CITY OF CLAYTON
Founded 1857... Incorporated 1964

AGENDA

REGULAR MEETINGS

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CLAYTON CITY COUNCIL
and
CLAYTON REDEVELOPMENT AGENCY

* * *

TUESDAY, May 17, 2011

7:00 p.m.

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

Mayor: David T. Shuey
Vice Mayor: Howard Geller

Council Members
Joseph A. Medrano
Julie K. Pierce
Hank Stratford

- 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.

* CITY COUNCIL *

May 17, 2011

7:00 P.M.

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

2. **CLOSED SESSION** – None.

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

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 May 3, 2011. (View Here)

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

(c) Adopt a Resolution approving the Engineer's Report and declaring intention to levy and collect assessments for the Clayton Street Lighting Assessment District for Fiscal Year 2011-2012, and giving notice of the time and place for hearing on the levy of the proposed real property assessment. (View Here)

(d) Approve a legal services agreement with Michael S. Treppa (Treppa Law Group) to serve as the City's legal defense counsel in a complaint filed by JFC Construction, Inc. (Case No. C10-00293, Superior Court of CA, Contra Costa County). (View Here)

5. **RECOGNITIONS AND PRESENTATIONS**

(a) Certificates of Recognition for BSA Eagle Scout Projects in Clayton: (View Here)
1. Garrett Blatter; 2. Clark Blatter; 3. Brayden Moore; and 4. Bryan Crase

(b) Presentation of its 2010 Annual Report by the Clayton Community Library Foundation. (View Here)
(Joyce Atkinson, CCLF President)

(c) Proclamation declaring June 17, 2011 as "Clayton Community Library Volunteer Day", and Recognition of Clayton Library Volunteers of the Year for 2010:
(View Here) John Robinson; Laura Carlson; Sara McCraken

6. REPORTS

(a) Planning Commission – Vice Chairman Dan Richardson.

(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

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

(a) Consideration of the Introduction and First Reading of a Planning Commission recommended Ordinance to amend the *Clayton Municipal Code* regarding the number of administratively-issued Temporary Use Permits (TUPs) per parcel per year and other TUP procedural requirements. *(View Here)*
(Community Development Director)

Staff recommendations: **1)** Receive the staff report; **2)** Open the Public Hearing and receive public comments; **3)** Close the Public Hearing; **4)** Adopt a motion to have the City Clerk read Ordinance No. 433 by title and number only and waive further reading; **5)** Adopt a motion to approve Ordinance No. 433 for Introduction.

(b) Consideration of the Introduction and First Reading of an Ordinance amending Title 17 (Zoning) of the *Clayton Municipal Code* to increase the minimum interior side and rear yard setback requirement for a detached accessory structure and detached accessory buildings from three (3) feet to five (5) feet (ZOA 04-11).
(Community Development Director) *(View Here)*

Staff recommendations: **1)** Receive the staff report; **2)** Open the Public Hearing and receive public comments; **3)** Close the Public Hearing; **4)** Adopt a motion to have the City Clerk read Ordinance No. 434 by title and number only and waive further reading; **5)** Adopt a motion to approve Ordinance No. 434 for Introduction.

(c) Consideration of a Resolution approving a General Plan Amendment for updates to the Growth Management Element of the City of Clayton's General Plan (GPA 01-11). *(View Here)*
(Community Development Director)

Staff recommendations: **1)** Receive the staff report; **2)** Open the Public Hearing and receive public comments; **3)** Close the Public Hearing; **4)** By motion, adopt the Resolution approving a revised Growth Management Element to the City of Clayton General Plan.

9. ACTION ITEMS

(a) Consideration of a request for the City to provide $8,000 for assistance in the payment of legal expenses for the production of a charter and application for the conversion of Clayton Valley High School to a Charter High School. *(View Here)*
(Mayor Shuey)

Staff recommendation: That Council provide direction regarding the request for public funds.

