices for Payment – City Council Meeting 11/2/2010

Invoices for Payment - City Council Meeting 11/2/2010

All City Management Svc - Crossing Guard	$465.00
Ararat Exterminators - 208 Stranahan	$1,200.00
AT&T	$1,798.02
Bay Area News - Elections & Notices	$192.20
CAL CARD	$28,605.91
CalPERS - Health Premiums	$25,418.29
CalPERS - Retirement	$20,401.32
CCC Animal Services	$14,422.00
CCC Auditor-Controller - PD Booking Fees	$49.00
CCC General Svc - Traffic Signal Mtn	$3,320.43
Concord Garden Equip - PW Equip Maint	$610.14
Data Ticket - PD Misc. Stamps & Notices	$180.88
Goldfarb & Lipman - LMI Legal Svc	$122.50
Grainger - PW Supplies	$825.32
Hammons Supply - Libr & City Hall Janitorial Supplies	$325.24
Health Care - Dental Premiums	$2,469.51
Joe Pargett - 208 Stranahan Lndsp Work	$200.00
Joe Pargett - 278 & 208 Stranahan Lndsp Svc	$125.00
LSA Assoc - CCChurch EIR Consulting Svc	$7,958.56
Marken Mechanical Svc - EH HVAC Mtn	$247.00
Municipal Pooling Authority - LTD & Life	$1,156.67
PG&E	$17,813.63
Rolling Hills Landscape - PW Paver Proj	$20,648.00
Roto-Rooter - EH Sewer Ln Clean Out & Clean Up	$898.84
Rutan & Tucker - Land Use/Econ Dev Legal Svc	$75.00
Seifel - Clayton Existing Conditions Analysis	$478.64
Sharon Cuff - Refund EH	$1,000.00
Sprayer Sales Co - PW Wash Rack Mtn	$225.00
Thomas & Sharon Duncan - Refund EP 2902	$500.00
Turf Star - PW Landscape Supplies	$164.74
Undercover Computers - Finance New Server Svc/ Audit	$300.00
Total	**$152,196.84**

Agenda Date: 11-2-10

Agenda Item: 4c

CITY OF CLAYTON
Founded 1857 . . . Incorporated 1964

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CHIEF OF POLICE

DATE: NOVEMBER 2, 2010

SUBJECT: A RESOLUTION AMENDING THE UNIFORM PENALTY SCHEDULE FOR PARKING VIOLATIONS WITHIN THE CITY OF CLAYTON

RECOMMENDATION

Adopt the attached Resolution amending the monetary penalty schedule for parking violations that occur within the City of Clayton, pursuant to Chapter 10.38 of the *Clayton Municipal Code*.

BACKGROUND

Ordinance No. 310 of the *Clayton Municipal Code* (adopted on December 7, 1993) established a schedule of parking penalties for *Municipal Code* and *California Vehicle Code* parking violations that occur within the city of Clayton. The Clayton City Council, pursuant to Chapter 10.38.010 of the *Clayton Municipal Code*, is authorized to amend the associated uniform schedule of parking penalties from time to time by City Council resolution.

Last year, the Governor signed Senate Bill 1407 which mandated a $3.00 surcharge be charged on each local parking violation in order to help fund the State Court Facilities Construction Fund. As a result, it was necessary for the City Council on April 21, 2009, to approve a Resolution amending the City's schedule of local parking penalties to increase the penalty for each parking violation by $3.00 to ensure the state-mandated increase is paid by the violator, not from the City's portion of the local parking penalty.

DISCUSSION

This year the Governor recently signed Assembly Bill 1617 which establishes yet another $3.00 State penalty assessment on all municipal and California Vehicle Code parking violations. The additional penalty assessment commences 60 days after the enactment of the Budget Act for 2010, and sunsets on July 1, 2013. The newly increased assessment applies to each parking citation and must be paid via issuing agencies to the State Controller for deposit into the State Trial Court Trust Fund. The State Trial Court Trust Fund is designated to fund services, or payment for services, that are provided to the court by the Administrative Office of the Courts.

The County's Office of Revenue Collections (ORC) was not funded for future service by the County. As a result, the City Council recently approved a contract with a private firm, Data Ticket, Inc. in order to administer Clayton's parking citation program. Data Ticket charges the City an administrative fee of $.93 for each parking citation. In addition to their administrative fee, Data Ticket collects the following State-mandated fees:

a) $1.50 for Criminal Justice Construction Fund;
b) $4.50 for State Court Facilities Construction Fund; and
c) $2.00 described as "the State amount".

The total parking assessment State surcharges is now $8.00. The City's current schedule of parking penalties includes all State-mandated fees and assessments (including last year's increase) in addition to the City's applied parking penalty. Incorporating this year's additional State assessment fee of $3.00 (mandated by AB 1617) the State's surcharge slice climbs to $11.00 for each local parking violation. The total surcharge and administrative fee for each parking violation will now amount to $11.93.

In order to recover costs for the additional required State surcharge, staff recommends the City Council raise our penalty amount for each local parking violation by the new $3.00. This action will result in the City receiving the full intended amount of the base parking penalty from the violator and ensures the violator pays the State-imposed fees. The proposed schedule of parking penalties, if approved, reflects the $3.00 surcharge increase in parking penalties for each parking violation, and is attached in Attachment B.

FISCAL IMPACT

If the recommended action is approved, the parking violator pays all State surcharges, vendor handling fees, and the parking penalty for each local parking violation. For example, if Data Ticket processed 100 parking violations for our City and the parking penalty remains at $46.00, Data Ticket would collect $4,600. However, since the City would then be obligated to "pay" the State surcharges and vendor fees totaling $11.93 for each citation, out of the base penalty, the City nets $3,407. By approving this Resolution, and using the same example of 100 parking violations levied at $49.00, the City realizes its full $3,707 in local parking revenue with the 100 parking violators paying the State's new take of $300.

Under the time-honored principle of user [violator] pays the full cost rather than the general taxpayer at large, staff recommends the adjustment.

Attachments: A. Resolution
B. Current and Recommended Penalty Schedules

RESOLUTION NO. ____-2010

A RESOLUTION AMENDING THE UNIFORM PENALTY SCHEDULE FOR PARKING VIOLATIONS OCCURRING WITHIN THE CITY OF CLAYTON

THE CITY COUNCIL
City of Clayton, California

WHEREAS, on December 7, 1993, the City Council adopted Ordinance No. 310 of the City of *Clayton Municipal Code* thereby setting the uniform schedule for parking violations occurring in the City of Clayton; and

WHEREAS, the City Council is authorized pursuant to Section 10.38.010 of the *Clayton Municipal Code* to periodically amend the schedule for parking violations from time to time by enactment of a Council resolution; and

WHEREAS, the Governor of California recently signed Assembly Bill 1617 with adoption of the State Budget for FY 2010-11 which established an additional penalty assessment of $3.00 on Municipal Code and California Vehicle Code parking violations, to augment state funds for the State Trial Court Trust Fund; and

WHEREAS, the additional $3.00 parking penalty assessment authorized under Assembly Bill 1617 commences 60 days after the enactment of the Budget Act for 2010, and is effective until it sunsets by legislation on July 1, 2013; and

WHEREAS, the City Council has considered the matter and found that a corresponding increase in the local parking penalties for Municipal and California Vehicle Code parking violations is required to satisfy the mandates of Assembly Bill 1617 and to ensure each violator pays the additional State-imposed cost; and

WHEREAS, earlier this year the City Council authorized staff to contract with Data Ticket, Inc. for an administrative fee of $.93 per parking violation in order to process Clayton's parking citations, which requires said authorized agency to now collect and disperse all State-mandated surcharges and administration fees for a total of $11.93 per local citation; and

WHEREAS, the City Council has adopted a policy of fully recovering costs associated with providing certain services from the Code violator rather than paid for by the general taxpayer; and

WHEREAS, the penalties considered herein are not user fees and will become effective at the end of 60 days from the enactment date of the State Budget Act 2010 and adoption of said Resolution.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Clayton, California does hereby amend and revise its Uniform Schedule of Parking Penalties for Parking Violations as listed on Exhibit "A" attached hereto and adopted herein as if fully set forth in this Resolution; and

BE IT FURTHER RESOLVED that said parking penalty shall be effective immediately on adoption of this Resolution and at the end of the 60 waiting period prescribed in Assembly Bill 1617.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Clayton at a regular public meeting thereof held on the 2nd day of November 2010 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

THE CITY COUNCIL OF CLAYTON, CA

____

Hank Stratford, Mayor

ATTEST:

____

Laci J. Jackson, City Clerk

Chapter 10.38

SCHEDULE OF PARKING PENALTIES FOR PARKING VIOLATIONS

Sections:

10.38.010 Uniform Schedule of Parking Penalties for Parking Violations

10.38.010 Uniform Schedule of Parking Penalties for Parking Violations: Effective forthwith, a new schedule of parking penalties for parking violations within the City of Clayton, both as to Clayton Municipal Code and California Vehicle Code violations, is established as set forth in an attachment to Ordinance No. 310, adopted December 7, 1993. The schedule of parking penalties may be amended from time to time by Council resolution. (Ord. 310, 1993) (Amended by Resolution No. -2006, 8/15/06)

Uniform Schedule of Parking Penalties for Parking Violations (Clayton Municipal Code)

10.36.020	Stopping or standing in parkways prohibited	$ 49
10.36.040	No parking areas designated	49
10.36.041(a)	Blocking an Intersection.	49
10.36.041(b)	Blocking Crosswalk	49
10.36.041(c)	Parking adjacent to Safety Zone.	49
10.36.041(d)	Parking 15' Fire Station Driveway	49
10.36.041(e)	Blocking Driveway	49
10.36.041(f)	Blocking Sidewalk	49
10.36.041(g)	Blocking Excavation.	49
10.36.041(h)	Double Parking.	49
10.36.041(i)	Bus Zone.	322
10.36.041(j)	Blocking Wheelchair Access	322
10.36.041(k)	Parking in Posted Fire Lane	114
10.36.042(a-c)	Parking spaces for the Disabled.	322
10.36.045	Parking large vehicles	114
10.36.050	Use of street to store vehicles	64
10.36.070	Repairing or greasing vehicles on street	49
10.36.080	Washing or polishing vehicles	49
10.36.090(b)	Parking adjacent to school	49
10.36.100(b)	Parking prohibited on narrow streets	49
10.36.110	Parking on grades	49
10.36.160(b)	Emergency parking signs	49
10.36.170(b)	Maximum thirty minute parking	49
10.36.180	Forty-minute parking	49
10.36.190	One-hour parking	49
10.36.200	Two-hour parking	49
10.36.201	Unauthorized removing of chalk marks from tires.	49
10.36.210(a)	Parallel parking on one-way streets	49
10.36.220(a)	Diagonal parking	49
10.36.230	Parking within painted parking markings.	49
10.36.240	No stopping zones	49
10.36.250(a-d)	Loading zones	49
10.36.260(a-b)	Curb markings	49
10.36.280	Standing for loading or unloading only	49
10.36.320	Restricted Public Off Street Parking (between 1am-4am)	49
10.36.330	Leaving Keys in Parked Vehicle (Prohibited)	49
10.41.020(b)	Prohibited recreational vehicle parking	114
10.41.030	Long-term occupancy of recreational vehicle	114

CALIFORNIA VEHICLE CODE VIOLATIONS

4000(a)	Current Registration	$54
5204	Tags Not Displayed	$54
21113(a)	Parking on Public Grounds	49
21211(b)	Parking in Bike Lane	49
21458(a)	Parking in Red Zone	49
22500(a)	Blocking Intersection	49
22500(b)	Blocking Crosswalk	49
22500(c)	Parking Adjacent to Safety Zone	49
22500(d)	Parking 15' Fire Station Drive	49
22500(e)	Blocking Driveway	49
22500(f)	Blocking Sidewalk	49
22500(g)	Blocking Excavation	49
22500(h)	Double Parked	322
22500(i)	Parking in Bus Zone	322
22500(j)	Stopping in Tube/Tunnel	49
22500(k)	Stopping on a Bridge	44
22500(l)	Blocking Wheelchair Access	322
22500.1	Parking in Posted Fire Lane	49
22502(a)	Curb Parking	49
22502(e)	Curb Parking One Way Road	49
22504(a)	Unincorporated Area Parking	49
22505(b)	Parked, Posted No Parking Area	49
22507.8(a)	Blocking Handicapped Parking	322
22507.8(b)	Handicapped Parking	322
22507.8(c)	Parking on Lines/Handicapped Stall	322
22514	Fire Hydrants	64
22515	Unattended Vehicles	64
22516	Locked Vehicle w/Person Inside	64
22517	Vehicle Door Open to Traffic Lane	64
22530	Stopping on Freeway	49
22521	Illegal to Park on RR Track	49
22522	Park Near Sidewalk Ramps	322
22523(a/b)	Abandoned Vehicle	148
22526(a/b)	Gridlock Intersection	64
22951	Street/Alley Parking	49
23333	Stop/Parking on Vehicle Crossing	49

CITY OF CLAYTON
Founded 1857 Incorporated 1964

Agenda Date: 11-2-10

Agenda Item: 4d

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CITY CLERK

DATE: October 19, 2010

SUBJECT: Multi-Year Agreement with Caltronics Business System for a Konica Minolta Bizhub C652 Copier Equipment for Lease and Maintenance Agreement

RECOMMENDATION

Authorize the City Manager to enter into a 36-month lease agreement with Caltronics Business Sytems for a new Konica Minolta Bizhub C652 Document replacement copier and equipment maintenance agreement fixed lease.

BACKGROUND

In October 2007, the Council approved a 3 year (36 month) lease agreement for a Konica Minolta C650 document copier with Konica Minolta Inc. The 3-year lease expires on January 1, 2011. The copier is located on the third floor of City Hall and is used for all agenda copying, notices, letters; basically all copying done for the administration of the City. This copier also serves as a printer for the Administrative staff.

The Konica Machine has performed well and met the City's expectations and needs. Today's monthly cost of the lease equipment is $575.00 plus tax and the maintenance contract is $342.00 (based on an average of 15,000 black and white copies at $0.009 and 2,000 colored copies at .072), for a total monthly cost of $854.72 ($10,256.64 per year).

Once the City Council moved to a paperless Agenda system the actual copying volume decreased drastically. Staff considered this when contacting vendors for a replacement copier lease. Though copying has decreased staff still requires the machines to have the following capabilities: color copying, stapling, 2/3 hole punching, folding, and the ability to print on thick paper for posters. By inclusion of these features, previous City expenses for outsourcing these jobs were eliminated.

NEW LEASE PROPOSALS

With the current copier lease expiring staff contacted vendors in hopes of finding that lease prices and maintenance contract prices had fallen in the last 36 months. Staff's inclination was correct and all of the vendors provided prices which were lower than the current contract. In September 2010 staff contacted four (4) vendors regarding options for copier leases and maintenance agreements. Each of the vendors contacted provided a proposal which will save the City money over its current contract.

Copier Recommended – Konica Minolta C652

Staff recommends Council approve the multi-year lease and maintenance agreement with Caltronics Business Systems for a replacement Konica Minolta C652, the newest and most advanced copier. This copier is only a slight upgrade from the current model, therefore staff will have no problems during the transition as the layout of the machine is identical.

This copier will save staff time due to high speed production, coupled with a 36 month lease, will allow the City to maintain a highly functioning copier for the duration of the lease. This also allows the City the opportunity to replace the copier in three years with an even more efficient and better priced unit as the price for technological advances has become more competitive. Advances in copier products on the market are ever changing and a shorter lease term will allow the City to continue to access the best deals on the market.

Staff has been pleased with the performance of the Konica Minolta machine and when Caltronics and Konica Minolta USA provided quotes for the C652 at a lower rate than the current price staff was further pleased. The C652 will use the same platform staff is familiar with and it will not require much extra training (though it is included in the price).

Since staff has previously worked with Caltronics and were satisfied with their service and because they provided the best price of the machine, staff is recommending the City Council approve a contract with Caltronics. Caltronics also locked in the lease price and maintenance agreement price for the term of the lease, and will absorb the cost to have the old machine removed and returned at the end of the current lease.

Alternative Lease Options

Konica Minolta also provided a quote for the Konica Minolta C652. Though the prices were close, Caltronics still held a better price at an average and high amount of copy usage.

Ricoh Business Solutions also provided a quote to the City. As shown on the attached spreadsheet this copier cost slightly more than the others quoted. While the actual machine cost was comparable, the size of the machine was not conducive for the space in the copier room, as there is little space for anything larger than the machine already in place.

Riso also provided a quote for a copier that came in at a similar rate, but is not compatible with the City's operations because it does not have the ability to tri-fold. Staff believes this is a limiting factor especially since there are over 8,000 annual notices that are copied and folded on the current machine.

FISCAL IMPACT

The current lease the City has with Konica Minolta is a 36 month lease that ends on January 1, 2011.

Caltronics has provided a fixed lease and maintenance rate therefore the prices are set for the duration of the contract.

There is $11,200 ($933.33 per month) budgeted in Fiscal Year 2010-2011 for the current copier lease and maintenance agreement. If the City enters into a lease with Caltronics for the C652 copier the City will pay between $612.28 and $701.78 per month (dependent on use) therefore producing a savings of between $231-$321 per month (or $2,772-$3852 per fiscal year over currently budgeted expenses).

Lastly, Caltronics has offered to pay for the return of the current machine to the leasing company.

Conclusion

Staff recommends the City Council authorize the City Manager to enter into a 36 month lease agreement with Caltronics Business Systems for its C652 copier.

Attachments: Spread Sheet of Alternatives (2 pages)
Lease Agreement from Caltronics (7 pages)

Current Copier

Konica C650		**Starting Rate**
Konica Minolta (36 month lease)		$575.72
Maintenance Agreement 15,000 copies/ .009 per page		$135.00
Click Charges 2,000 colored copies/ .072 per page		$144.00
	Total	$854.72

A. Lease Options (Average Use Calculation)		**36 Month Lease**
Konica Minolta (Konica C652)		
Lease		$433.82
Maintenance Agreement 15,000 copies/ .0071 per page		$106.50
Click Charges 2,000 colored copies/.04830 per page		$96.60
	Total	$636.92
Caltronics (Konica C652)		
Lease		$398.78
Maintenance Agreement 15,000 copies/ .0069 per page		$103.50
Click Charges 2,000 colored copies/.055 per page		$110.00
	Total	$612.28
Ricoh (Ricoh C650)		
Lease		$530.82
Maintenance Agreement 15,000 copies/ .0052 per page		$78.00
Click Charges 2,000 colored copies/ .04 per page		$80.00
	Total	$688.82
Riso (Copystar CS552ci)		
Lease		$395.00
Maintenance Agreement 15,000 copies/ .009 per page		$135.00
Click Charges 2,000 colored copies/ .055 per page		$110.00
	Total	$640.00

B. Lease Options (High Use Calculation)		36 Month Lease
Konica Minolta (Konica C652)		
Lease		$433.82
Maintenance Agreement 20,000 copies/ .0071 per page		$142.00
Click Charges 3,000 **colored** copies/**.04830** per page		$144.90
	Total	$720.72
Caltronics (Konica C652)		
Lease		$398.78
Maintenance Agreement 20,000 copies/ .0069 per page		$138.00
Click Charges 3,000 **colored** copies/**.055** per page		$165.00
	Total	$701.78
Ricoh (Ricoh C650)		
Lease		$530.82
Maintenance Agreement 20,000 copies/ .0052 per page		$104.00
Click Charges 3,000 **colored** copies/ **.04** per page		$120.00
	Total	$754.82
Riso (Copystar CS552ci)		
Lease		$395.00
Maintenance Agreement 20,000 copies/ .009 per page		$180.00
Click Charges 3,000 **colored** copies/ **.055** per page		$165.00
	Total	$740.00

Caltronics Business Systems Order Form

Ship To:
City of Clayton
6000 Heritage Trail,
Clayton, CA 94517

Bill To:
SAME

Contact: Laci Jackson **Phone:** 925-673-7304 **Fax:** 925-672-4917

Quantity	Description
1	Bizhub C-652, with FS-526 (100 Sheet Staple Finisher), PK-516 (2/3 Hole Punch Kit),
	SD-508 (Saddle Kit for Booklet Fold and Tri-Fold), Power Tamer.
*	Includes delivery, setup, installation, and training.
**	Includes pick up and return of current Konica C-650 back to leasing company at no charge.
	Customer must provide return instructions.

Payment terms

Lease: ☒ **Buyout Options: FMV** ☒ **10%** ☐ **$1.00** ☐ **Payment:** $ 398.78 **Term:** 36 months

Net 30: ☐ **COD:** ☐ **Credit Card:** ☐ **Alt:** ☐ **Terms:** ____

Credit Card #: ____ **Exp Date:** ____ **CVV code:** ____

Purchase order #: ____

Purchase Price: ____ **Sales Tax:** ____ **Total Due:** ____

Customer has read, understands and agrees to the terms and conditions as stated. This agreement is non-cancelable.

Customer Authorization: ____ **Date:** ____

Caltronics Acceptance: ____ **Date:** ____

Sales Person: ____ Branch: ____

Delivery Date: ASAP AM ☒ PM ☐ Stairs: Yes ☐ No ☒

Pick Up For: Lease Return ☒ Trade In To Caltronics ☐ Disposal ☐
Lease Co: ____ Lease #: ____

Brand: Konica Minolta Model #: Bizhub C-650 Ser #: ____

Caltronics Business Systems

Lease Agreement ("Lease")

LESSEE						
Full Legal Name: City of Clayton					Purchase Order Requisition Number	Phone Number
Billing Address: 6000 Heritage Trail	City: Clayton	State: CA	Zip: 94517	County: Contra Costa	Send Invoice to Attention of:	

EQUIPMENT				
Make	Model Number	Serial Number	Quantity	Description (Attach Separate Schedule A If Necessary)
Bizhub	C-652		1	100 Sheet Staple Finisher, 2/3 Hole Punch Kit, Power Tamer Saddle Kit.

PAYMENT INFORMATION						
Number of Lease Payments	Lease Payment	(PLUS)	Applicable Sales Tax	(EQUALS)	Total Lease Payment	
36	$ 398.78	+		=		
		+		=		
		+		=		

Term of Lease In Months

Payment Frequency: ☒ Monthly ☐ Quarterly ☐ Other____

End of Lease Option: ☒ FMV ☐ 10% ☐ $1 ☐ Other____

End of Lease Purchase Option shall be FMV unless another option is selected.

Security Deposit	(PLUS)	First Period Payment	(PLUS)	Other	(EQUALS)	Total Payment Enclosed
	+		+		=	

TERMS AND CONDITIONS

1. Definitions: The words "you" and "your" refer to the customer named above, "we", "us" or "our"(s)" refers to the Lessor of the equipment identified above ("Equipment").

2. Lease: We hereby agree to lease to you, and you agree to lease from us, the Equipment. You authorize us to adjust the Lease Payments by not more than fifteen percent (15%) if the cost of the Equipment or taxes is more or less than the supplier's estimate. You promise to pay us according to the payment schedule show above, in advance, beginning on the day the Equipment is delivered and thereafter until all amounts are paid. LEASE PAYMENTS MUST BE PAID EVEN IF THE EQUIPMENT IS DAMAGED, DESTROYED, STOLEN OR NO LONGER USABLE, AND ARE NOT SUBJECT TO SET-OFF's, DEFENSE OR COUNTERCLAIM FOR ANY REASON WHATSOEVER. The Total Initial Payment is due upon your signing of the Lease. If any Lease payment is not paid by the due date, you agree to pay a late charge of seven percent (7%) for each payment, but in no event more than the maximum late charges allowed by law. You agree to pay $25.00 for each check returned unpaid. Once we accept the Lease, you MAY NOT CANCEL it at any time during the Lease term. The Lease automatically renews for consecutive twelve month periods unless you, at least 60 days before the end of the term, send us a written notice that you do not want to renew. Provided you are not in default, on 60 days written notice to us, you may purchase the Equipment at the end of the Lease term at the purchase option stated plus all applicable taxes. WE WILL HAVE NO LIABILITIES TO YOU FOR LOST PROFITS OR OTHER CONSEQUENTIAL OR INCIDENTAL DAMAGES BASED UPON ANY WARRANTY OR STRICT LIABILITY OR OTHERWISE. At the end of the Lease or renewal period, you will return the Equipment in the same condition as received, less normal wear and tear, to a location designated by us within 25 days and continue to make Lease payments until the Equipment is returned. You agree to prepay all crating and delivery costs and to insure the Equipment being shipped for its full replacement value. You agree to pay a documentation fee of $75.00.

3. Delivery and Acceptance: You are responsible, at your own cost, to arrange for delivery and installation of the Equipment (unless such costs are included in the cost of the Equipment to us). Acceptance of the Equipment occurs upon delivery. When you receive the Equipment, you agree to inspect it and to verify by telephone or in writing such information as we may require.

4. Warranties: EQUIPMENT IS SOLD AS-IS, WHERE-IS, WITH NO EXPRESS OR IMPLIED WARRANTY OF ANY KIND INCLUDING WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. We transfer to you for the term of the Lease any warranties made by manufacturer or supplier to us.
YOU ALSO ACKNOWLEDGE THAT NO ONE IS AUTHORIZED TO WAIVE OR CHANGE ANY TERM, PROVISION OR CONDITION OF THIS LEASE AND EXCEPT FOR THE MANUFACTURER WARRANTIES, MAKE ANY REPRESENTATION OR WARRANTY ABOUT THIS LEASE OR THE EQUIPMENT. WE SHALL NOT BE LIABLE FOR SPECIAL, RESULTING, OR CONSEQUENTIAL DAMAGES OR LOSS OF PROFIT OCCASIONED BY ANY BREACH OF WARRANTY OR REPRESENTATION OR RESULTING FROM THE USE OR PERFORMANCE OF THE EQUIPMENT. YOUR OBLIGATION TO PAY IN FULL ANY AMOUNT DUE UNDER THE LEASE WILL NOT BE AFFECTED BY ANY DISPUTE, CLAIM, COUNTERCLAIM, DEFENSE OR OTHER RIGHT WHICH YOU MAY HAVE OR ASSERT AGAINST THE SUPPLIER OR THE EQUIPMENT MANUFACTURER.

5. Security Deposit: At our option, any security deposit made hereunder may be applied to any past due amount due hereunder. Upon notification you shall promptly restore the security deposit to its full amount as stated above. The security deposit is non-interest bearing. If you have complied with all of the conditions of the Lease, the security deposit shall be refunded to you after you have returned the Equipment to us.

6. Title: Unless you have a $1.00 purchase option, we will have title to the Equipment. If you have a $1.00 purchase option and/or the Lease is deemed to be security agreement, you grant us a security interest in the Equipment and all proceeds therefrom. Although the Equipment may become attached to real estate, it remains personal property and you agree not to permit a lien to be placed upon the Equipment or to remove the Equipment without our prior written consent. You also agree to allow us to inspect the Equipment at any time during normal business hours. You authorize us to file a copy of this Lease as a financing statement and appoint us as attorney-in-fact to execute and file, on your behalf, financing statements covering the collateral. You hereby waive any and all rights and remedies granted you by Section 2A-508-2A-522 of the Uniform Commercial Code.

7. Location of Equipment: You will keep and use the Equipment only at the address shown above. You agree that the Equipment will not be removed from this location unless you receive in writing permission in advance to move it. All replacement parts and repairs will become our property.

8. Use of Equipment: You represent that the Equipment will be used for business purposes, and not for personal, family or household purposes.

9. Insurance: You will obtain property damage insurance covering the Equipment and its use during the term of this Lease and liability insurance acceptable to us. You further agree to have us named as sole loss payee and additional insured and provide proof of insurance upon request. If you do not provide proof of insurance within 10 days of our request, we have the right, but not the duty, to obtain such insurance covering the Equipment and its use, at your expense. You agree to pay all premiums and our fees for placing and maintaining such insurance, on which we make a profit. If damage or loss should occur you must promptly repair or replace the Equipment with like Equipment, in working order, that is acceptable to us and transfer clear title to such Equipment to us.

10. Taxes: You agree to pay when due, or reimburse us for, all taxes, fees and penalties, relating to use or ownership of the Equipment, levied or accessed by any state, federal or local government or agency, including any taxes paid up front. We will file any required personal property tax, use tax, or other tax returns, unless we agree otherwise in writing. We may charge you a fee for administering property tax filings or for collecting any other taxes, assessments or fees and remitting them to the appropriate authorities. You will indemnify us on an after-tax basis against the loss of any tax benefits anticipated when we accept this Lease arising out or your acts or omissions.

11. Service Charge: The invoice generated for the payments under this Lease may include charges for the servicing of the Equipment. Such servicing charges stand alone and have no relation to the other terms and conditions of this Lease. The inclusion of the service charges on the Lease invoice is at your request for a consolidated invoice. The terms and conditions of the service provided are per a separated agreement.

12. Assignment: YOU HAVE NO RIGHT TO SELL, TRANSFER, ASSIGN OR SUBLEASE ANY INTEREST YOU HAVE IN THIS LEASE OR THE EQUIPMENT. WE MAY, WITHOUT NOTICE, SELL TRANSFER OR ASSIGN OUR INTEREST IN THIS LEASE, THE EQUIPMENT OR ANY LEASE PAYMENTS OR OTHER SUMS DUE. YOU AGREE THAT IF WE DO SO, THE NEW LESSOR WILL HAVE THE SAME RIGHTS AND BENEFITS THAT WE NOW HAVE, BUT, WILL NOT HAVE TO PERFORM ANY OF OUR OBLIGATION. YOU AGREE THAT THE RIGHTS OF THE NEW LESSOR WILL NOT BE SUBJECT TO ANY CLAIMS, SET-OFFS, OR DEFENSES THAT YOU MAY HAVE AGAINST US. IF YOU ARE GIVEN NOTICE OF A NEW LESSOR, YOU AGREE TO RESPOND TO ANY REQUESTS ABOUT THIS LEASE AND IF DIRECTED, TO PAY THE NEW LESSOR ALL RENT AND ALL AMOUNTS DUE UNDER THIS LEASE. In the event that we assign any of our obligations under this Lease, we shall remain primarily responsible to perform those obligations. You agree that any claim or defense you may have relating to those obligations must be asserted only against us and not any new Lessor.

13. Default: Any of the following events or conditions will constitute your default of this agreement: (a) your failure to pay any rent or any sum due on the date due; (b) failure to observe, keep or perform any term, covenant or condition of this Lease, or any other agreement that is made with us; (c) if you or any guarantor dies, becomes insolvent, stops doing business as a concern, (d) you merge, consolidate, transfer all or substantially all of your assets or you make an assignment for the benefit of creditors or you undergo a substantial deterioration in your financial condition, or (e) if you or any guarantor shall file or have filed against you or your guarantor a petition for liquidation, reorganization, or adjustment of debt under federal or state bankruptcy or insolvency law.

14. Remedies: Upon occurrence of default, we may do any or all of the following after providing a written notice of default (a) demand immediate payment of any sums then due and owing under this Lease, plus (b) declare immediately due and payable, sue for and receive all remaining Lease payments to become due during the remainder of the term of this Lease, plus an amount equal to the purchase option stated above or if no purchase option is given, a reasonable estimate of the fair market value of like Equipment as of the originally scheduled end of the Lease term ("Residual"), with the remaining Lease payments and Residual discounted at 3% per annum, plus charge you interest at the rate per month of 1.5% on all amounts due as from the default date until paid (but not exceeding the maximum rate permitted by law), all late fees and any other fees associated with the enforcement of our remedies including reasonable attorney's fees and costs; (c) repossess the Equipment or require you to return the Equipment as provided in this Lease; (d) terminate any other agreements that we may have with your, and/or, (e) pursue any other legal remedy that we may have. If the Equipment is returned or repossessed, such return or repossession of the Equipment will not constitute a termination of this Lease unless we expressly notify you in writing. If the Equipment is returned or repossessed, we will sell or re-rent the Equipment at terms we determine, with or without notice to you, and apply the net proceeds (after deducting any related expenses) to your obligations with you remaining liable for any deficiency and with any excess being retained by us.

15. Indemnity: You assume the entire risk of loss, destruction of, or damage to the Equipment from any cause until the Equipment is returned to or purchased from Lessor, whichever comes first. You further assume the risk of liability arising from the possession of the Equipment and hold us harmless and defend us from all claims and liabilities arising from the possession or use of the Equipment. Your indemnity obligation will continue after the termination of the Lease.

16. Miscellaneous: The Lease is a Finance Lease as defined in Article 2A of the Uniform Commercial Code ("UCC"). Any provision of this Lease which is unenforceable in any jurisdiction shall be considered non-binding in that jurisdiction without invalidating the remaining provisions of the Lease and will not make that provision non-binding in any other jurisdiction. Notices must be given in writing and shall be effective when deposited in the U.S. mail addressed to the party as indicated above.

17. Choice of Law: This Lease has been made in and except for local filing requirements is governed and construed in accordance with the laws of the State of California or the state where our assignee has it principal offices and you agree that non-exclusive personal jurisdiction over you and subject jurisdiction over the Equipment shall be with the courts of the State of California or the state where our assignee has its principal offices. You waive trial by jury in any action against you.

18. Customer PO: You agree that any Purchase Orders issued to us covering this Equipment is issued for purposes of authorization and/or your internal use only and none of its terms and conditions shall modify the terms of this Agreement.

19. Entire Agreement: This Lease contains the entire agreement between you and us and no modification of this Lease shall be effective unless in writing and signed by the parties.

20. Faxed Signatures: You agree that a facsimile copy of the Lease and facsimile copies of all documents executed with the Lease with facsimile signatures may be treated as an original and will be admissible as evidence of the Lease.

LESSEE SIGNATURE

You agree that this is a non-cancelable lease. The Equipment is: ☒ NEW ☐ USED

Signature		Date
Title	Print Name	
Legal Name of Corporation: City of Clayton		

LESSOR

Caltronics Business Systems
PHONE: (800) 735-3273

Commencement Date	Lease Number
Accepted By:	

ACCEPTANCE

The Equipment has been received, put in use, is in good working order and is satisfactory and acceptable.

Signature	Print Name	Title	Date

GUARANTY

I unconditionally guaranty prompt payment of all the Lessee's obligations under the Lease. The Lessor is not required to proceed against the Lessee or the Equipment or enforce other remedies before proceeding against me. I waive notice of acceptance and all other notices or demands of any kind to which I may be entitled. I consent to any extensions or modification granted to the Lessee and the release and/or compromise of any obligations of the Lessee or any other guarantors without releasing me from my obligations. This is a continuing guaranty and will remain in effect in the event of my death and may be enforced by or for the benefit of any assignee or successor of the Lessor. This guaranty is governed by and constituted in accordance with the laws of the State of California or the state where our assignee has its principal office and I consent to non-exclusive jurisdiction of any state or federal court in the State of California or the state where our assignee has its principal office and waive trial by jury.

Signature	Print Name	Date

08CAL010v1

Prestige Service
Monthly Agreement

Customer Bill To:	Customer Ship To: SAME
City of Clayton 6000 Heritage Trail Clayton, CA 94517	Meter Contact: Laci Jackson Fax# 925-672-4917 Meter e-mail: ljackson@ci.clayton.ca.us

FROM: ______________________ TO: ______________________

ID#	Model	Serial #	Color Per Copy Rate	B/W Per Copy Rate	Contracted Usage	Starting Meter	Monthly I.P. Charge
	C-652		$ 0.055	$0.0069			

*Service Rates are locked for 3 years with no minimums. Also includes staples.

Plus Any Applicable Sales Tax and Freight Charges

Caltronics Guarantees

- **This agreement assures that the equipment will be serviced by factory trained field technicians.**
- **Parts and Supplies – Caltronics uses only OEM and top quality supplies to service and supply your system.**
- **Free Loaner – Caltronics will provide a free loaner of equal or greater capability than the Customer's machine, in the event that it can not be repaired within 24 hours.**
- **Call Ahead Program – A Caltronics technician will call your account within two business hours of receiving your service request. If the issue cannot be resolved by phone, you will be given an estimated time of arrival.**

CUSTOMER ACCEPTANCE

Authorized Signature Date

CALTRONICS ACCEPTANCE

Authorized Signature Date

Not valid unless signed by the Customer and an authorized Caltronics Business Systems Representative.