(b) Consideration of a Resolution awarding low bid contract to Ghilotti Bros., Inc. (Santa Rafael, CA) in the amount of $658,027.15 for construction of the Community Park Parking Lot Expansion Project (CIP No.10413), and allocating $358,000.00 in interest earnings from the City's Capital Improvement Budget to CIP No. 10413 to augment project funding. (View Here)
(City Engineer)

Staff recommendation: Following staff report and public comments, that Council adopt the Resolution awarding project contract and allocating additional project funds

(c) Consideration of City positions on several legislative bills introduced in the 2011 California State Legislative session: (View Here)

1. Assembly Bill 506 (Wieckowski) – Municipal Bankruptcy; and
2. Senate Bill 286 (Wright) – Comprehensive Redevelopment Reform

(City Manager)

Staff recommendation: Following staff report and public comments, it is recommended the City Council vote to oppose each bill and authorize the Mayor to communicate the City's positions by letters.

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

11. **ADJOURNMENT**– the next regularly scheduled City Council meeting is June 7, 2011.

# # #

* CLAYTON REDEVELOPMENT AGENCY *

May 17, 2011

1. CALL TO ORDER AND ROLL CALL – Chairperson Pierce.

2. PUBLIC COMMENT ON NON-AGENDA ITEMS

Citizens may address the Redevelopment Agency on items within the Board's jurisdiction, (which are not on the agenda) by completing a speaker card available on the Lobby table and submitting 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 one's name is called by the Chair, 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. 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 when each item is considered by the Board.

3. CONSENT CALENDAR

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

(a) Approve the minutes of the regular meeting of February 15, 2011. *(View Here)*

(b) Approve the Agreement of Purchase and Sale and Joint Escrow Instructions with John and Kathy Groebner for the Agency's sale of 268 Stranahan Circle, Clayton, CA (APN 119-620-035-4) in the amount of $165,000 as a Low-Income Affordable Housing Unit for forty-five (45) years. (View Here)

4. PUBLIC HEARINGS – None.

5. ACTION ITEMS – None.

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

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

# # #

MINUTES
OF THE
REGULAR MEETING
CLAYTON CITY COUNCIL

Agenda Date: 5-17-11

Agenda Item: 4a

TUESDAY, May 3, 2011

1. **CALL TO ORDER & ROLL CALL** – The meeting was called to order at 6:00 p.m. by Mayor Shuey in Hoyer Hall of the Clayton Community Library, 6125 Clayton Road, Clayton, CA. Councilmembers present: Mayor Shuey, Vice Mayor Geller, Councilmembers Medrano, Pierce, and Stratford. Staff present: City Manager Gary Napper, Assistant City Attorney Maury Huguet (7:00 p.m.), Community Development Director David Woltering, and City Clerk Laci Jackson.

2. **CLOSED SESSION**- Mayor Shuey announced the following purpose for Closed Session and then adjourned into Closed Session at 6:00 p.m.

(a) Conference with Legal Counsel- attorney Mike Treppa.
Government Code Section 54956.9(c)
Consider Initiation of Litigation – 1 case

Report out of Closed Session: 7:00 p.m. Mayor Shuey reported the Council received advice and gave direction to its legal counsel.

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

4. **CONSENT CALENDAR- It was moved by Councilmember Stratford, seconded by Vice Mayor Geller to approve the Consent Calendar as submitted (Passed; 5-0 vote).**

(a) Approved the minutes of the regular meeting of April 19, 2011.

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

(c) Accepted the 3rd Quarter City Investment earnings and portfolio report of FY 2010-2011 for the period ending March 31, 2011.

(d) Adopted Resolution 11-2011 calling for the preparation of the annual Engineer's Report for the levy of FY 2011-2012 assessments in the Clayton Street Lighting Assessment District (pursuant to the Street Lighting Act of 1919).