TERMS AND CONDITIONS

The terms and conditions of this agreement may not be altered or amended unless authorized in writing by an officer of Caltronics. All other agreements or commitments for copier/printer/facsimile either expressed or implied are rendered invalid with the approval of this agreement. This agreement will be renewed automatically for successive terms of the same number of months as the initial term unless a written notice of cancellation is received from you at least 30 days prior to the expiration. In the event of customer cancellation, Caltronics will bill and customer will be responsible to pay early termination charges which shall be determined by calculating the average of the three most recent billing periods total billing multiplied by the total of billing periods in the unexpired term, divided by two (2). Upon renewal date, annual pricing adjustments may apply. All coverage excludes damage made necessary by accident, misuse, abuse, neglect, theft, vandalism, environmental conditions beyond the manufacturers recommendation, power related failures, fire, water or other casualty. Use of consumable items not approved by us may void this agreement, at our option. Toner will be allocated based on manufacturer's specified yields. We reserve the right to charge back customers for excess toner usage. Per copy rate or "click" charge is based on a single sided sheet of paper up to 8 ½ x 14. Larger paper will be calculated as more than one "click". Customer is responsible for providing a meter reading to Caltronics for each billing period. If meter reading is not provided by billing date, meter may be averaged. Customer may temporarily withhold payment of any good faith disputed invoiced amount providing written notice is received by Caltronics within 30 days of invoice date stating the basis and the amount of such dispute. Invoiced amounts not disputed within such period will be considered accepted by customer. Caltronics may suspend service and supplies if payment is not received 30 days after invoice date. Equipment damaged as a result of a machine movement will not be covered under this contract. It is strongly recommended that our personnel prepare equipment prior to a move and reinstall equipment immediately following a move. Labor will be charged at our current hourly rates. Customer is responsible for all applicable taxes, shipping and handling. This contract is non-transferable. Any services requested not contained in this agreement will be billed at our prevailing hourly rates. This contract does not include coverage for non –OEM (original equipment manufacturer) peripherals, i.e., External copy controllers, not purchased through our company.

CONNECTED PRODUCTS

The terms and conditions of this agreement may not be altered or amended unless authorized in writing by an officer of Caltronics. All other agreements or commitments for integrated printer (IP) service either expressed or implied are rendered invalid with the approval of this agreement. [redacted] We will replace or repair any defective or failed part in the (IP) unit, video interface and cabling due to normal wear and tear. We will provide all labor and travel expenses to troubleshoot repair / or replace parts, restoring functionality to manufactures specifications on any problems that arise as a result of (IP) unit failure or malfunction. Issues caused by customers computer hardware / software, including applications, are not covered under this agreement. Any changes, modifications, or upgrades in the network environment, including applications and operating systems necessitating a visit or phone support from a technician are not covered by this agreement and will be billed at our current hourly rate. This includes but is not limited to individual workstation driver reinstallation and lost or forgotten passwords. Equipment moves and reinstallations are not covered by this agreement. We will de-install and reconnect equipment within our service area for an additional charge. We will continue to support the equipment provided that the network at the new location meets the specifications of the original network evaluation form. Any service requested for (IP) support not covered in this contract will be billed at our normal hourly rates. We claim all warranties, expressed or implied, including any implied warranties of merchantability, fitness for use, or fitness for a particular purpose. We shall not be responsible for direct, incidental, or consequential damages, including but not limited to damages arising out of the use of or performance of the software or equipment, or any economic loss.

Initial: __________ Customer has read and understands the above terms and conditions.

Rev. 6-27-06

Network Configuration and Compatibility Data

Customer Name: City of Clayton

Sales Rep: Mark Demee

Address: 6000 Heritage Trail
Clayton, CA 94517

Model: C-652 **Equipment ID #:** ____________

IT Contact: ____________ **Phone #:** ____________

IT E-Mail Address: ____________

Key Operator: Laci Jackson **Phone #:** 925-673-7304

Key Operator E-Mail Address: ljackson@ci.clayton.ca.us

All the above information is required before this form will be accepted by Caltronics

Is this printer replacing an active printer requiring network setup immediately upon delivery? If yes, coordination of delivery, technician appointment, and location requirements must be made and confirmed.

What type of network operating system do you have?

What type of Client operating systems do you have?

Who at the customer location is going to assist with the installation?

Name: ____________ Phone#: ____________

E-Mail Address: ____________

Are the proper power outlets/requirements ready where the machine is to be placed?

Is there an active network cable from the network ready to plug in to the printer?

Is the printer going to be installed and shared from a Windows Server?

If so, will your PC support technician be able to login to the server, install printer software, and set up FTP services, etc?

Is scanning going to be set up?

There are multiple ways the scanned image can be obtained, and depending on the model of scanner and options installed, along with the customer's network services available, some scan services may not be available.

- Scan to Email requires an SMTP E-mail server running in the local subnet.
- Scan to FTP requires an FTP service running in the local subnet and folder path to download files into.
- Scan to SMB requires a W2K/XP pc with a shared folder, computer name, user login and password for each pc.
- Scan to HDD requires an HDD to be installed in the printer, and software to be installed onto the pc to obtain files. Some services must be allowed two-way communication through firewalls to work.

A static IP address is required for the printer/scanner.

Printer's IP address	Subnet mask	Gateway
SMTP (Mail) Server address		
DNS Server 1		
DNS Server 2		
Domain Name		
LDAP Server address		
FTP Server address		

Customer Signature: ____________________ Date: __________

Modifications to this document are not permitted.

(For Internal Caltronics Use)

Delivery Date: ____________ Installation Appt: ____________

Installing Technician: ____________

Comments:

CALTRONICS BUSINESS SYSTEMS — Site Requirements by Model

The equipment specifications clearly point out the requirement for the use of an AC power line. It further specifies the type of electrical receptacle that must be used for the various models listed below.

It is your responsibility to be sure that the installation site has the required line and receptacle type before any of these models are installed. Caltronics service technicians are not allowed to alter the power cord or the outlet. In addition, the use of any type of adapter or extension cord is strictly prohibited.

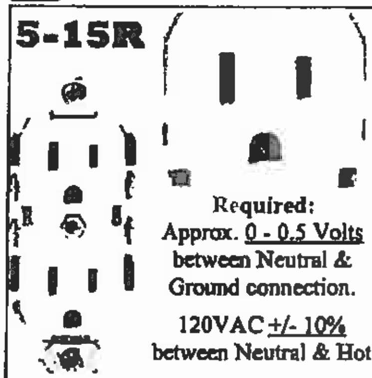
If you have read the above conditions and agree to the terms please sign here: ______________________

*Signature Required

115 Volts at 15 Amps

Recommended Dedicated Circuit; Recommended Isolated *GROUND*

5-15R



Required:
Approx. 0 - 0.5 Volts between Neutral & Ground connection.

120VAC +/- 10% between Neutral & Hot

KONICA MINOLTA

Legacy B&W	Legacy B&W	Legacy Color
-7020	-7218	-8020
-7022	-7222	-8031
-7030	-7228	-CF2002
-7033	-7235	-CF3102
-7035		
-7040		
-7045		
-7130		
-7135		
-7145		

bizhub

Bizhub B&W	Bizhub Color	Bizhub Color
-200	-C30P	-C450
-250	-C203	-C220
-350	-C250	-C280
-360	-C252	-C360
-420	-C253	
-500	-C300	
	-C350	
	-C351	
	-C352	
	-C353	

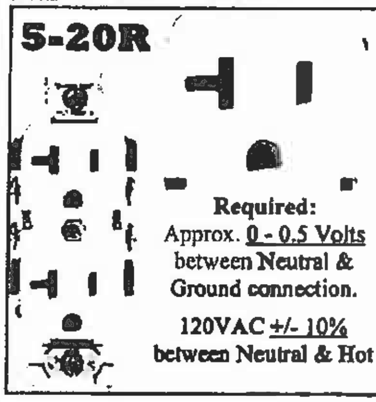
KYOCERA

-KM-850D	-C2230
-KM-1500	-C2520
-KM-1650	-C2630D
-KM-1820	-C3225
-KM-2050	-C3232
-KM-2550	-C4008
-KM-3035	
-KM-3050	
-KM-4035	
-KM-5035	
-KM-5050	

115 Volts at 20 Amps

REQUIRED Dedicated Circuit; *Recommended Isolated GROUND*

5-20R



Required:
Approx. 0 - 0.5 Volts between Neutral & Ground connection.

120VAC +/- 10% between Neutral & Hot

KONICA MINOLTA

Legacy B&W
-7055
-7065
-7150
-7155
-7165
-7255
-7272

bizhub

Bizhub B&W	Bizhub Color
-600	-C451
-750	-C550
	-C650
	-C452
	-C552
	-C652

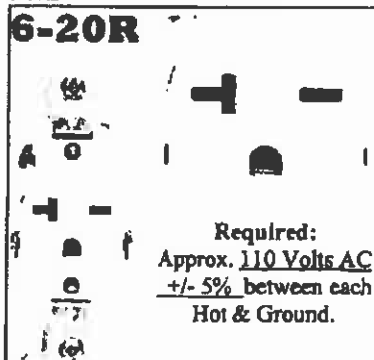
KYOCERA

-KM-6030
-KM-8030

220 Volts at 20 Amps

REQUIRED Dedicated Circuit; *Recommended Isolated GROUND*

6-20R



Required:
Approx. 110 Volts AC +/- 5% between each Hot & Ground.

KONICA MINOLTA

Legacy B&W	Legacy Color
-7075	-CF5001
-7085	-8050

bizhub

Bizhub B&W	Bizhub Color
-920	-C500
-1050	-C6500
-1050e	-C6500P
-1050P	
-1050eP	

CITY OF CLAYTON
Founded 1857 Incorporated 1964

Agenda Date: 11-2-10

Agenda Item: 4e

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CITY MANAGER

DATE: 02 NOVEMBER 2010

SUBJECT: CONSIDER RESOLUTION SUPPORTING GOALS OF *GET CONNECTED!*

RECOMMENDATION

It is recommended the City Council adopt the attached Resolution.

BACKGROUND

Increasingly, the sharing of and access to the information world hinges on access to the Internet and that access is enhanced, and knowledge gained, via high-speed Internet medium known as "broadband technology". Despite California being the historical hub and frontier for Internet technologies and advancements, rural communities in our state still seriously lack broadband infrastructure while segments of urbanized and disadvantaged communities are deficient in having computers and affordable Internet connections in the home.

The California Emerging Technology Fund (CETF), a non-profit corporation, has recognized this Internet access and sociological gap and set as its mission to close this "Digital Divide" by accelerating the deployment and use of high-speed Internet (aka "broadband") to unserved and underserved communities and populations in California. As means to promote public awareness of this issue, CETF has requested each city in Contra Costa County to adopt a Resolution acknowledging the problem and supporting the efforts of CETF to close the digital gap.

Background information on CETF and its mission is attached to this Staff Report. The Contra Costa County Mayors' Conference at its meeting on November 4th will also consider adoption of a similar Resolution.

FISCAL IMPACT

None.

Attachments:
1. City Resolution [2 pp.]
2. Mission of CETF [1 pg.]
3. List of cities and counties adopting Resolution to date [2 pp.]
4. Strategic Action Plan of CETF [32 pp.]

RESOLUTION NO. – 2010

A RESOLUTION OF SUPPORT FOR *GET CONNECTED!*, A CALL FOR ACTION TO ACCELERATE THE DEPLOYMENT AND IMPLEMENTATION OF BROADBAND TECHNOLOGY TO UNSERVED AND UNDERSERVED COMMUNITIES AND POPULATIONS

THE CITY COUNCIL
City of Clayton, California

WHEREAS, closure of the "Digital Divide" is vital to the economic prosperity and quality of life for residents in the City of Clayton, in Contra Costa County and throughout the state of California; and

WHEREAS, the City of Clayton finds and declares that high-speed Internet access – referred to generically as "broadband technology" and including both wireline and wireless systems – is essential 21st Century infrastructure in today's digital world and global economy; and

WHEREAS, the City of Clayton recognizes that California is home to a wellspring of innovation that has given rise to the evolution of broadband and other information sharing technologies, however California's adoption and use of broadband technology is only approximately equivalent to the national average; and

WHEREAS, the City of Clayton is advised and acknowledges that in 2010 that 30% of all Californians, 51% of low-income households, 50% of Latino families and 45% of people with disabilities are not connected to the Internet with broadband, leaving more than 10 million Californians without high-speed Internet access at home; and

WHEREAS, the City of Clayton is supportive of helping families and children be healthy, productive and self-sufficient and realizes the use of broadband technology can save both time and money for residents while helping them bridge the economic divide; and

WHEREAS, the City of Clayton is supportive of efforts to help students obtain the highest-quality education possible incorporating digital literacy, and it further understands that high-speed Internet connectivity and the availability of computing devices both at school and at home are critical teaching and learning tools of academic achievement; and

WHEREAS, the City of Clayton recognizes that broadband technology is a strategic "green" technology that can decrease greenhouse gas emissions and dependence on foreign oil by enabling e-government and the provision of more services online; and

WHEREAS, the City of Clayton is supportive of the goals of digital inclusion and increasing citizen participation in the public process through expanded engagement using broadband technologies; and

WHEREAS, the City of Clayton supports the efforts of California Emerging Technology Fund along with the Governor of California, the California Legislature, other local governments, civic leaders, community organizations, employers, labor representatives, educators, and policymakers to encourage the widespread adoption and installation of broadband technology for access by all.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Clayton, California does hereby join with the California Emerging Technology Fund in promoting *Get Connected!* – a public awareness program focused on closing the "Digital Divide" in California – and does herewith embrace the goal to achieve broadband technology Internet access at home for 80% of all Californians statewide by the year 2015; and

BE IT FURTHER RESOLVED that the City Council of Clayton, California does hereby authorize the use of its name as a champion of *Get Connected!* on the websites of the California Emerging Technology Fund (www.CETFund.org and www.GetConnectedToday.com) and in printed materials pertaining to this objective of *Get Connected!*

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 2nd day of November 2010 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

THE CITY COUNCIL OF CLAYTON, CA

____

Hank Stratford, Mayor

ATTEST:

____

Laci J. Jackson, City Clerk

ATTACHMENT - 2 -

CETF
CALIFORNIA EMERGING TECHNOLOGY FUND

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Communicate + Connect + Compete

English | 中文 Chinese | 한국어 Korean | Español Spanish

Mission

Provide leadership statewide to close the "Digital Divide" by accelerating the deployment and adoption of broadband to unserved and underserved communities and populations.

Ensure that California is a global leader in the availability and use of broadband technology.

This will be accomplished by making investments in programs and projects to improve access, affordability, applications, accessibility and assistance to broadband—the "5As" of the Digital Divide.

Initial Priority Focus

1. Rural communities that lack the broadband infrastructure.
2. Urban poor and disadvantaged communities that lack the computers and affordable connections to the Internet with relevant applications.
3. Disabled populations that lack technology accessibility (which will be addressed in part by promoting universal design of all technology to be accessible and integrating accessibility into all efforts).

Basic Strategy

- Compile conclusions about best practices from research and results of pilot projects and demonstration programs. Consult the most knowledgeable experts and stakeholders.
- Identify and invest in strategic opportunities (based on sound research and proven track records) to achieve the highest impacts in eliminating the Digital Divide.
- Seek out projects that will achieve the strategic goals, not just be a responsive grant maker.
- Make initial investments in mid-2007.
- Hold funded programs and projects accountable for performance and outcomes. Publish regular progress reports.
- Measure the progress quantitatively in terms of status of the Digital Divide statewide and for priority communities and populations. Publish an annual report.
- Establish and institutionalize partnerships with civic leadership and community-based organizations. Develop regional strategies and collaboratives for bridging the Digital Divide.
- Establish a presence throughout California through "affiliations" with key institutions. There will be principal offices in at least the Bay Area and Southern California.
- Continue to encourage and monitor research to ensure efforts are directed at the most critical factors to bridge the Digital Divide.
- Leverage the initial seed $60 million by at least 4-fold to achieve impact of about $250 million through partnerships and co-investments with private sector, government and foundations.

- Overview
- Mission
- Board and Staff
- History
- Governance

ATTACHMENT -3-

CETF
CALIFORNIA EMERGING TECHNOLOGY FUND

Contact Us

Search

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English | 中文 Chinese | 한국어 Korean | Español Spanish

Get Connected - City and County Resolutions

CALIFORNIA NEEDS ITS FAIR SHARE

Help position California to receive broadband funds from the federal government. Now is the time for your city or county resolution to support the California Emerging Technology Fund (CETF). Sunne McPeak, CEO and President of CETF, has been working diligently to bring Broadband Technology to all Californians.

Passing the resolution and model policies can help position your area. If your city or county has not yet passed the
CETF Resolution (/files/Get Connected! Sample Resolution All Local Governments.doc), you can download it right now. You can also endorse as a **Get Connected! Public Official** (/files/GC_endorse_individual_form_100205_0.doc).

If you have any questions, please call or email Luis Arteaga at 415-744-2388 or **luis.arteaga@cetfund.org** (mailto:luis.arteaga@cetfund.org). Thank you very much for your timely response. Check out all the areas that have passed the Resolution. Thank you for your work to help California Get Connected!

RESOLUTIONS

COUNTIES	CITIES
Alameda	Alhambra
Alpine	Bell
Amador	Bell Gardens
Colusa	Carson
Contra Costa	Chula Vista
Del Norte	Concord
El Dorado	Cudahy
Fresno	Fremont
Humboldt	Fresno
Kern	Hughson
Lake	Huntington Park
Los Angeles	Inglewood
Marin	Lafayette
Mariposa	Lawndale
Mendocino	Long Beach
Merced	Los Angeles
Modoc	Martinez

Mono	**Maywood**
Nevada	**Martinez**
Orange	**Pasdena**
San Benito	**Pleasant Hill**
San Diego	**Richmond**
San Luis Obispo	**Riverside**
Santa Clara	**Sacramento**
Shasta	**San Fernando**
Solano	**San Pablo**
Sonoma	**Seaside**
Stanislaus	**Sonoma**
Tehema	**South Gate**
Trinity	**Town of Danville**
Tuolumne	**Watsonville**
Tulare	
Yolo	

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  - 5 Categories of Strategic Action
  - Approach
  - Steps
  - Get Connected - City and County Resolutions
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- Events
- News
- Expert Advisors
- CETF Opportunities
- Annual Reports
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ATTACHMENT -4-

CALIFORNIA EMERGING TECHNOLOGY FUND

CALIFORNIA EMERGING TECHNOLOGY FUND

Connect ✦ Communicate ✦ Compete

Strategic Action Plan
June 2007

CALIFORNIA EMERGING TECHNOLOGY FUND

CALIFORNIA EMERGING TECHNOLOGY FUND
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415-744-2399 Fax

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Los Angeles, CA 90012-4297

213-346-3222
213-808-1009 fax

California Emerging Technology Fund

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STRATEGIC ACTION PLAN

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CALIFORNIA EMERGING TECHNOLOGY FUND

California Emerging Technology Fund
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STRATEGIC ACTION PLAN
June 2007

The Mission of the California Emerging Technology Fund is to provide leadership statewide to minimize the Digital Divide by accelerating the deployment and adoption of broadband and other advanced communications services to underserved communities and populations.

The purpose of this document is to set forth a Strategic Action Plan for the California Emerging Technology Fund (CETF) in order to be open, explicit and transparent about the approach and strategies being embraced for grantmaking to have the greatest impact from the seed capital on closing the Digital Divide and achieving Digital Inclusion (e-Inclusion). CETF welcomes input and feedback from experts, stakeholders and policy makers about which investments will best accomplish that goal.

Introduction and Background

The CPUC Order

The California Emerging Technology Fund (CETF) has been established as a non-profit corporation pursuant to orders from the California Public Utilities Commission (CPUC) in approving the mergers of SBC-AT&T and Verizon-MCI in 2005. As a condition of approval of the mergers, AT&T and Verizon are required to contribute to CETF a total of $60 million over 5 years "for the purpose of achieving ubiquitous access to broadband and advanced services in California, particularly in underserved communities, through the use of emerging technologies by 2010." AT&T will contribute $9 million per year and Verizon will contribute $3 million per year. The CPUC also directed that at least $5 million should be used for telemedicine projects.

The CPUC stated that CETF should adopt the goals of expanding adoption and usage of broadband technology in addition to promoting ubiquitous access: "We understand that without computers and computer literacy neither availability nor access will ensure use. It is low use that is at the heart of the digital divide. CETF should consider the possibility of public/private partnerships to develop community broadband access points that provide both."

The CPUC orders specified the composition and process for constituting the 12-person CETF Board of Directors: 4 were to be appointed by the CPUC, 4 were to be appointed by the companies (3 by SBC of which only 1 could be an employee and 1 by Verizon), and these eight were to appoint the remaining 4. The appointments were to reflect both the diversity of California and the private-sector expertise to achieve ubiquitous broadband. Initial appointments were made in April 2006 and the Board was fully constituted by the end of June 2006.

Definition of Broadband

High-speed communications is referred to generically as broadband and is defined by the Federal Communications Commission (FCC) in terms of speed: Lines or wireless channels that terminate at an end user location and enable the end use to receive information from and/or send information to the Internet at information transfer rates exceeding 200 kilobits per second (kbps) in at least one direction. Advanced service lines are connections that deliver services at 200 kbps in both directions. However, it is generally acknowledged that the speed used by the FCC as the definition of broadband is not adequate for consumer demands and global competitiveness. The CPUC says that commonly broadband transmissions are considered to be two-way connections between 384 kbps to 25 megabits per second (mbps). Thus, jurisdictions across the country are officially pursuing faster speed goals. For example, Idaho has established requirements for a statewide broadband initiative as 256,000 bits per second (256 kbps) from a subscriber (upstream) and 512,000 bits (512 kbps) to a subscriber (downstream). It is recognized by CETF that most current and future broadband applications require faster speeds than the FCC definition.

Although various sources define alternative technologies differently, the following are generally recognized characteristics of broadband options compared to dial-up service:

Technology	**Speed**
Dial-Up	56 kbps
DSL	384 kbps – 1.5 mbps
Cable Modem	1.5 mbps – 3 mbps
T-1	1.544 mbps
Satellite	Uplink: 50-128 kbps Downlink: 400-500 kbps
WiFi	11-54 mbps Up to about 300 feet
WiMax	70 mbps Up to about 30 miles

The CPUC reports that across the U.S., cable modem technology provides 51% of the broadband connections and DSL provides 40% of the connections with the remaining technologies accounting for less than 9% of the national market. However, the percentages of market share are different in California, where DSL accounts for 49% of the connections, cable modem provides 37% of the connections and all other technologies account for 14%.

It will be important in the future to track deployment and adoption of broadband by type of technology and speed. Further, it must be underscored that CETF is technology neutral and is focused on end-use functionality for the consumer in implementing the directives from the CPUC.

Magnitude of the Challenge

Although the deployment and adoption of broadband technology is steadily increasing across the nation and within California, there are rural and remote areas that are not served by the infrastructure and there persists a pattern of differential access and use among socio-economic population groups—this reality is referred to as the "Digital Divide" and is a major concern for California's future global competitiveness.

According to the FCC, the number of high-speed lines in the U.S. increased more than 10-fold between 1999 and 2004 with average annual growth rate of 184%. The U.S. Department of Commerce reports that broadband adoption is outpacing adoption of other popular technologies, including VCRs, personal computers and the Internet, and adoption of broadband is on pace with the adoption patterns for color TV. However, there is a significant urban-rural Digital Divide:

— 40.4% of U.S. urban households with Internet had broadband in 2003.
— 24.7% of U.S. rural households with Internet had broadband in 2004.
— 5% urban and 22% rural residents don't subscribe to broadband because it is not available.

Given that the majority of the population resides in urban areas, the availability of broadband has increased significantly. Approximately 84% of Californians and 81% of U.S. residents live in areas served by broadband between 200 kbps and 10 mbps in both directions (with 46% being served by 2.5-10 mbps broadband). However, it is important to note that these percentages refer to availability or deployment of the infrastructure and not to subscription rates or use.

The Pew Internet & American Life Project reports that home broadband adoption nationally grew by 40% from March 2005 to March 2006, twice the growth rate of the year before, with 42% of all American adults having a high-speed Internet connection at home as of March 2006. Pew also reports encouraging trends in adoption of broadband technology among middle-income households, African Americans, and those with lower levels of education, although the percentage of use among these consumer groups still is lower than for the overall population.

The CPUC reports that at the end of 2005, there were 7,345,304 broadband connections in California, a 36% growth over the previous year. Nationally, connections reached 50,237,139 with a 33% growth over the previous year. The CPUC calculates a broadband penetration rate in California of 16.98 connections per 100 persons and a penetration rate for the rest of the U.S. at 12.42 connections per 100 persons.

Only limited information exists today for trends in California and its regions. For example, the Bay Area Council tracked use of the Internet in the region from 1999 to 2003 and found an increase from 79% to 83% of residents who regularly used a personal computer at home, work or school. During that same period of time, the median number of hours online each week increased from 5.88 to 7, with most users going on line for reference materials, travel or weather information, and entertainment. The biggest increase is use was going online for shopping.

Notwithstanding the significant increase on adoption of broadband, there continues to persist lower rates of use of the technology by residents who have less education, have lower income, are not English proficient, are older, and are disabled. Further, there is not sufficient data for geographical and socio-economic population sub-groups to determine the exact status of the Digital Divide in California. Thus, it will be essential to establish a process and methodology to track use and progress for a sufficient period of time to determine trends.

<u>Foundational Research</u>

CETF began developing a strategic framework by surveying the literature and identifying best practices and successful models. Several states, including Kentucky, Illinois, Michigan, North Carolina, Idaho, Vermont, and Wyoming have launched broadband initiatives. The most impressive increases in broadband adoption have been achieved by ConnectKentucky.

ConnectKentucky was launched by the Governor with support from the industry to organize a systematic process to identify prospective users and aggregate demand to drive infrastructure deployment. ConnectKentucky maps the existence of technology county by county and then mobilizes eCommunity Leadership Teams to identify opportunities for demand in specific sectors (business, local government, education, healthcare, libraries, tourism, community organizations, and agriculture) to attract broadband providers to compete for customers. It operates with a staff of about 30 people on a budget of $1.5-$2.5 million annually funded by industry memberships on a steering committee. As a result, Kentucky has led the nation in growth of both broadband availability and adoption

Under the supervision of Commissioner Rachelle Chong, the CPUC sponsored a report compiled by an intern, Ana Alicia Bradshaw, titled "*Filling in the Broadband Gaps: The Role of the California Emerging Technology Fund in Closing California's Digital Divide*." This report has become the foundation for developing the strategic framework for CETF. The following summarizes the findings and conclusions from the report:

<u>Why Gaps in Use of Broadband Exist – Technology Factors</u>

— Access
— Affordability
— Applications and Content

<u>Socio-Economic Factors Contributing to the Digital Divide</u>

— Over 65
— Household Income <$35,000
— No High School Degree
— Rural Area
— Non-English Speaking or Limited English Proficiency
— Disabled

<u>Conclusions</u>

— Goal setting is crucial to determining who and where you want to serve, how you want to serve, and what resources are needed for this effort.
— Strategic planning must be an iterative process.
— A metric for success should be established so that Board members can determine whether CETF and its grant recipients are meeting their goals.
— Effective use of public relations is necessary to reach out to underserved populations.

<u>Recommendations</u>

➢ Partnership Building: CETF should strive to serve as an intermediary between existing networks of community leaders concerned with broadband deployment and adoption.
➢ Strategic Planning: An expert working group should be recruited to develop a strategic plan for the future of CETF.
➢ Additional Research: A portion of CETF resources should be allocated to collecting and analyzing data on the broadband usage of Californians.
➢ Project Funding: CETF should not limit itself to funding pilot projects, but rather should consider investing in expanding successful programs.

Mission and Overall Approach

Mission Based on Foundational Research

Based on the above foundational report and other research, the Board of Directors formulated the following Mission for the California Emerging Technology Fund:

> ***Provide leadership statewide to minimize the Digital Divide by accelerating the deployment and adoption of broadband and other advanced communication services to underserved communities and populations.***

The Board also embraced the findings from the report regarding the technology factors that contribute to the Digital Divide by recognizing the "5 As" that must be addressed: Access, Applications, Affordability, Accessibility and Assistance. Thus, to bridge or close the Digital Divide there must be strategies to invest in programs and projects that address all of the 5 As.

> **Access + Applications + Affordability + Accessibility + Assistance = Adoption**

Values, Commitments and Roles

To achieve the Mission there must be explicit values and commitments that constitute a "brand identity" for the California Emerging Technology Fund. The values and commitments include:

- Dedicated to closing the Digital Divide and achieving e-Inclusion.
- Focused on outcomes and high "returns on investments" for grants.
- Driven by research regarding best practices and successful models.
- Inclusive and open to input.
- Transparent about process and decisions.
- Disciplined about analysis, monitoring and evaluation.
- Accountable to public, partners and stakeholders for results.

These values and commitments need to be integrated into all operations of CETF. For example, in order to be dedicated to closing the Digital Divide as well as known for focused on outcomes, CETF must adopt widely-accepted metrics for measuring success accompanied by systematic analysis and consistent reports to the public about progress. Also, CETF must insist upon a discipline of documentation and a culture of accountability in order to be both transparent and effective in achieving high returns on investments. This means that CETF must continuously seek out relevant research and effective programs and use that information to facilitate interaction among prospective grantees, partners and investors to reach shared conclusions about best practices that can be incorporated into investments. To optimize effectiveness, CETF must perform several roles:

- Trusted and valued convener.
- Recognized source of useful information and clearinghouse for action.
- Credible voice and educator on broadband policy and Digital Inclusion practice.
- Innovator of effective strategy and collaboration.
- Tough-minded investor.
- Monitor of progress and accepted authority on status of the Digital Divide.
- Respected leader and valued partner.
- Organizer to mobilize for action.

Public-Purpose "Venture Capital" Fund

The above commitments can best be fulfilled if the California Emerging Technology Fund approaches its mission and roles more as a public-purpose "venture capital" fund making investments rather than a traditional charitable foundation making grants. The difference is much more than terminology—it is a totally different mind-set. The venture capital construct begins with the notion of being pro-active in identifying successful or promising ideas and shaping opportunities for investments, not just accepting proposals. And, it recognizes the need to invest in people and to help build the capacity of organizations to implement the program investment, including helping secure essential expertise and develop executive leadership and management skills. The venture capital model also connotes the need for disciplined documentation, underscores the commitment to outcomes, and focuses on returns on investments. It further suggests the need for CETF staff to bring the rigor of a Wall Street analyst in conducting "due diligence" reviews of proposals in recommending investments to the Board of Directors.

Market-Based Strategies and Emerging Markets

The venture capital construct also better aligns with the preference for first pursuing and optimizing market-based approaches to achieve ubiquitous broadband throughout California rather than relying primarily on regulation or legislation. A market-based approach would suggest a program similar to ConnectKentucky that attempts to identify and aggregate demand to attract deployment into rural and remote areas. A market-based approach also would regard underserved and disadvantaged neighborhoods as emerging markets and respect residents as prospective customers.

It is worth noting that Greenlining Institute also has recommended that CETF embrace the public purpose venture capital model and help private-sector providers view underserved neighborhoods and communities as emerging markets, working with community-based organizations to develop consumer demand.

Leverage Seed Funding Four-Fold

Given the magnitude of the challenge to close the Digital Divide in California and to achieve the Mission, it will be essential to leverage the initial $60 million seed funding. The Board of Directors adopted a working goal to leverage the seed funding by at least four-fold to achieve an impact of about $250 million through partnerships and co-investments with the private sector, foundations and government. Thus, CETF will be seeking a 3:1 match overall for its grants portfolio.

Priority Consumer Communities

Based on the foundational report, the CETF Board of Directors recognizes that the Digital Divide is a contributing factor to the "Economic Divide" and they identified three priority consumer communities for initial focused attention to close the Digital Divide:

- Rural and Remote Areas
- Urban Disadvantaged Neighborhoods
- People with Disabilities

Basic Approach

Working from the findings and recommendations in the *Filling in the Broadband Gaps* report, the CETF Board adopted a basic approach as shown below. The thrust of this approach is to build on what already is working instead of "reinventing the wheel," expand and take to scale promising or successful efforts, and foster a culture of disciplined accountability focused on outcomes. This approach also requires a lot of "fact finding" activities and consultation with experts, stakeholders and practitioners.

Basic Approach

- Compile conclusions about best practices from research and results of pilot projects and demonstration programs.
- Consult the most knowledgeable experts and stakeholders in developing a strategic plan.
- Seek out investment opportunities instead of only being a responsive grant maker.
- Identify and invest in strategic opportunities (based on sound research and proven track records) to achieve the highest impacts in closing the Digital Divide.
- Invest in promising or successful projects and programs that can be expanded or taken to scale to increase impacts.
- Facilitate collaboration among existing projects and programs to incorporate best practices and achieve synergy to increase effectiveness in transforming communities.
- Hold funded programs and projects accountable for performance and outcomes.
- Measure the progress quantitatively in terms of status of the Digital Divide and Digital Inclusion statewide for priority communities and populations. Publish an annual report.
- Establish and institutionalize partnerships with civic leadership and community-based organizations.
- Develop regional strategies and collaboratives for closing the Digital Divide. Align and connect investments with regional strategies for economic prosperity.
- Establish a presence throughout California through affiliations and strategic alliances with key institutions and organizations.
- Continue to encourage and monitor research to ensure efforts are directed at the most critical factors to close the Digital Divide.
- Develop a process for ongoing peer review and continuous improvement.

In addition to addressing the "5As" and setting forth the above Basic Approach, CETF also recognizes the value of the "innovation" in helping drive adoption of the technology. Technology innovation can result in better and more cost-effective consumer services and products that help bridge the Digital Divide. And, researchers contend that as a state increases broadband speed and capability, the adoption in the general society tends also to improve. Thus, CETF will continue to monitor trends in broadband technology research and development to determine how to appropriately encourage and support innovation. As a starting point, CETF embraces the goal that California should be a global leader in broadband technology development, deployment and adoption. Depending on the metric, today California is ranked 15th or 16th globally in broadband deployment and adoption—which is an unacceptable position for global competitiveness. CETF will continue to work with policymakers and other stakeholders to identify strategies for California to become a global leader in broadband technology.

As it is with building infrastructure, however, $60 million does not stretch very far when underwriting basic research or paying for upgrades to the speed of the fiber-optic backbone. And, the Digital Divide exists because there are significant groups of people who do not have the benefit of using even today's state-of-the-art technology. Thus, CETF will continue to assess opportunities to "strike a constructive balance" between making grants to bridge the Digital Divide and investing in advancing the speed and capability of the technology. CETF is mindful that in order to adequately serve all of California with ubiquitous broadband infrastructure that can improve services and enhance the quality of life for residents—such as for telemedicine, emergency response, or job retention and generation in digital arts—the speed and capabilities of the backbone and connecting infrastructure will have to be upgraded.

In the spirit of advancing "innovation" as a strategy it has been suggested that CETF consider embracing the strategic "Is" to bridge the Digital Divide as a complement to the "5 As": Innovation, Intelligence, Inclusion.

Fact Finding Meetings and Conversations

Stakeholders and Prospective Partners

In order to identify promising and successful projects and programs to bridge the Digital Divide and promote Digital Inclusion, CETF is organizing and conducting a series of "Fact Finding" Meetings (with individual organizations) and Conversations (with groups of community-based organizations in engaged in activities to bridge the Digital Divide). The initial round of Fact Finding activities will be conducted during the first half of 2007. The Fact Finding Meetings and Conversations with community-based organizations will be organized regionally to facilitate exchange of information and foster collaboration that can be linked to other regional strategies for economic prosperity.

Fact Finding Meetings also will be convened with statewide stakeholder organizations, foundations and corporations.

In addition, CETF will consult the Community Technology Foundation of California regarding successful programs and will explore opportunities for joint ventures. And, CETF will work closely with the Governor's Broadband Task Force to coordinate consultation with state government entities.

Community-Based Organization Profiles

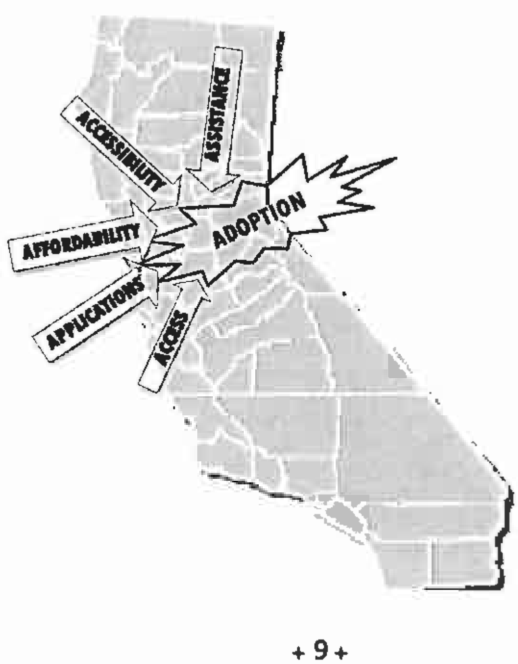
CETF has developed a template for preparing a profile of community-based organizations that are practitioners of programs to bridge the Digital Divide which includes overview and impact information. The profiles are being prepared with the assistance of the organizations and shared with all participants in the Fact Finding Conversations in the region. The profiles also will be posted on the CETF website in order to further exchange of information and collaboration among the community organizations. It is intended that this kind of information will be a valuable resource for the practitioners. Please see the website for organization profiles.