5. **RECOGNITIONS AND PRESENTATIONS**

(a) Mayor Shuey presented Charles "Chuck" Evans with a plaque for serving 16 years as Clayton's representative to the County Connection Citizens' Advisory Committee of CCCTA.

Mr. Evans stated the Citizens' Advisory Committee provided recommendations to the elected board of the County Connection. He stated he hopes the next person to serve on the committee is enthusiastic and committed to bus transportation.

Councilmember Pierce stated Mr. Evans continues to serve on the Contra Costa Transportation Authority Citizens Advisory Committee and thanked him for his years of service.

6. REPORTS

(a) Planning Commission – Vice Chairman Dan Richardson reported the Commission held three public hearings. The first hearing was on the proposed changes to the Temporary Use Permit process, second for an amendment to the Municipal Code regarding setbacks for accessory structures, and lastly the Commission reviewed the proposed update to the City's Growth Management Element, a portion of the City's General Plan.

Mayor Shuey asked what sparked the concern over the accessory structure setbacks?

Commissioner Richardson stated the Commission approved a shade structure and when the applicant went to the County they were told they could not build unless the setback was 5 feet in order to meet current Fire Codes. He stated the Commission wants local laws consistent with the County Code for builders and homeowners.

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

(c) The City Manager stated the State Legislature is back in session and noted there is a new Legislative Counsel opinion that Governor Brown's proposal for the elimination of RDA's is illegal and unconstitutional, but other legislation is in the works that would reform RDA laws, such as no money allowed to be spent on attracting or accommodating pro sport teams. He reminded everyone the Farmers' Market starts Saturday as well as the first Concert in The Grove.

(d) City Council

Councilmember Medrano attended the League of California Cities bocce ball fundraiser. He also volunteered at the Art and Wine Festival and stated it was well attended and there were no public fights.

Councilmember Pierce attended the Art and Wine Festival and extended congratulations to CBCA on a great event. She attended a Transportation Authority meeting, a TRANSPAC meeting, Contra Costa Council Transportation Task Force luncheon, and a California Councils of Government meeting. She stated Thursday evening she will be the presenter for the Mayors' Conference and on Friday and Saturday she will be volunteering at the Historical Society's Garden Tour. She reported Caltrans is one-third of the way through the mountain for the fourth bore of the Caldecott Tunnel.

Vice Mayor Geller attended the Mount Diablo Unified Sports fundraiser, worked at the Art and Wine Festival, attended a CERT class, and reminded everyone Saturday is the first concert featuring the band Cover to Cover.

Mayor Shuey attended League of California Cities' bocce ball fundraiser.

(e) Other – None.

7. PUBLIC COMMENTS

Keith Haydon reported the CBCA had a very successful Art and Wine Festival. He stated the 16th annual event had a very good crowd and the very few incidents. He thanked the City staff for their work on this event and stated the money raised funds local charities, scholarships and schools. He stated the CBCA is also in the process of interviewing scholarship applicants at this time.

8. **PUBLIC HEARINGS** – None.

9. **ACTION ITEMS**- Mayor Shuey announced the Council will take Item 9 (b) first as someone from the public is in attendance to address this issue.

(b) Consideration of City Council support or endorsement of the local campaign and community effort for the conversion of Clayton Valley High School into a California Charter School.

Dylan Pereira a teacher from Clayton Valley High School explained that the concept to convert to a Charter School started with a small group of teachers who wanted to improve the school. He stated this group of teachers realized the problems were systemic and they had to do something big to make an impact. He stated some of the teachers did research on the possibility of converting to a Charter School which takes 50% of the faculty vote. He stated the group consulted with a law firm and are working on establishing the required 16 element position. He stated there have been community and informational meetings held and they are on their way to having a teacher vote this month and are hopeful the implementation could occur by Fall 2012.

Councilmember Stratford asked what the opinion of the teachers had been so far? Mr. Pereira stated teacher acceptance is growing everyday. He stated the group has a representative from X-Ed working have some preliminary numbers to go on. For more information there is a Facebook page for Clayton Valley Charter, and information can be found by googling Clayton Valley Charter High School.

Councilmember Medrano stated normally something like this would be brought by the parents but this is being brought by the teachers of the school. Mr. Pereira stated the teachers feel empowerment and it feels like this is the way it is supposed to work.

Councilmember Pierce stated in principle it sounds like a great idea, but when it comes to administering a school it is not easy. Mr. Pereira stated there are consultants doing a five year budget and feasibility study which may help ease concerns.

Councilmember Pierce asked about the response of the school board. Mr. Pereira stated the hope is the Board to be involved and the committee has met with the District Superintendent and the Board President.

Councilmember Pierce stated she hopes it all works out financially but is afraid it might be setting aside one set of problems for another.

Mayor Shuey asked about the involvement with the District after the conversion. Mr. Pereira stated there are many options available to the school after conversion, they can use the District or not.

The City Manager stated the City has an obvious interest for a successful public high school, though he asked, in order to present a balanced perspective, what are the pitfalls or downsides of conversion? Mr. Pereira stated most of the risk is for the teachers because it opens them up for more accountability. He also stated the money has to be managed well and there has to be community, teacher, and parent buy-in as the stakeholders.

Vice Mayor Geller stated a charter school would receive more money per student with conversion and these are funds the school will be able to control. He asked what the success rate was for conversion schools? Mr. Pereira stated this will be a conversion charter schools and they have a higher success rates than new charter schools for profit.

Vice Mayor Geller stated the school could set higher standards, have uniforms, but he asked if other students would be able to come to the school? Mr. Pereira stated students in the school's attendance boundary already would have first priority, then students in the district, and lastly if space exists students from the surrounding area.

Vice Mayor Geller asked if there are any other conversion high school charters in the area? Mr. Pereira stated this would be the first conversion charter in the bay area.

Vice Mayor Geller stated this means the real estate values will be improved because of a better school.

No other public comments were received.

Mayor Shuey stated he attended the meeting with Board President Eberhardt and District Superintendent Lawrence and they were surprised how fast things were moving forward. He stated at the beginning he had similar questions about budgeting and mechanisms of control. Charter schools are held to the same standards statewide. He stated Superintendent Lawrence was open to listening to the plan but the discussion will be ongoing. Subsequently, parents and teachers have been off and running with this plan and are out soliciting support.

Councilmember Pierce stated she needed more information before she put her whole support behind it.

Councilmember Stratford stated he would like to see the budget numbers but is in favor of sending a letter from the Mayor supporting the concept and encouraging the school board to be positive and embrace the plan.

Mayor Shuey stated the contracts could be changed and going forward both civic leaders, parents, and teachers form the board for the school. There will be pressure from the teachers to perform. The teachers that are in the school now who do not want to follow to the charter, are allowed to stay within the District and can maintain their seniority by transferring to other District schools. This bumping right might mean some of the younger and more energetic teachers could become part of the faculty at the new charter high school.

It was moved by Mayor Shuey, seconded by Councilmember Stratford to support the concept of Clayton Valley High School becoming a charter high school and send a letter from the Mayor to the District stating the action taken and asking them to be supportive of process (Passed; 5-0 vote).

(a) Consideration and review of the Initial Vision Scenario for the Sustainable Communities Strategy (SCS) in the draft Bay Area Plan mandate required by Senate Bill 375 (2008).