Summaries of Fact Finding Conversations

Regional Fact Finding Conversations will be convened among the identified community-based organizations to discuss the following questions:

- What is the most significant challenge to bridging the Digital Divide in your community (or for the population you serve)?
- What is the most significant challenge to bridging the Digital Divide in the region?
- What are the best practices in addressing these challenges?
- What hasn't worked in the past and why?
- How effective do you think current programs and projects are in the region?
- What strategies will be most effective in accelerating deployment of the broadband infrastructure (particularly in rural areas) and in increasing use of the technology (particularly for poor communities and disadvantaged populations)?
- What applications hold the most promise of increasing use of the technology?
- What would it take to expand or "go to scale" with the existing programs that are effective?
- What kind of partners could be attracted and what kind of leveraging could be achieved if there was an investment in your community or in the region to bridge the Digital Divide?

Summaries of all Fact Finding Conversation will be posted on the CETF website.



Strategies to Address Priority Consumer Communities

The challenge of accelerating the deployment of infrastructure into rural and remote California is much different than the challenge of closing the Digital Divide for urban disadvantage neighborhoods. Further, given that people with disabilities reside in both of these kinds of communities, there is a need to incorporate universal design for accessibility into all strategies and investments. The following sets forth the overall working premises and best practices along with the working approach to address the needs of each priority consumer community.

Working Premises for Strategies to Close the Digital Divide

Based on the research compiled and the Fact Finding activities conducted to date, the following "working premises" have been delineated about how to optimize impacts from investments:

- Investments in broadband technology must be a part of a comprehensive integrated set of strategies to transform communities and improve the quality of life of residents. Technology should not be dropped into a program, organization, or neighborhood in isolation of other efforts to improve the well-being of the users.
- Investments to incorporate technology applications into particular program applications—such as education, libraries, workforce preparation, economic development, small business support, telemedicine or housing—must embrace best practices to improve performance and outcomes related to that application and the user population.
- Investments need to be accompanied with efforts to ensure adequate capacity of the implementing organization(s).

Overall Best Practices

Based on the research and the Fact Finding activities to date, the following are the "overall best practices" that should be incorporated into any program or project receiving CETF funding:

- Program strategies and elements are based on sound research.
- Program design has been successful or promising in pilot(s) and demonstration project(s).
- Program incorporates best practices for the program-specific application.
- Technology investment is part of an overall comprehensive effort specific to the program application to improve outcomes, performance or quality of life for the participants.
- Technology investments are not made in isolation of other improvement efforts.
- Technology investments are part of a comprehensive coherent program and integrated strategies to transform communities.
- Program is managed by individuals and organizations who are respected by the participants and community being served.
- Accountability is infused throughout the implementation with monitoring and evaluation accompanied by regular progress reports being part of the management discipline and focus on outcomes.
- Program managers identify synergies with other initiatives and sponsoring organizations seek opportunities to collaborate.
- Program sustainability is achieved through entrepreneurial revenue generation and/or dedicated revenue stream.
- Program managers participate in regular "learning communities" and peer review to identify ways to improve performance and increase impact.

Working Approach for Rural and Remote Areas

The following is the working approach to encourage and accelerate the deployment and adoption of broadband into rural and remote areas:

- Identify and map publicly-owned and public-purpose backbone networks and explore the potential for the networks to serve as a platform for building connections to community facilities, businesses, and residences.
- Organize a process to identify prospective customers and aggregate demand (based on the ConnectKentucky model).
- Using the above information and potential joint venture with existing backbones, invite the private sector to bid on serving the aggregated demand.
- Explore the feasibility of using the development of a telemedicine network as a strategy to help pay for a portion of the infrastructure.
- Explore funding from emergency response and homeland security for infrastructure.
- Determine if federal policy could be changed to allow shared use on a pro-rated basis of infrastructure installed in schools and libraries through eRate.
- Further explore with utilities broadband over power lines (BPL).
- Explore with independent rural telcos (CalCom) their interest and potential to partner.
- Explore emergency response and homeland security as another "anchor tenant" for network.
- Inventory demand for broadband in unserved areas (use website for communities to report).
- Establish a mechanism to track technology innovations for deployment and adoption.

Working Approach for Urban Disadvantaged Neighborhoods

The following is the working approach to increase adoption of broadband technology in urban disadvantaged neighborhoods:

- Identify successful programs and invest in expansion and replication.
- Invest in technology as part of an integrated program to transform communities.
- Promote best practices for program application as condition of investment.
- Facilitate collaboration and synergy.
- Assist with development of CBO capacity.
- Focus on affordability and availability of hardware, software, training and technical support.
- Identify relevant applications for those who "want but do not have."
- Embrace and engage the youth—get them online first to attract other family members.
- Invest in smart public housing to encourage adoption.
- Consider opportunities to invest in the following program applications
  - Education
  - Libraries
  - Workforce Preparation
  - Economic Development
  - Small Business Growth
  - Housing
  - Telemedicine
  - Governance and Civic Engagement
  - Volunteerism

- Establish a work group to develop business revenue models for sustainability (ranging from public-private partnerships for revenue generation to identification of additional "anchor tenants" with stable revenue).
- Engage grantees as partners in identifying customers or clients as "emerging markets" through community surveys and computerized compilation and reporting.

Working Approach for People with Disabilities

The following is the working approach to encourage and accelerate use of broadband technology by people with disabilities:

- Integrate universal design and accessibility into all investments.
- Work with industry to improve accessibility of hardware and software.
- Identify successful models and expand or replicate.
- Explore joint ventures with financial institutions to assist hardware acquisition.
- Work with website designers for accessibility.
- Support information outreach to people with disabilities about existing resources (perhaps work with In-Home Support Services).
- Work more closely with the California Communications Access Foundation and Department of Rehabilitation to explore opportunities for collaboration.

In addition, CETF will work with interested local jurisdictions and associations to compile and publish best practices for WiFi requests for proposals (RFPs) and contracts for vendors, with a particular attention to best practices for Digital Inclusion compatible with market-based strategies.

CETF also will explore with industry leaders, such as in film and digital arts, the feasibility of working together to link employer-driven workforce development using broadband technology to existing employment training programs.

CETF will work with public agencies to promote e-government to significantly improve the efficiency of public services—encourage residents to "get out of line by getting online"—which, in turn, will increase the demand for deployment of the infrastructure. CETF also will work existing resources to encourage "e-community" and other opportunities to foster civic engagement and mobilize volunteers. Broadband technology has the potential to substantially tap into the creativity and energy of the citizenry and significantly engage residents in governing themselves. Such an effort could be launched with a "next generation Net Day" event to capture the interest and imagination of the public and engage them in activity that demonstrates the power of broadband.

Attached is the "Strategic Matrix to Guide Grantmaking" which organizes and details the above information according to prospective program applications, best practices, and strategic approaches to address the three priority consumer communities. This matrix will be used by the CETF Board to evaluate the relevance and impact of proposals for grants. It also will be used to pro-actively reach out to experienced, successful community organizations and institutions to invite proposals to implement the strategies.

Approach to Investments and Grants

As stated above, CETF has an adopted goal of leveraging the original seed funding by four-fold through partnerships and co-investments with private-sector corporations, foundations and government. This means attracting a 3:1 cash match for a CETF grant, whereby the applicant is expected to generate matching funds in an amount that is three times the size of the CETF investment. Prospective investments and partners are being identified through the Fact Finding Meetings and Conversations.

CETF will invite Investment Proposals through an open Request for Proposals (RFP) process launched in May to allow the Board to make investments decisions in January 2008. The RFP process will involve first submission of a short Concept Proposal followed by a Full Investment Proposal if the CETF Board so invites. Further, CETF will proactively invite Investment Proposals based on the Fact Finding process and consistent with this Strategic Action Plan in order to allow the Board to make initial investment decisions by mid-2007.

Grants generally will not exceed $250,000 per year, $500,000 over 2 years and $750,000 over 3 years, depending on the maturity of the program and capacity of the implementing organization. Smaller grants will be considered if sufficient impact can be demonstrated. Larger investments will be considered on a limited basis pursuant to: (a) submission of a preliminary concept proposal which clearly articulates the demonstrated success of the proposed program and the cost-effectiveness of the larger investment with quantified expected impacts and outcomes; and (b) approval by the Board to invite a Full Investment Proposal. All proposals will be required to have substantial additional cash match.

As a condition of investments, all grantees will be required to submit quarterly and annual reports reporting progress and achievement of milestones in order to continue to receive periodic payments of the approved investment.

CETF will further consider whether or not to develop and release an RFP for "Big Ideas" to accelerate deployment of broadband infrastructure throughout California, particularly to rural and remote communities, that encourages and optimizes market forces.

Grantees preferably will be a 501(c)(3) organization, although partnerships may include other partners that are not non-profit organizations. Proposals from public-private partnership consortia involving 501(c)(3) organization(s) with a 501(c)(4) or (6) partner as fiscal agent will be considered only if there is a compelling reason to ensure management capacity and a neutral forum for the consortium. If a grant is made to a 501(c)(3) engaged in a public-private partnership involving private-sector for-profit funders or partners, none of the grant funds may benefit the for-profit entity. Proposals from a government entity as fiscal agent on behalf of a public-private partnership with a (501)(c)(3) organization or consortium of 501(c)(3) organizations will be considered if there is compelling reason to ensure management capacity and a public forum. Absolutely no grants will be made to for-profit entities. With all grants, funds will be restricted by contract to the intended use and accounted for consistent with IRS regulations for non-profit organizations.

The CETF Board of Directors approved the following criteria to be used in evaluating the Investment Proposals:

Criteria for Investment Proposals

- Consistency with the CETF Strategic Action Plan.
- Ability to meet the goal of leveraging CETF funds four-fold by securing a 3:1 cash match.
- Sponsorship and management by civic organization(s) that are well rooted and respected in the community being served.
- Demonstrated track record with implementing and managing successful programs, particularly bridging the Digital Divide by promoting and/or using broadband technology.
- Ability to articulate the theory and research that supports the proposed program or project approach, strategy and design as likely to succeed.
- Ability to delineate the incorporation of best practices into program or project design.
- Ability to integrate technology into a coherent program to transform communities.
- Quality of a detailed work plan with monthly activities and quarterly deliverables.
- Ability to articulate specific quantified outcomes as a result of the investment.
- Ability to address the needs of people with disabilities, ranging from an accessible website, to programs, to accessible facilities.
- Ability to analyze and articulate the "order of magnitude" of the challenge in the community or region and ability to put program impact into context of overall challenge.
- Budget and cost-effectiveness on per unit cost outcomes.
- Demonstrated collaboration with other organizations and programs to optimize impact through partnerships and synergy.
- Documented support from key ally community and regional organizations that recognize broadband technology as a key component of economic prosperity strategy (in some formal, official and written manner).
- Ability to articulate for a coherent monitoring and evaluation plan.
- Ability to set forth a viable plan for sustainability of the program.
- Willingness to participate in "learning communities" to share lessons learned.

The strategic planning and investment process is set forth in the following diagram. A detailed Work Plan has been prepared and adopted to implement the steps shown in the diagram.

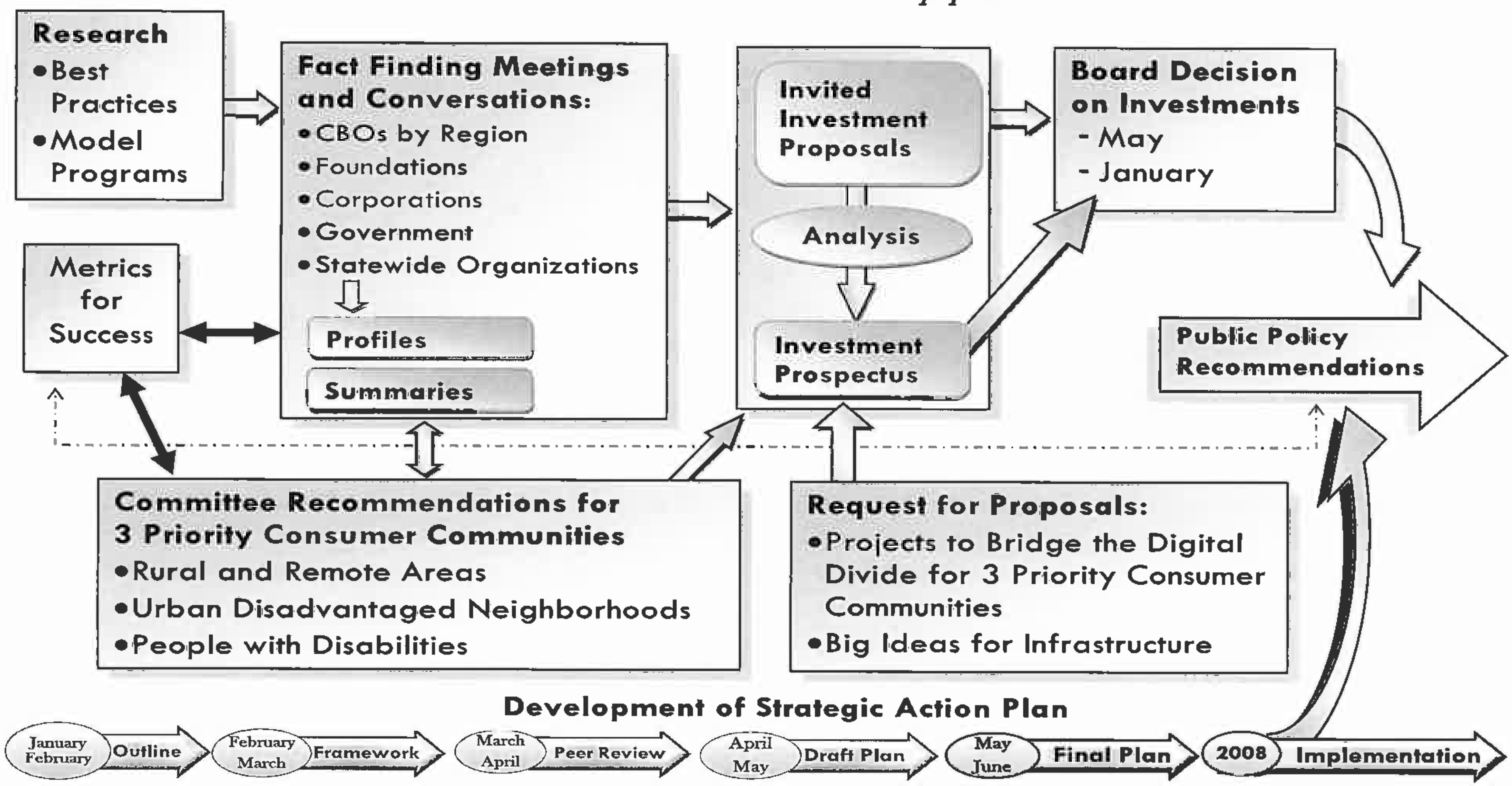
CETF
CALIFORNIA EMERGING TECHNOLOGY FUND

CALIFORNIA EMERGING TECHNOLOGY FUND

Steps in the Strategic Planning Process and Decisions for Initial Investments

Mission

Provide leadership statewide to minimize the Digital Divide by accelerating the deployment and adoption of broadband and other advanced communication services to underserved communities and populations.



Academic Advisors and Expert Peer Review

A panel of Academic Advisors from higher education and research institutions will be organized to provide regular input to the work of the California Emerging Technology Fund and to assist in mobilizing resources for achieving the Mission. It is anticipated that the Academic Advisors also will help CETF engage students in helping implement the Strategic Action Plan.

In addition, other experts will be identified to participate in periodic peer review of the Strategic Action Plan and the results to provide for a process of continuous improvement.

Policy Formulation and Promotion

The process and experience with implementing the Strategic Action Plan, identifying best practices, and evaluating the impact of investments will be valuable in informing public policy formulation. CETF will publish an Annual Report and convene key stakeholders and policy makers to discuss the findings. The Annual Report is intended to become a reliable document to assist public officials in formulating policy to ensure that California becomes and remains globally competitive in the use of broadband technology.

Communications

CETF must develop a robust Communications Plan as recommended in the *Filling in the Broadband Gaps* report. Elements of the Communications Plan will include:

— Website
— Public Outreach and Education
— Annual Report (Deployment and Adoption)
— e-Newsletter
— e-Inclusion and Digital Community

The Communications Plan needs to reflect and reinforce the Mission, values and commitment of CETF. The Website is being developed as the image foundation consistent with the brand identify for CETF such that it will be the symbolic and functional reflection of the organization.
The Website will be user-friendly and robust in providing relevant information for the audiences. It will be multiple languages and is being designed for accessibility. It also will be engaging of Internet users—for example, there will be as much focus on "About You" as there is on "About Us". It is being designed to foster and facilitate "community" through connections—the "Digital Community" or "Connected Community" concept. This will be done in part by linking visitors to other websites with this kind of purpose and expertise rather than CETF developing it.

CETF also intends to develop a program that will appropriately honor Don and Rosemary Vial. Examples of possible programs include fellowships or competitive grants. The program will be developed and announced in 2008. Don Vial served as Chairman of the California Public Utilities Commission during the 1980s and was a dedicated champion for consumers while embracing market-based strategies. Rosemary Vial was his life partner in all his endeavors.