The Community Development Director stated in 2006 the legislature approved AB 32 the Global Warming Solutions Act. To reduce greenhouse gas emissions, in 2008 SB 375 was passed and supported. The goal of AB 32 is to further help reduce the greenhouse gasses, and to provide housing near transportation and employment opportunities. This Scenario assumes the housing needs can be met and it is an "unconstrained" scenario, meaning it assumes money is available to accomplish it. The plan was developed by checking with local communities as to as how they wanted their growth to happen. He stated 97% of the growth would be in areas that are already urbanized and in Priority Development Areas. The focus of this plan is to see where housing should be placed. The plan is expecting a 39% increase in jobs and an increase in transit services. The goal is to have a shift to public transit. There should be a 15% reduction per capita of greenhouse gases as required by AB 32 but even with this unconstrained scenario the plan only produces a 12% reduction. There will need to be plan modifications to achieve a greater reduction in greenhouse gases. This vision creates more affordable housing and brings more people into the region. The only target this scenario fully meets is the housing target which tells ABAG and MTC there will be a need for a variety of modifications to meet these targets. He stated there is an increase in walking and biking transit in this scenario. In conclusion this plan will need to be refined and housing will be a key issue. In the next few months it will be interesting to see how the plan changes with the changed economy.

Councilmember Pierce stated these numbers are very fluid based on projections of 2011. Due to the Census the numbers will be refined and it is expected that both the housing and jobs numbers will go down as they refine the assumptions. The economy has definitely played a part in this plan and it was built upon all of our general plans and our desire for where we want to see development in our cities. She stated this plan is not going to change the character of existing communities.

Councilmember Stratford noted the projected job growth for Clayton is high. Councilmember Pierce stated with Clayton Station and the hope of mixed use in downtown we could have more jobs. She stated this also includes people who work from home.

Vice Mayor Geller stated the numbers are somewhat high and these are regional plans and the State is forcing this plan to be developed. The City Manager stated the goals and objectives are to achieve and sustain a higher and preferred quality of life. He stated there are monetary sanctions tied to transportation funding if this Plan is not approved and implemented.

It was moved by Councilmember Pierce, seconded by Mayor Shuey to applaud ABAG for the work and direction to date and to have them move forward (Passed; 5-0 vote).

(c) Review and approval of the City's draft Request for Proposals (RFP) for the solicitation of law firm and/or individual qualification submittals for consideration as the City's replacement city attorney to provide contract legal services.

The City Manager stated the Council sub-committee and he met and discussed the key criteria in the RFP. He stated the City needs legal services for approximately 525 work hours a year and are looking at a contract City Attorney. There was some discussion as to whether candidates need prior or current service as a City Attorney or Assistant City Attorney, and it was decided that it was preferred but not mandatory. Mayor Shuey also thought possibly that a reduced retainer could be obtained if the attorney did not have to be present at every Council meeting, so the RFP reads that the attorney must be physically present for at least one meeting per month. The retainer is presently $96,000 and last year the City paid $110,000 total including extra hours outside of the retainer. He stated staff would send the RFP out to the top 5-10 firms in the state as well as general publicity.

Councilmember Pierce stated we ought to put it out there widely and see what kind of responses come in.

Councilmember Stratford stated there are times when we do not need a City Attorney at every meeting and the City could save some costs. Assistant City Attorney Huguet stated you could use an Assistant at a lower hourly rate to attend some if not all of the meetings in order to save money.

The City Manager asked the Council for feedback on how long the advertisement should be out for? By consensus the Council thought 45 days should be enough time to solicit responses.

It was moved by Councilmember Pierce, seconded Councilmember Stratford to approve for advertisement the City's Request for Proposals for Contract City Attorney Services as submitted and authorize staff to commence with advertising (Passed; 5-0 vote).

10. COUNCIL ITEMS- None.

11. ADJOURNMENT– On call by Mayor Shuey the meeting adjourned at 9:00 p.m.

Respectfully submitted,

Laci J. Jackson, City Clerk

APPROVED BY CLAYTON CITY COUNCIL

David T. Shuey, Mayor

CITY OF CLAYTON
Founded 1857.. Incorporated 1964

Agenda Date: 5/17/11

Agenda Item: 4b

Approved:

Gary A. Napper
City Manager/Executive Director

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: MERRY PELLETIER, FINANCE MANAGER

DATE: MAY 17, 2011

SUBJECT: INVOICE SUMMARY

RECOMMENDATION **Approve the following Invoices.**

5/3/11	Cash Requirements Report	$1,606.02
5/13/11	Cash Requirements Report	$90,838.95
3/22/11	Cal Card Statement 3/11	$17,795.42
4/22/11	Cal Card Statement 4/11	$29,094.17

Attachments:
Cash Requirements Report, dated 5/4/11 (1 page)
Cash Requirements Report, dated 5/13/11 (4 pages)
US Bank Statement dated 3/22/11 (7 pages)
US Bank Statement dated 4/22/11 (8 pages)

City of Clayton
Cash Requirements Report
CC Meeting 5/17/11

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
City of Concord (Centre Concord)								
City of Concord (Centre Concord)	5/3/2011	5/3/2011	159887	5/1/11 Event for Susan Lauer	$347.00	$0.00		$347.00
				Totals for City of Concord (Centre Concord):	*$347.00*	*$0.00*		*$347.00*
Susan Lauer								
Susan Lauer	5/3/2011	5/3/2011	5/1/11 EH	Refund EH Fees 5/1/11	$1,259.02	$0.00		$1,259.02
				Totals for Susan Lauer:	*$1,259.02*	*$0.00*		*$1,259.02*
				GRAND TOTALS:	**$1,606.02**	**$0.00**		**$1,606.02**

City of Clayton
Cash Requirements Report
CC Meeting 5/17/11

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
Access One								
Access One	5/12/2011	5/2/2011	1144299	Long Distance Phone Svc 4/11	$47.77	$0.00		$47.77
				Totals for Access One:	*$47.77*	*$0.00*		*$47.77*
All City Management Services, Inc.								
All City Management Services, Inc.	5/11/2011	4/25/2011	22659	Crossing Guard WE 4/23/11	$465.00	$0.00		$465.00
				Totals for All City Management Services, Inc.:	*$465.00*	*$0.00*		*$465.00*
Arlene H. Kikkawa-Nielsen								
Arlene H. Kikkawa-Nielsen	5/12/2011	5/12/2011	5/11	Library Volunteer 5/11	$820.00	$0.00		$820.00
				Totals for Arlene H. Kikkawa-Nielsen:	*$820.00*	*$0.00*		*$820.00*
ASCAP								
ASCAP	5/11/2011	4/20/2011	2011	Grove Concert Music License Fee 2011	$310.33	$0.00		$310.33
				Totals for ASCAP:	*$310.33*	*$0.00*		*$310.33*
AT&T/ CalNet 2								
AT&T/ CalNet 2	5/12/2011	5/3/2011	4/11B	Local Phone Service 4/11B	$449.07	$0.00		$449.07
				Totals for AT&T/ CalNet 2:	*$449.07*	*$0.00*		*$449.07*
Bay Area Barricade Serv.								
Bay Area Barricade Serv.	5/12/2011	4/29/2011	0269892-IN	Event No Parking Signs 4/11	$192.07	$0.00		$192.07
				Totals for Bay Area Barricade Serv.:	*$192.07*	*$0.00*		*$192.07*
Bay Area News Group East Bay (CCT)								
Bay Area News Group East Bay (CCT)	5/12/2011	4/16/2011	3960186-208	CDD Public Hearing Notices 4/11	$275.00	$0.00		$275.00
				Totals for Bay Area News Group East Bay (CCT):	*$275.00*	*$0.00*		*$275.00*
BMI (Broadcast Music Inc)								
BMI (Broadcast Music Inc)	5/11/2011	4/29/2011	2011	Concerts in the Grove Annual License Fee 20	$309.00	$0.00		$309.00
				Totals for BMI (Broadcast Music Inc):	*$309.00*	*$0.00*		*$309.00*
CalPERS Retirement								
CalPERS Retirement	5/12/2011	5/12/2011	PPE 5/1/11	Retirement PPE 5/1/11	$20,828.98	$0.00		$20,828.98
				Totals for CalPERS Retirement:	*$20,828.98*	*$0.00*		*$20,828.98*
CCC Office of the Sheriff - Forensic Svc Division (Lab)								
CCC Office of the Sheriff - Forensic Svc	5/11/2011	4/21/2011	CLPD-1103	PD Crime Lab 3/11	$900.00	$0.00		$900.00
CCC Office of the Sheriff - Forensic Svc	5/11/2011	4/18/2011	CLPD-111	PD Blood Labs 1-3/11	$1,187.11	$0.00		$1,187.11
				Totals for CCC Office of the Sheriff - Forensic Svc Division (Lab):	*$2,087.11*	*$0.00*		*$2,087.11*
Clean Street								
Clean Street	5/11/2011	4/30/2011	63583	Street Sweeping 4/11	$3,500.00	$0.00		$3,500.00
				Totals for Clean Street:	*$3,500.00*	*$0.00*		*$3,500.00*