Metrics for Progress

The goal for deployment of broadband infrastructure is to bring high-speed communications to the homes of Californians and measuring progress towards that goal has to be a part of the metrics for success. However, it is recognized that an effective strategy for accomplishing that goal can be to first deploy the infrastructure to community locations (such as schools, libraries, and community centers) and businesses. Further, closing the Digital Divide means ensuring that all Californians have access to and increase their use of broadband technology to minimize differential rates of use by socio-economic group. Thus, metrics for progress must track both the "supply" and "demand" aspects of the challenge and their must be an established methodology and process for reliably and consistently tracking deployment and adoption for several years. The following summarizes the adopted framework for metrics:

Supply-Side Methodology and Metrics

- Report on the availability of broadband technology throughout California at the census tract level (evaluation of change year to year overall, statewide, by region and by county) by:
  - Technology
  - Speed
  - Affordability (cost and comparison to income)
- Data compiled and evaluated by CPUC and BTH on a set schedule.
- Comparison of California to other states and countries globally ("Broadband Index").
- Assessment of economic impact from technology infrastructure deployment.
- Evaluation of status of Universal Design in technology for accessibility.

Demand-Side Methodology and Metrics

- Annual survey of Californians (plus possible interim polls) about technology use with standardized questions to obtain following data (explore expanding existing polls such as Field, PPIC, Pew):
  - Use of a personal computer at home, work, school, other.
  - Use of the Internet (hours by week).
  - Possession of an e-mail address.
  - Purpose of on-line use of Internet (research, shopping, news, entertainment, job search).
  - Posting of information to Internet (own blog or webpage, work blog or webpage, sharing content).
  - Kind of technology for use of Internet.
  - Reasons for using or not using broadband.
  - Change in use of Internet because of broadband availability.
- Report on annual survey results by regions and socio-economic and demographic categories:
  - Gender
  - Age
  - Education
  - Income
  - Ethnicity
  - English Proficiency
  - Employment Status
- Assessment of accessibility for disabled (process methodology needs to be selected).
- Self-assessment tools for local jurisdictions and communities.
- Other focused consumer and customer surveys (conducted by community and neighborhood organizations).

California Emerging Technology Fund (CETF)

As part of applicants' commitment to ensure that this transaction is beneficial on an overall basis; to enhance the Broadband Connectivity section of the Greenlining Agreement, and to ensure that this transaction is consistent with statutory objectives to make advanced telecommunications services available to underserved communities, we order that applicants commit $9 million per year for 5 years in charitable contributions ($45 million total), to a non-profit corporation, the California Emerging Technology Fund (CETF), to be established by the Commission for the purpose of achieving ubiquitous access to broadband and advanced services in California, particularly in underserved communities, through the use of emerging technologies by 2010. No more than half of Applicant's total commitment of $45 million to the CETF may be counted toward satisfaction of the Greenlining Agreement to increase charitable contributions by $47 million over 5 years.

The CETF will be organized under the Nonprofit Public Benefit Corporation Law for charitable and public purposes as a nonprofit public benefit corporation, and not organized for the private gain of any person or entity.

In addition to the goal of providing ubiquitous access to broadband and advanced services in California, the CETF should also have the goals should be expanded to include adoption and usage. We note that the Greenlining Agreement and SB 909, proposed legislation sponsored by Senator Escutia, included these components in the broader vision for addressing the Digital Divide and believe that we should do so as well.[1]

Consistent with the diverse needs of California's low income, ethnically diverse, rural and disabled communities, the members of the Governing Board should have a broad array of backgrounds, experiences and expertise. SB 909 proposed the establishment of a California Broadband Access Council, and we will use this as a guide in constituting the Governing Board of CETF.[2]

The governing board of the CETF will be composed as follows: The Commission will select four appointees. Assuming that this proposal is also adopted in the pending Verizon and MCI proceeding, SBC shall nominate three appointees and Verizon shall nominate one appointee. We encourage SBC to appoint members with a diverse set of skills, backgrounds, and strengths. Therefore, SBC can appoint no more than one SBC employee among its three appointees.

These eight appointees shall determine the remaining four appointees to the governing board. We encourage the board to make the final four appointments based upon the goal of making broadband as ubiquitous as possible in California.

The Commission will bring together representatives of this Commission, authors of the Broadband Task Force concept and the Broadband Access Council proposal, and CETF to work collaboratively from the outset to maximize effectiveness. In order to facilitate implementation of this program, our Telecommunications Division will assist in the logistics of

[1] We understand that without computers and computer literacy neither availability nor access will ensure use. It is low use that is at the heart of the digital divide. CETF should consider the possibility of private/public partnerships to develop community broadband access points that provide both.

[2] Consistent with the vision of SB 909, the governing board should consist of representatives of a broad range of interests. In particular, the composition of the governor board should include, to the extent possible consistent with the size limitations of the governing board, representatives of this Commission, the Legislature, SBC-AT&T, Verizon-MCI, Greenlining, Latino Issues Forum, consumer advocates, groups supporting rural economic development (such as the Great Valley Center), the small business community (such as the California Small Business Association), the disability community (such as the World Institute on Disability), computer and equipment manufacturing, high-technology corporations, Broadband Institute of California, California Telemedicine and ehealth Center ("CTEC"), the Corporation for Education Network Initiatives in California ("CENIC"), the California Business, Housing and Transportation Agency ("BTH"), as well as individuals with experience in grant making and non-profit management.

collecting the names of the appointees and arranging the initial meeting. The Applicants should forward the list of appointees and their availability to the Director of the Telecommunications Division. There is no additional role for the Telecommunications Division after the initial meeting occurs.

Funds dedicated to the CETF will be used to attract matching funds in like amounts from other non-profit public benefit corporations, corporate entities or government agencies. It is anticipated that initial funding provided by the applicants in this proceeding ($45 million) will be combined with funds from other sources for a total initial endowment for the CETF of $60 million over 5 years. It is further anticipated that a majority of CETF funds will be matched by other private, non-profit, or government entities for specific projects to reach a total goal of at least $100 million in funding over 5 years.

The CETF should earmark at least $5 million to fund telemedicine applications that serve California's underserved communities, particularly those that serve rural areas of the state or serve a large number of indigent patients. Grants for telemedicine applications may be made directly to health care providers that operate under a not-for-profit structure or not-for-profit public charities that provide telecommunications or technology grants. Such grants shall be used to provide telemedicine applications for the direct benefit of underserved communities and may not be used for policy advocacy work in any area including telecommunications or health care policy. Consistent with the federal telemedicine program, the funds earmarked for telemedicine applications should not be used to construct broadband transmission facilities outside of the consumer's premise, although the CETF may fund such investments with other funds.

The Articles of Incorporation, Bylaws and Charter for the CETF will be established by the governing board. The Charter will specify that the purpose of the CETF is to fund deployment of broadband facilities and advanced services to underserved communities. "Underserved communities" is defined as communities with access to no more than two broadband service providers, including satellite, or broadband adoption rates below a statewide average. Communities with below average broadband adoption rates primarily include: low-income households, ethnic minority communities, disabled citizens, seniors, small businesses and rural or high-cost geographic areas.

The CETF will form advisory groups on deployment of broadband facilities and access to critical advanced services, such as online education and telemedicine, in rural and high-cost areas. The CETF will work with these advisory groups as well as organizations and agencies such as, the California Telemedicine and eHealth Center (CTEC), the Corporation for Education Network Initiatives in California (CENIC), the California Business and Transportation Agency (BTH), the Broadband Institute of California, Greenlining Institute, and other organizations representing underserved, minority or disabled communities, to identify ways in which the CETF can coordinate and fund projects to link primary care health clinics and educational facilities in rural and high-cost areas to high-speed broadband networks, and promote economic development in underserved communities.

It is the intent of this Commission that broadband facilities funded by the CETF will be owned and operated by private corporations, non-governmental organizations (such as universities or health facilities) and/or local governments, or some public-private partnerships involving a combination of these entities, and not owned and operated by the CETF. Any remuneration for CETF facilities transferred to other entities will be returned to the CETF fund for use in future projects.

Prospective Program Application	Best Practices To Be Incorporated	Strategic Approach to Foster Collaboration
	Rural and Remote Areas	
Aggregation of Demand	• Prospective larger government and other institutional users are systematically identified as possible "anchor tenants" in order to project potential aggregated demand to attract investment in infrastructure. • Identification of potential users is conducted by inter-disciplinary teams with support from public and private partners. • Prospective aggregated demand is presented to private providers to encourage bidding providing services through a competitive process. • A monitoring and evaluation process is established at the beginning of the program.	• Select a pilot region(s) with significant interest from prospective partners in order to prototype the approach in California. • Initiate a focused planning phase to develop the program with partners (including all identification, interviewing and documentation procedures and forms). Determine implementation organization(s) and recruit and train personnel. • Implement the planned program to identify prospective anchor tenants and subscribers. • Assist region in presenting results to private providers.
Telemedicine	• Rural clinics and hospitals in a given medically- underserved region (including tribal lands) are identified as sites that could benefit from specialized diagnostic and treatment services offered by medical centers. This should include institutions in the region that will be key to the regional medical services system in the future. • All elements of the program are developed: (a) identification of requisite broadband connections and equipment for specific telemedicine services; (b) development of service protocols; (c) training of personnel at both rural facilities and medical centers; (d) operation of network operations; and (e) management of the medical services. • A business model is developed to generate revenue to ensure long-term sustainability.	• Work with key stakeholders to develop proposal for FCC, including identification of initial pilot region(s) for statewide network. • Work with interested regions with adopted strategic plans, such as the San Joaquin Valley through the California Partnership for the San Joaquin Valley, to plan and develop a regional telemedicine network and integrate with statewide network. This will include development of all program elements, including a sustainable business model, set forth under best practices. • Facilitate optimal coordination and leverage between the FCC proposal and partnership region(s), including the San Joaquin Valley, to plan and implement telemedicine program.
Emergency Response and Homeland Security	• All public safety and emergency responders are connected through broadband to a robust fiber-optic network to ensure real-time video-conferencing and webcasting during emergencies, disasters and pandemics.	• Meet with all statewide public safety and emergency response agencies to identify plans and potential for broadband connections. Coordinate this effort with Broadband Task Force.

		• Rural and remote communities are connected through broadband so that these areas can be used for population evacuations and surge capacity in emergency responses.	• Support the State in developing a plan for an emergency response broadband network connected to a fiber-optic backbone, including an assessment of the revenues that could be identified to support the network. • Ensure that emergency response agencies are a key part of the "aggregation of demand" methodology in the pilot project and in similar efforts in other regions. • If feasible, encourage state to invite competitive bids to a statewide broadband network for emergency response.
Urban Disadvantaged Neighborhoods			
Education Pre-School		• Learning is aligned with brain development of both motor skills and cognitive abilities. • Parents are engaged in supporting learning. • Individual child development and overall school performance are tracked and results are used to guide and adjust curriculum. • Impact of pre-school learning experience is monitored and evaluated through K-12 . • Parents are engaged in supporting learning.	• Organize peer review(s) of curriculum to validate alignment with learning and education research. • Require and support incorporation of long-term longitudinal evaluation of impact on educational performance over time and adoption of technology by families of pre-schoolers. • Encourage additional program components involving parent engagement and training, low-cost or free computers for home use for students and parents completing an age-appropriate curriculum access, and availability of tech support from trained neighborhood residents. • Explore aligning funding for preschools with other place-based initiatives and investments.
Education K-12		• The principal is an exemplary executive leader—inspiring the faculty and staff, and mobilizing their collective energies to help every student learn. Executive leadership by the principal is pivotal to turning around low performing schools. • There is an explicit vision and articulated commitment for high performance that engages and energizes the entire organization. • The vision and commitment are supported by the school district administration and governance. • There are clear-stated and widely-understood outcomes for students and the school accompanied by accountability metrics. • Teachers are committed to academic excellence and are valued by the administration. Innovation to credentialing is developed to ensure qualified teachers are recruited and retained. • Parents are engaged in helping children learn and in supporting the school. • Technology complements and augments a sound program of	• Identify major jurisdictions and/or regions where general-purpose local government(s) and school district(s) have reached agreement about coordinated efforts to improve educational performance with a coherent strategy rooted in best practices. • Develop a model computer and Internet literacy program and integrate into strategies and curriculum for improving education performance. • Complement classroom learning about computers and Internet literacy with career technical education experience and training opportunities for students. • Encourage additional program components involving parent engagement and training, low-cost or free computers for home use for students and parents completing an age-appropriate curriculum, and availability of tech support from trained neighborhood residents.

		improving education performance. • There is an understanding of the multitude of challenges and dynamics that can be present at home with an effort by the school to address them or facilitate intervention so as to enable learning. • Human services provided by county and city agencies are organized into multi-disciplinary teams around school attendance areas to provide family and neighborhood interventions. Teams work in partnership with neighborhood leaders and the school; and teams are held accountable for improving children and family outcomes • There is a support mechanism or "coaching" program that assists principals in developing executive leadership and management skills. This can be augmented with a peer learning group, such as an "academy" for principals in which business executives are a core part of the faculty. • Employers are engaged with the school in career experiences to augment classroom learning.	• Consider identifying model K-5 schools (in disadvantaged neighborhoods) significantly improving educational performance and engaging them in the development of computer and Internet literacy program for K-5 curriculum. • Align technology investments in education with community transformation and economic development initiatives.
Education After-School		• The program provides a safe environment for students after formal school day. • The after-school program complements and augments classroom learning, providing an academic curriculum component along with recreation. • Computer and Internet navigation literacy is a key learning opportunity and integrated into the curriculum component. • The program has broadband connection and service. • There is a nutrition component, providing the students with healthy snacks. • The program aligns with other interventions and investments in the community.	• In major jurisdictions and/or regions where the general-purpose local government(s) and school district(s) have reached agreement about coordinated efforts to improve education performance, identify viable after-school organizations interested in integrating computer and Internet literacy into their program elements. • Encourage interested after-school organizations to develop a model program element for computer and Internet literacy. • Develop and integrate into the program curriculum an evaluation component that incorporates longitudinal tracking of participants' academic performance in school. • Facilitate sharing of the model program element and "lessons learned" statewide among other after-school organizations.
Libraries		• Libraries throughout the state, particularly in underserved communities, are connected through broadband to the Internet. • Computers with broadband access to the Internet are provided for public use in sufficient quantities to meet increasing demand. • Training in use of computers and Internet navigation is provided on-site. • Classes are available to teach access on-line to information that	• Explore with the State Librarian and interested foundations the development of a statewide program to increase the availability of computers with broadband Internet access in libraries. • Ensure that libraries are a key part of the "aggregation of demand" methodology in the pilot project and in similar efforts in other regions.

		complements library resources.	• Integrate augmented broadband services in libraries located in communities in which other investments are being made.
Workforce Preparation and Training		• Computer and Internet navigation training (in curriculum modules aligned with school and workforce training standards) are available to youth and adults in underserved neighborhoods. • There is an opportunity to acquire a computer for the home at no or reduced cost for participants completing a specified training program. • Computer refurbishing is coordinated with the training program. • Job opportunities are posted or referrals are made at training location. • Interested participants are trained to provide tech support for residents. • Trained residents are linked to job opportunities through a consortium of employers.	• Identify successful workforce preparation training programs and determine opportunity for collaboration and synergy with each other. • As major local government jurisdictions or regions target resources into specified geographic area for economic revitalization, work with local officials and civic leaders to integrate computer and broadband technology training into the initiative. • Incorporate job skills training program for local residents to provide technical support for local small businesses and households . • Facilitate partnership with consortia of employers to link trained residents to job opportunities.
Economic Development		• Broadband technology is an integral component of infrastructure and deployment is facilitated with all major construction projects or programs. • Employers, particularly small businesses, have access to broadband service and tech support. • Workforce training for computer and Internet navigation literacy are integrated into strategies.	• As major local government jurisdictions or regions target resources into specified geographic area for economic revitalization, work with economic development leaders (local officials and civic leaders) to integrate computer and broadband technology training into the initiative. • Assist economic development leaders in developing strategies to integrate deployment of broadband into major infrastructure construction projects. • Assist economic development leaders in aligning workforce preparation and other broadband strategies and best practices in the target areas.
Small Business Growth		• Small business are encouraged by their associations to access broadband technology. • Small business associations provide training and facilitate tech support. • Affordable computers and broadband service are secured by associations for their members through joint ventures with companies or programs.	• Prepare an overview concept document which sets forth rationale, vision, strategy and magnitude of challenge. • Develop and implement an outreach program to small businesses in targeted communities or in selected networks to determine potential demand. • Monitor and evaluate results of small businesses being connected to broadband service.
Housing		• See statewide approach below.	• As a leading strategy for increasing use of broadband technology in urban disadvantaged neighborhoods, housing first will be approached as a statewide initiative (see below). • Develop a regional roll-out plan after completing steps below. • In collaboration with partners: (a) work with companies to

			secure donations of equipment; (b) develop community-driven websites; and (c) coordinate with skills-training program for tech support.
Emerging Markets		• See statewide approach below.	• Explore with community-based organizations the feasibility of prototyping this approach to "emerging markets" in key disadvantaged neighborhoods within regions in which civic leaders are committed to facilitating broadband deployment and adoption. • Form a learning community among the neighborhood leaders. • Facilitate interaction and collaboration with civic leadership organizations and industry.
People with Disabilities			
Universal Design		• IT companies and broadband providers have official adopted policy to incorporate universal design into all products. • Website designers are fully aware of the issues and adequately trained to optimize accessibility for websites. • Private sector regularly consults experts on disabilities and leaders in the disabled communities about new product design. • Studies are conducted to evaluate results.	• Explore with established statewide organizations (serving people with disabilities) the feasibility of co-sponsoring yearly(<3 years) roundtable summits with leading companies to discuss and demonstrate universal design, with special attention to website design. • Develop a public outreach and education program. • Design, conduct and evaluation program to determine market impacts.
Loans for Assistive Technology		• Low-interest loans are made available to disabled persons for acquiring assistive technology to become more self-sufficient. • Training and tech support are provided to participants. • Participants are connected to social networks.	• Continue to explore with interested financial institutions the feasibility of developing a low-interest loan program for assistive technology. • Work with established organizations (serving people with disabilities) to design an education and marketing program.
Statewide (Could be launched region by region.)			
Emerging Markets		• Community-based organizations are engaged in convening neighborhood leaders and residents to determine interest in computers and broadband technology. • Civic leadership organizations and Industry representatives are involved in the process. • Interests of residents regarding applications and potential subscription are documented. • Neighborhood representatives in a region are part of a "learning community" to compare and analyze results and determine	• Explore with coalitions or consortia of community-based organizations options for identifying and fostering emerging markets in urban disadvantaged neighborhoods. • Design an exploration pilot to consult neighborhood leaders, key stakeholders, and industry. • Prepare a report on the pilot and develop an action plan for statewide implementation on a region-by-region approach. • Determine how to develop a business revenue model that can make program self-sustaining.

		nature of emerging markets. • Results are compiled in a report and presented to broadband providers and IT companies. • New community-business partnerships are fostered.	• Implement the action plan for statewide roll-out. • Monitor and evaluate results on consumer demand and user adoption in urban disadvantaged neighborhoods to quantify the potential of "emerging markets." • Connect community-based organizations to industry partners.
Housing		• Housing supported by public resources is built with broadband infrastructure. • Computers are available to residents (either in a computer lab and/or through a program to provide computers in the home). • Residents are provided with free or low-cost broadband service. • Residents are trained to provide technical support for other residents (adding job skills development to program). • Residents are engaged in an e-community, such as the Beehive, to provide information to assist with self-sufficiency.	• Prepare an overview concept document which sets forth the rationale, vision, strategy, and magnitude of challenge. • Develop a model policy for State Agencies to encourage and/or require broadband deployment in construction or renovation of affordable housing supported by State funds, including meeting with and engaging State Agencies in the process to reach consensus (such as Treasurer, TCAC, BTH, HCD, CalHFA, I-Bank). • Develop a model policy and ordinance for local governments, including meeting with and engaging statewide organizations in the process to reach consensus (CSAC, LCC, LGC, RDA,APA, CalLAFCO, CalCOG). • Engage homebuilders (non-profit and for-profit) in development of the policies. • Develop briefing materials and conduct workshops for builders and local government officials to facilitate policy implementation. • Establish monitoring processes and evaluation methods to track progress. • Publish regular reports on results.
Education		• See education best practices above. • Impact is leveraged and credibility of effort is enhanced by working through coalitions or consortia of educational organizations and programs.	• Meet with statewide organizations and foundations to determine the opportunities for statewide collaboration to integrate broadband into education improvement initiatives. • Develop a collaborative joint-venture if appropriate.
Computer Literacy		• A standardized computer and Internet navigation literacy curriculum program (with discrete modules related to specific skills) is developed in consultation with employers. • The standardized program is recognized and/or adopted by education authorities. • The standardized program is promoted to educators, parents and students for incorporation into curriculum. • Employers require certification in the standardized program for relevant job positions.	• Confer with Community College System (CC) and computer and Internet literacy programs (such as the International Computer Drivers License—ICDL) to determine the status of the previous collaboration and other related efforts. • Work with CC and State education officials to reaffirm support for a standardized curriculum in general and the ICDL in particular. • Convene statewide and regional business organizations to introduce ICDL. Consider a launch with the San Joaquin Valley

			Partnership based on their Strategic Action Proposal. • Engage industry partners to promote and support a standardized computer and Internet navigation program. • Develop and integrate into the program curriculum an evaluation component that incorporates longitudinal tracking of participants' academic performance in school.
Foster Care		• Foster homes (parent and children) are connected to the Internet and to one another and other resources through broadband technology. • County and city computers are recycled with an established refurbishing and workforce training program. • Refurbished computers are provided to foster parents both to connect parents in a support community and to provide a computer in the home for the foster child. • Foster families are provided affordable broadband service.	• Explore with Health and Human Services Agency, CSAC and LCC the feasibility of developing a statewide program. • Develop a program template and training materials, including an inventory of resources. • Recruit business partners to assist with computers and training. • Organize and convene training program for interested jurisdictions.
Municipal WiFi		• Experts are convened and consulted to help define best practices for municipal WiFi RFPs and contracts, with a special focus on Digital Inclusion. • A substantive sample of WiFi RFPs and contracts in California and across the nation are analyzed and compared. • A summary of best practices for RFPs and contracts is compiled with input from local government officials and industry representatives. • The summary report is used to brief local officials about best practices.	• Identify 3-5 respected experts to provide input and counsel. • Obtain information from Benton Foundation and other resources about their assessment, analyses and summaries regarding best practices. • Explore with coalitions or consortia of community-based organizations and industry associations the feasibility of joint venturing on the project and developing a work plan. • Gather and analyze RFPs and contracts from key jurisdictions. • Engage CSAC, LCC and local government officials to obtain input and feedback in completing the analysis and preparing the report. • Prepare a report on best practices for RFPs and contracts. • Organize and convene briefings for local government organizations and officials.
Civic Engagement (and eGovernment)		• Broadband technology results in people being more informed and engaged in civic affairs, including voting. • Broadband technology significantly improves efficiency of government services and customer (public) satisfaction with government in general. • Effectiveness and impact of government initiatives is increased because of promulgation of public-private partnerships and engagement of the public and volunteers.	• Convene conversations with interested higher education institutions and statewide civic organizations to determine status of existing initiatives or programs. • Explore opportunities for collaboration. • Develop and implement an action plan for a joint venture initiative if appropriate. • Launch the initiative with a major civic and volunteer engagement and mobilization event (such as Net Day).
Volunteerism		• Civic and industry leaders collaborate to increase access to	• Organize and convene a planning committee to brainstorm

		broadband through a signature event that captures public attention and mobilizes resources. • Engagement of volunteers on a signature event illuminates possibilities of mobilizing volunteers to tackle other challenges. • Volunteer and service organizations mobilize volunteers using broadband technology.	about and plan a next generation "Net Day" event. • In the planning phase, give special attention to determining how traditional service clubs can be energized and become more effective through broadband technology. • Sponsor and co-manage the signature event. • Develop and implement a volunteer engagement initiative.

Overall Best Practices

- Program strategies and elements are based on sound research.
- Program design has been successful or promising in pilot(s) and demonstration project(s).
- Program incorporates best practices for the program-specific application.
- Technology investment is part of an overall comprehensive effort specific to the program application to improve outcomes, performance or quality of life for the participants. Technology investments are not made in a vacuum or in isolation of other improvement efforts.
- Technology investments are part of a comprehensive coherent program and integrated strategies to transform communities.
- Program is managed by individuals and organizations who are respected by the participants and community being served.
- Accountability is infused throughout the implementation with monitoring and evaluation accompanied by regular progress reports being part of the management discipline and focus on outcomes.
- Program managers identify synergies with other initiatives and sponsoring organizations seek opportunities to collaborate.
- Program sustainability is achieved through entrepreneurial revenue generation and/or dedicated revenue stream.
- Program managers participate in regular "learning communities" and peer review to identify ways to improve performance and increase impact.

Finances

(/files/090114_CETF_Final_Audit_2007.pdf)

Summary of Seed Capital, Grant Commitments and Expenditures

Summary of Financial Status	Fiscal Year 2008-2009 (Audited Statement)	Cumulative Through January 2010
Seed Capital Received:	$48,000,000	$60,000,000
Interest and Earned Income:	$229,971	$2,094,884
Contributions for Specific Programs:	0	$780,700
Grants Approved To Date:	$19,364,500	$19,917,200
Grant Payments To Date:	$9,545,346	$13,382,089
Grant Outstanding Obligations:	$9,819,154	$6,535,111
Non-Grant Expenditures:	$2,303,816	$6,299,804
— Program Expenditures:	*$1,984,570 (86%)*	*$5,040,264 (80%)*
— Administrative Costs:	*$319,246 (14%)*	*$1,259,540 (20%)*
Total Assets – Total Liabilities and Equities:	$36,369,661	$43,316,762

Summary of Financial Status covers June 2006 through January 2010. Figures based on CETF Audited Statements through June 30, 2009 (available online) and unaudited CETF Financial Reports through January 31, 2010. When Grant Payments To Date ($13,382,089) and Non-Grant Program Expenditures ($5,040,264) are combined, Overall Program Expenditures ($18,422,353) account for 94% of Total Expenditures ($19,681,893) and Administrative Costs ($1,259,540) account for 6%.

As of March 31, 2010, CETF was awarded a $7,251,295 American Recovery and Reinvestment Act grant from the National Telecommunications Information Administration.

CETF

CETF Summary of Seed Capital, Grant Committments and Expenditure (/files/Financials.pdf) (Accessible Document)

- Overview
- Mission
- Board and Staff
- History
- Governance
- Strategic Action Plan
- Finances
  - Financial Statements
- Events
- News
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- Annual Reports

CITY OF CLAYTON
Founded 1857 Incorporated 1964

Agenda Date: 11-2-10

Agenda Item: 4f

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CITY MANAGER

DATE: 02 NOVEMBER 2010

SUBJECT: CLOSURE OF COMMUNITY LIBRARY ON CERTAIN SUNDAYS - 2011

RECOMMENDATION

It is recommended the City Council authorize the closure of the Clayton Community Library on the following Sundays in 2011, due to historical low patronage or recognized government holidays by the County of Contra Costa (which staffs our Library):

1.	Sunday	02 January 2011	New Year's weekend
2.	Sunday	13 February 2011	Lincoln's holiday weekend
3.	Sunday	24 April 2011	Easter Sunday
4.	Sunday	29 May 2011	Memorial Day weekend
5.	Sunday	03 July 2011	Independence Day weekend
6.	Sunday	04 September 2011	Labor Day weekend
7.	Sunday	25 December 2011	Christmas Day

BACKGROUND

In Fiscal Year 2002-2003, the City of Clayton began its partnership with the Contra Costa County Library System in offering the availability of the Clayton Community Library to patrons on Sunday afternoons. Sunday operations commenced on 14 April 2002 and ever since that time Sunday afternoons (1:00 p.m. – 5:00 p.m.) carries the highest patrons-per-hour day at our Clayton Community Library.

In calendar year 2004, the City Council commenced approval for the closure of the Library on certain Sunday afternoons that constituted actual government holidays or holiday weekends, which typically produce low patron turnout based on previous years' experience. Since the City pays separately for the addition of Sunday operational hours the County defers to our authority on which Sundays to be closed during a calendar year, provided County employee paid holidays are observed per their collective bargaining agreements.

Not all holiday-related weekends are closed since several holiday-weekend Sundays often generate patronage or student access needs arising from school homework assignments over that weekend.

For example:

Holiday	Date in 2011	Patrons Per Hour
Martin Luther King, Jr. weekend	Sunday, Jan. 16th	82 (in 2010)

Our Branch Librarian recommends the Library remain open on this holiday-weekend Sunday due to past experience of high-volume patronage days. During fiscal year 2009-2010, Sundays remained the highest patrons-per-hour days of the six (6) days our Library is open during the week. The average hourly count for a Sunday was 80 patrons per hour, a slight decrease from the previous year's average of 82 (-2.4%). The next highest patron days were Wednesdays (68 per hour) and Thursdays (66 per hour). In previous years, Mondays always experienced the lowest historical patronage count (59 per hour last year); for the first time, Saturdays last year hit the cellar as the lowest patrons-per-hour day (64 per hour) while Mondays climbed to 65 patrons per hour (tied with Tuesdays). What is pleasing to note, however, is that Monday thru Thursday counts all increased in patronage over the previous fiscal year. Our Library is closed on Fridays.

DISCUSSION

Our Branch Librarian, Karen Hansen-Smith, requested the City examine the above-noted Sundays as acceptable closure days in 2011. In 2003, the Library was kept open on several of these holiday weekends and the facility generated very little patron traffic. Since 2004 these types of holiday weekends have been closed and the Branch Librarian indicates no complaints have been received lamenting denial of Library access. The selected holiday weekends for 2011 now match public expectations and acceptance of certain holiday closures.

FISCAL IMPACT

Under the partnership with the County, the City of Clayton expects to pay approximately $115.00 per Sunday to match the County's contribution. The associated City expenses for utility costs and custodial services are further estimated at $206 per Sunday afternoon (4 hours; 1 p.m. to 5 p.m.). Therefore, the total savings in General Fund monies will be about $2,247 for the 7 proposed closures, or about $321 per Sunday. The County would expect to save approximately $2,000 over the same 7 days of closure.

Clearly this policy question is one of what makes sense for this public service to our community when addressing certain holiday weekend closures, in contrast to this action constituting a critical budget-cutting measure. Fortunately the City was able to retain Sunday operational hours in its tight budget for FY 2010-11 after negotiations with the County Librarian.

Agenda Date: 11-2-10

Agenda Item: 5a

declaring
November 2010
"PULMONARY HYPERTENSION AWARENESS MONTH"

WHEREAS: the health of our community's people is the foundation for a caring and productive society, and our future rests with our ability to adequately treat, and ultimately find cures for, individuals who are afflicted with a variety of illnesses including pulmonary hypertension; and

WHEREAS: pulmonary hypertension (PH) is a rare disorder causing intolerable blood pressure levels in the arteries between the lungs and heart; and

WHEREAS: in 2001, there were 3,000 PH patients receiving treatment from 100 PH treating-physicians. In just five years, those numbers had grown to an estimated 30,000 patients and 3,000 treating physicians; and

WHEREAS: there are at least as many undiagnosed PH individuals as diagnosed patients; and

WHEREAS: without treatment, PH patients live an average of 2.8 years past diagnosis; with early diagnosis and effective treatment, the disorder can be managed for twenty years or more; and

WHEREAS: education can help with early diagnosis and funding for research can help find a cure; and

WHEREAS: the Pulmonary Hypertension Association is a nonprofit organization that seeks ways to prevent and cure pulmonary hypertension, and to provide hope for the PH community through support, education, advocacy and awareness.

NOW THEREFORE, I, Hank Stratford, Mayor of the City of Clayton, on behalf of the Clayton City Council, do hereby proclaim November 2010 to be "**PULMONARY HYPERTENSION AWARENESS MONTH**" in the City of Clayton and urge all the citizens of our community to recognize the seriousness of this disease and the meritorious work of the Pulmonary Hypertension Association to find a cure.

CITY OF CLAYTON
Founded 1857... Incorporated 1964

Agenda Date: 11-2-10

Agenda Item: 9a

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: Laci J. Jackson, City Clerk

DATE: November 2, 2010

SUBJECT: Adoption of 1) Resolution of Intent and 2) Introduce Ordinance No. 430 to Amend the Contract Between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the City of Clayton to Implement California Government Code Section 20475 (2.0% @ 60 for Misc. Employees, and 2.0% at 50 for the Local Public Safety employees) Providing a Second Tier of Different Level of Benefits for New Employees.

BACKGROUND

On July 6, 2010 the City Council adopted Resolution 24-2010 and on July 20, 2010 the City Council adopted Resolution 34-2010, both of which amended the contracts for City employees (Misc. Unit and POA). The terms of that resolution included a change from the current CalPERS retirement plans as follows:

New Misc. Employees: from 2% @ 55 to 2% @ 60
New Sworn Officers: from 3% @ 55 to 2% @ 50

The attached Resolution is necessary to implement the contract amendment as required by PERS rules. The first step in the process is for the Council to adopt a Resolution of Intent and conduct a first reading of the Ordinance amending the contract. Once the final Ordinance has been adopted and becomes effective, the contract amendment will go into effect the following payroll date. Based on the current schedule, the effective date of the contract will be January 10, 2011.

This reduced benefit change only affects new hires, not current active employees.

FINANCIAL IMPACT

The cost analysis provided by CalPERS states there will be no immediate impact to the City's current employer contribution rate from this amendment since no "new hires" has yet occurred. Ultimately, the City's cost will decrease as it hires new employees subject to the lower pension plan to replace existing employees in the higher formula who retire or otherwise leave City employment.

The new employer contribution rate will be 6.755% of reportable earnings for local miscellaneous members entering membership for the first time in the Miscellaneous classification after the effective date of the amendment to contract.

The new employer contribution rate will be 13.436% of the reportable earnings for local sworn members entering membership for the first time in the Local Public Safety classification after the effective date of this amendment to contract.

The approximate difference in normal cost is expected to be as shown below.

POLICE		EXISTING PLAN		NEW TIER PLAN
		(3% at 55)		(2% at 50)
Employer Rate:		34.172%		13.436%
Employee Rate		9% (paid by City)		9% (paid by employee)
TOTAL PAID BY CITY:		40.172%		13.436%

MISC		EXISTING PLAN		NEW TIER PLAN
		(2% at 55)		(2% at 60)
Employer Rate:		14.178%		6.755%
Employee Rate		7% (paid by City)		7% (paid by employee)
TOTAL PAID BY CITY:		21.178%		6.755%

SAVINGS ANALYSIS

With the implementation of the 2% @ 60 retirement formula for Miscellaneous employees, the City will gradually realize pension contribution savings as new employees replace those now employed under the 2% @ 55 formula. Actuarial information provided by CalPERS indicates that after implementing this change, the City can expect $8,093.53 in savings in FY 2011-2012 and $16,187.06 in FY 2012-2013, with total savings over the first ten years adding to $445,114.15. These estimates assume a 6% attrition or retirement rate (an average of 1 person leaving per year based on a Maintenance Worker's top salary step).

With the implementation of the 2% at 50 retirement formula for new Sworn Officers, the City will gradually realize pension contribution savings as new employees replace those now employed under the 3% @ 55 formula. Actuarial information provided by CalPERS indicates that after implementing this change, the City can expect $18,546.26 in savings in FY 2011-2012 and $37,092.53 in FY 2012-2013, with total savings over the first ten years adding to $1,020,044.93. These estimates assume a 9% attrition or retirement rate (an average of 1 person leaving per year based on a Police Officer at top salary step).

These estimates are based on the assumptions at specific salary levels. Should an employee with a higher salary retire or leave the City, the savings will be even greater. Conversely, if the rate of attrition decreases the savings will not be realized as quickly. In any case, the City's movement to these lesser CalPERS pension plans will produce nothing but savings when new employees enter the City's service.

RECOMMENDATION

Adoption of 1) Resolution of Intent and 2) Introduction and First Reading of Ordinance 430 to Amend the Contract Between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the City of Clayton to Implement California Government Code Section 20475 (2.0% @ 60 for Misc. Employees, and 2.0% at 50 for Local Public Safety) Providing a Second Tier of Different Level of Benefits for New Employees.

Attachments:
1. Resolution
2. Ordinance No. 430
3. Contract Amendment

RESOLUTION NO: XX-2010

A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF CLAYTON TO APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION OF THE PUBLIC EMPLOYEES RETIREMENT SYSTEM AND THE CITY COUNCIL OF THE CITY OF CLAYTON

THE CITY COUNCIL
City of Clayton, California

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing board of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed changes:

> To provide Section 20475 (Different Level of Benefits). Section 21353 (2% @ 60 Full formula) is applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract; and
>
> Section 20475 (Different Level of Benefits). Section 21362 (2% @ 50 Full formula) is applicable to local safety members entering membership for the first time in the safety classification after the effective date of the amendment.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Clayton, California does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.

PASSED, APPROVED and ADOPTED by the City Council of Clayton, California, at a regular public meeting thereof held on November 2, 2010 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

THE CITY COUNCIL OF CLAYTON, CA

Hank Stratford, Mayor

ATTEST:

Laci J. Jackson, City Clerk

ORDINANCE NO. 430

AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF CLAYTON AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

THE CITY COUNCIL
City of Clayton, California

THE CITY COUNCIL OF THE CITY OF CLAYTON DOES ORDAIN AS FOLLOWS:

SECTION 1. That an amendment to the contract between the City Council of the City of Clayton and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.

SECTION 2. The Mayor of the City of Clayton is hereby authorized, empowered, and directed to execute said amendment for and on behalf of the City of Clayton.

SECTION 3. This Ordinance shall take effect thirty (30) days after the date of its adoption, and within fifteen (15) days after the passage of the Ordinance, the City Clerk shall cause it to be posted in three (3) public places heretofore designated by resolution of the City Council for the posting of ordinance and public notices.

The foregoing Ordinance was introduced at a regular public meeting of the City Council of the City of Clayton held on November 2, 2010.

Passed, adopted, and ordered posted by the City Council of the City of Clayton at a regular public meeting thereof held on December 7, 2010, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON

Hank Stratford, Mayor

ATTEST

Laci J. Jackson, City Clerk

APPROVED AS TO FORM

Dan Adams, City Attorney

APPROVED BY ADMINISTRATION

Gary A. Napper, City Manager

I hereby certify that the foregoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Clayton held on November 2, 2010, and was duly adopted, passed, and ordered posted at a regular meeting of the City Council held on December 7, 2010.

Laci J. Jackson, City Clerk

Attached: EXHIBIT

CalPERS

EXHIBIT

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Clayton

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective July 1, 1975, and witnessed June 3, 1975, and as amended effective November 17, 1977, June 17, 1990, June 2, 1997, July 2, 1999, November 29, 1999, August 20, 2001 and January 29, 2007 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

A. Paragraphs 1 through 12 are hereby stricken from said contract as executed effective January 29, 2007, and hereby replaced by the following paragraphs numbered 1 through 15 inclusive:

1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members entering membership in the miscellaneous classification on or prior to the effective date of this amendment to contract and age 60 for local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract; age 55 for local safety members entering membership in the safety classification on or prior to the effective date of this amendment to contract and age 50 for local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.

2. Public Agency shall participate in the Public Employees' Retirement System from and after July 1, 1975 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorneys fees that may arise as a result of any of the following:

   (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.

   (b) Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than existing retirement benefits, provisions or formulas.

   (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.

   (d) Public Agency's election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency's election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.

   (e) Public Agency's election to assign this Contract without the prior written consent of the CalPERS' Board of Administration.

   (f) The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees' Retirement Law.

   (g) Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.

4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:

   a. Local Police Officers (herein referred to as local safety members);

   b. Employees other than local safety members (herein referred to as local miscellaneous members).

5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

   a. FIREFIGHTERS.

6. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member entering membership in the miscellaneous classification on or prior to the effective date of this amendment to contract shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).

7. The percentage of final compensation to be provided for each year of credited current service as a local miscellaneous member entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract shall be determined in accordance with Section 21353 of said Retirement Law (2% at age 60 Full).

8. The percentage of final compensation to be provided for each year of credited prior and current service as a local safety member entering membership in the safety classification on or prior to the effective date of this amendment to contract shall be determined in accordance with Section 21363.1 of said Retirement Law (3% at age 55 Full).

9. The percentage of final compensation to be provided for each year of credited current service as a local safety member entering membership for the first time in the safety classification after the effective date of this amendment to contract shall be determined in accordance with Section 21362 of said Retirement Law (2% at age 50 Full).

10. Public Agency elected and elects to be subject to the following optional provisions:

    a. Section 21001 (Credit for War Relocation Leave) for local miscellaneous members only. Legislation repealed said Section effective January 1, 2002.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

b. Section 21037 (Cancellation of Payment for Optional Service Credit Upon Retirement for Industrial Disability) for local safety members only.

c. Section 21024 (Military Service Credit as Public Service).

d. Section 21573 (Third Level of 1959 Survivor Benefits) for local miscellaneous members only.

e. Section 21574 (Fourth Level of 1959 Survivor Benefits) for local safety members only.

f. Section 20475 (Different Level of Benefits). Section 21353 (2% @ 60 Full formula) is applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract.

   Section 21362 (2% @ 50 Full formula) is applicable to local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.

11. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on November 17, 1977. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.

12. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.

13. Public Agency shall also contribute to said Retirement System as follows:

    a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21573 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members.

    b. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local safety members.

c. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.

d. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.

14. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

15. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _______________, ______.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY_______________________________
LORI MCGARTLAND, CHIEF
EMPLOYER SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF CLAYTON

BY_______________________________
PRESIDING OFFICER

____
Witness Date

Attest:

____
Clerk

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Actuarial and Employer Services Branch
Public Agency Contract Services
(888) CalPERS (225-7377)

SUMMARY OF MAJOR PROVISIONS
2% @ 60 Formula (Section 21353)
Local Miscellaneous Members

SERVICE RETIREMENT

To be eligible for service retirement, a member must be at least age 50 and have five years of CalPERS credited service. There is no compulsory retirement age.

The monthly retirement allowance is determined by age at retirement, years of service credit and final compensation. The basic benefit is 2% of final compensation for each year of credited service upon retirement at age 60. If retirement is earlier than age 60, the percentage of final compensation decreases for each quarter year of attained age to 1.092% at age 50. If retirement is deferred beyond age 60, the percentage of final compensation increases for each quarter year of attained age to 2.418% at age 63.

Final compensation is the average monthly pay rate during the last consecutive 36 months of employment, or 12 months if provided by the employer's contract, unless the member designates a different period of 36 or 12 consecutive months when the average pay rate was higher.

DISABILITY RETIREMENT

Members substantially incapacitated from performing the usual duties for the position for his/her current employer, and from performing the usual duties of the position for other CalPERS covered employers (including State agencies, schools, and local public agencies), and where similar positions with these other employers with reasonably comparable in pay, benefits, and promotional opportunities are not available, would be eligible for disability retirement provided they have at least five years of service credit. The monthly retirement allowance is 1.8% of final compensation for each year of service. The maximum percentage for members who have between 10.000 and 18.518 years of service credit is one-third of their final compensation. If the member is eligible for service retirement the member will receive the highest allowance payable, service or disability. If provided by the employer's contract, the benefit would be a minimum of 30% of final compensation for the first five years of service credit, plus 1% for each additional year of service to a maximum benefit of 50% of final compensation.

INDUSTRIAL DISABILITY RETIREMENT

If provided by the employer's contract, members permanently incapacitated from performing their duties, as defined above under Disability Retirement, and the disability is a result of a job-related injury or illness may receive an Industrial Disability Retirement benefit equal to 50% of their final compensation. If provided in the employer's contract and the member is totally disabled, the disability retirement allowance would equal 75% of final compensation in lieu of the disability retirement allowance otherwise provided. If the member is eligible for service retirement, the service retirement allowance is payable. The total allowance cannot exceed 90% of final compensation.

PRE-RETIREMENT DEATH BENEFITS

Basic Death Benefit: This benefit is a refund of the member's contributions plus interest and up to six months' pay (one month's salary rate for each year of current service to a maximum of six months).

1957 Survivor Benefit: An eligible beneficiary may elect to receive either the Basic Death Benefit or the 1957 Survivor Benefit. The 1957 Survivor Benefit provides a monthly allowance equal to one-half of the highest service retirement allowance the member would have received had he/she retired on the date of death. The 1957 Survivor Benefit is payable to the surviving spouse or registered domestic partner until death or to eligible unmarried children until age 18.

1959 Survivor Benefit: (If provided by the employer's contract and the member is not covered under social security.) A surviving spouse or registered domestic partner and eligible children may receive a monthly allowance as determine by the level of coverage. This benefit is payable in addition to the Basic Death Benefit or 1957 Survivor Benefit. Children are eligible if under age 22 and unmarried.

Pre-Retirement Optional Settlement 2 Death Benefit: (If provided by the employer's contract.) The spouse or registered domestic partner of a deceased member, who was eligible to retire for service at the time of death, may to elect to receive the Pre-Retirement Optional Settlement 2 Death Benefit in lieu of the lump sum Basic Death Benefit. The benefit is a monthly allowance equal to the amount the member would have received if he/she had retired for service on the date of death and elected Optional Settlement 2, the highest monthly allowance a member can leave a spouse or registered domestic partner.

COST-OF-LIVING ADJUSTMENTS

The cost of living allowance increases are limited to a maximum of 2% compounded annually unless the employer's contract provides a 3, 4, or 5% increase.

DEATH AFTER RETIREMENT

The lump sum death benefit is $500 (or $600, $2,000, $3,000, $4,000 or $5,000 if provided by the employer's contract) regardless of the retirement plan chosen by the member at the time of retirement.

TERMINATION OF EMPLOYMENT

Members who have separated from employment may elect to leave their contributions on deposit or request a refund of contributions and interest. Those who leave their contributions on deposit may apply at a later date for a monthly retirement allowance if the minimum service and age requirements are met. Members who request a refund of their contributions terminate their membership and are not eligible for any future benefits unless they return to CalPERS membership.

EMPLOYEE CONTRIBUTIONS

Miscellaneous members covered by the 2% @ 60 formula contribute 7% of reportable earnings. Those covered under a modified formula (coordinated with Social Security) do not contribute on the first $133.33 earned.

The employer also contributes toward the cost of the benefits. The amount contributed by the employer for current service retirement benefits generally exceeds the cost to the employee. In addition, the employer bears the entire cost of prior service benefits (the period of time before the employer provided retirement coverage under CalPERS). All employer contribution rates are subject to adjustment by the CalPERS Board of Administration.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Actuarial and Employer Services Branch
Public Agency Contract Services
(888) CalPERS (225-7377)

SUMMARY OF MAJOR PROVISIONS
2% @ 50 Formula (Section 21362)
Local Safety Members

SERVICE RETIREMENT

To be eligible for service retirement, a member must be at least age 50 and have five years of CalPERS credited service. If provided by the employer's contract, mandatory retirement age for local safety members is age 60.

The monthly retirement allowance is determined by age at retirement, years of service credit and final compensation. The basic benefit is 2% of final compensation for each year of credited service upon retirement at age 50. If retirement is deferred beyond age 50, the percentage of final compensation increases for each quarter year of attained age to 2.7% at age 55. The allowance is limited to 90% of final compensation.

Final compensation is the average monthly pay rate during the last consecutive 36 months of employment, or 12 months if provided by the employer's contract, unless the member designates a different period of 36 or 12 consecutive months when the average pay rate was higher. Certain items of special compensation earned during your final compensation period will be included in your final compensation, in accordance with Board regulations.

DISABILITY RETIREMENT

Members substantially incapacitated from performing the usual duties for the position for his/her current employer would be eligible for disability retirement provided they have at least five years of service credit. The monthly retirement allowance is 1.8% of final compensation for each year of service. The maximum percentage for members who have between 10.000 and 18.518 years of service credit is one-third of their final compensation. If the member is eligible for service retirement the member will receive the highest allowance payable, service or disability. If provided by the employer's contract, the benefit would be a minimum of 30% of final compensation for the first five years of service credit, plus 1% for each additional year of service to a maximum benefit of 50% of final compensation.

INDUSTRIAL DISABILITY RETIREMENT

Members permanently incapacitated from performing their duties, as defined above under Disability Retirement, and the disability is a result of a job-related injury or illness may receive an Industrial Disability Retirement benefit equal to 50% of their final compensation. If provided in the employer's contract and the member is totally disabled, the disability retirement allowance would equal 75% of final compensation in lieu of the disability retirement allowance otherwise provided. If the member is eligible for service retirement, the service retirement allowance is payable. The total allowance cannot exceed 90% of final compensation.

PRE-RETIREMENT DEATH BENEFITS

Basic Death Benefit: This benefit is a refund of the member's contributions plus interest and up to six months' pay (one month's salary rate for each year of current service to a maximum of six months).

1957 Survivor Benefit: An eligible beneficiary may elect to receive either the Basic Death Benefit or the 1957 Survivor Benefit. The 1957 Survivor Benefit provides a monthly allowance equal to one-half of the highest service retirement allowance the member would have received had he/she retired on the date of death. The 1957 Survivor Benefit is payable to the surviving spouse or registered domestic partner until death or to eligible unmarried children until age 18.

1959 Survivor Benefit: (If provided by the employer's contract and the member is not covered under social security.) A surviving spouse or registered domestic partner and eligible children may receive a monthly allowance as determine by the level of coverage. This benefit is payable in addition to the Basic Death Benefit or 1957 Survivor Benefit. Children are eligible if under age 22 and unmarried.

Pre-Retirement Option 2W Death Benefit: (If provided by the employer's contract.) The spouse or registered domestic partner of a deceased member, who was eligible to retire for service at the time of death, may to elect to receive the Pre-Retirement Option 2W Death Benefit in lieu of the lump sum Basic Death Benefit. The benefit is a monthly allowance equal to the amount the member would have received if he/she had retired for service on the date of death and elected Option 2W, the highest monthly allowance a member can leave a spouse or registered domestic partner.

Special Death Benefit: A surviving spouse, registered domestic partner, or eligible children or step children may receive a monthly allowance equal to one-half of the final compensation. If the cause of death is due to external violence or physical force while on the job, and there are eligible surviving children in addition to a spouse or registered domestic partner, the allowance may be increased to a maximum of 75%.

COST-OF-LIVING ADJUSTMENTS

The cost of living allowance increases are limited to a maximum of 2% compounded annually unless the employer's contract provides a 3, 4, or 5% increase.

DEATH AFTER RETIREMENT

The lump sum death benefit is $500 (or $600, $2,000, $3,000, $4,000 or $5,000 if provided by the employer's contract) regardless of the retirement plan chosen by the member at the time of retirement.

TERMINATION OF EMPLOYMENT

Members who have separated from employment may elect to leave their contributions on deposit or request a refund of contributions and interest. Those who leave their contributions on deposit may apply at a later date for a monthly retirement allowance if the minimum service and age requirements are met. Members who request a refund of their contributions terminate their membership and are not eligible for any future benefits unless they return to CalPERS membership.

EMPLOYEE CONTRIBUTIONS

Local safety members covered by the 2% @ 50 formula contribute 9% of reportable earnings. Those covered under a modified formula (coordinated with Social Security) do not contribute on the first $133.33 earned.

The employer also contributes toward the cost of the benefits. The amount contributed by the employer for current service retirement benefits generally exceeds the cost to the employee. In addition, the employer bears the entire cost of prior service benefits (the period of time before the employer provided retirement coverage under CalPERS). All employer contribution rates are subject to adjustment by the CalPERS Board of Administration.

CITY OF CLAYTON
Founded 1857 . Incorporated 1964

Agenda Date: 11-2-10

Agenda Item: 9b

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: **HONORABLE MAYOR AND COUNCILMEMBERS**

FROM: **Laci J. Jackson, City Clerk**

DATE: **November 2, 2010**

SUBJECT: **Council discussion and direction regarding the number of, dates and times for the 2011 series of the annual "Concerts in The Grove".**

2010 CONCERT SCHEDULE

Last season's concerts were held every other Saturday from 6:00 p.m. to 8:30 p.m. in The Grove park. Concerts were held on the following dates:
May- 8, 22
June- 5, 19
July- 3, 17
August- 14, 28
September- 11

RECOMMENDATION

That Council provide the requested directives concerning the 4th year of the 2011 "Concerts in The Grove".

Attachments: 1. Concert Flyer

CITY OF CLAYTON

Concerts in The Grove 2010

Saturdays 6:00 p.m. to 8:30 p.m.
Gazebo at "The Grove" Park, Downtown Clayton

May 8 Aja Vu R&B and Classic Rock celebrating music of the late 70's
www.Ajavu.com

May 22 Mamaluke Classic Rock from the Rolling Stones to Tom Petty and ZZ Top
www.mamaluke.com

June 5 Littledog2 East Bay's premier Classic Rock/Adult Alternative band 70's thru today
www.littledog2.net

June 19 Mixed Nuts Disco, Motown to Funk & Jazz music from the 50s to now.
www.mixednutsband.com

July 3 Harvey & The Wallbangers Playing the Finest Rock, R & B, Country and Oldies.
www.harveyandthewallbangers.net

July 17 The Michael Paul Band Country & Southern Rock plus "New Country" and classics
www.themichaelpaulband.com

July 31 Laurent Fourgo & His Orchestra Big Band Sound tunes from the 30's, 40's, 80's & 90's!
www.fourgo.com

Aug 14 Diamond Dave aka Dave Hosely Playing Oldies to Today's Top Hits
www.davehosely.com.

Aug 28 East Bay Mudd Classic Soul, Funk, R & B with 10-piece band & 4-piece horn section
www.eastbaymudd.net

Sept 11 The Hit Waves Classic Rock, Pop, Blues, Motown, R&B, and Disco, 60's to Today
www.fourgo.com

For more Band information, go to www.cityofclayton.org

Downtown Clayton Food To Go

Support your local businesses

Stop by or call for their Concerts in The Grove "Specials" - Takeout or Dine in Before or After the Concert

Moresi's Chophouse 6115 Main St. 672 - 1333 *** Ed's Mudville Grill 6200 Center St. 673 - 0333

La Veranda Cafe 6201 Center St. 524 - 0011 *** Canesa's Brooklyn Deli 6054 Main St. 852-1650

Skipolini's Pizza 1035 Diablo St. 672 - 1111 *** Village Market 6104 Main St. 672 - 0188

Johnny's International Deli & Cafe 6101 Center St. 672-1203 *** Cup O'Jo 6054 Main St. 672-5105

Chairs & blankets may be set out after 4PM on concert days.
Please no glassware. Remember to cleanup before leaving. This is your park- help keep it clean and safe!
Please let us know what you think of our "Concerts in The Grove" series at www.cityofclayton.org

DONATIONS

We appreciate any donations which will be used to fund next year's "Concerts in The Grove"
Donations to "Concerts in The Grove" c/o City of Clayton, 6000 Heritage Trail, Clayton CA 94517

ALLIED WASTE SERVICES

Walking to the venue is highly recommended
as parking is limited in the downtown area

Presented by
Clayton Business and Community Association
(925) 672-2272