City of Clayton
Cash Requirements Report
CC Meeting 5/17/11

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
Contra Costa Television								
Contra Costa Television	5/11/2011	5/4/2011	1782	Shared Gvt Semi-Ann Payment (2 of 2) 10-11	$5,232.01	$0.00		$5,232.01
				Totals for Contra Costa Television:	*$5,232.01*	*$0.00*		*$5,232.01*
Contra Costa Water Dist.								
Contra Costa Water Dist.	5/12/2011	5/11/2011	K Series 3-4/11	Water Services 3-4/11	$14,649.87	$0.00		$14,649.87
				Totals for Contra Costa Water Dist.:	*$14,649.87*	*$0.00*		*$14,649.87*
De Lage Landen Financial Services, Inc.								
De Lage Landen Financial Services, Inc.	5/11/2011	5/8/2011	92523782	Admin Copier Lease 5/11	$435.67	$0.00		$435.67
				Totals for De Lage Landen Financial Services, Inc.:	*$435.67*	*$0.00*		*$435.67*
Employee Benefit Specialists, Inc								
Employee Benefit Specialists, Inc	5/11/2011	4/30/2011	52476-IN	FSA Admin Fees 4/11	$100.00	$0.00		$100.00
				Totals for Employee Benefit Specialists, Inc:	*$100.00*	*$0.00*		*$100.00*
Globalstar LLC								
Globalstar LLC	5/11/2011	4/6/2011	297	PD Sat Phone 4/11	$27.01	$0.00		$27.01
				Totals for Globalstar LLC:	*$27.01*	*$0.00*		*$27.01*
Innovative Impressions								
Innovative Impressions	5/11/2011	5/2/2011	456	Concert in the Grove Hats 2011	$380.19	$0.00		$380.19
				Totals for Innovative Impressions:	*$380.19*	*$0.00*		*$380.19*
J & R Floor Services								
J & R Floor Services	5/11/2011	5/1/2011	5/1/11	Janitorial Service 4/11	$5,046.97	$0.00		$5,046.97
				Totals for J & R Floor Services:	*$5,046.97*	*$0.00*		*$5,046.97*
Jarvis Fay Doporto & Gibson, LLP								
Jarvis Fay Doporto & Gibson, LLP	5/11/2011	5/6/2011	5/6/11	Chevron Issue Legal Service 5/11	$100.64	$0.00		$100.64
				Totals for Jarvis Fay Doporto & Gibson, LLP:	*$100.64*	*$0.00*		*$100.64*
Joe Pargett Landscape & Lghtg								
Joe Pargett Landscape & Lghtg	5/11/2011	5/1/2011	2839	Maint & Repairs 268 Stranahan 4/11	$210.00	$0.00		$210.00
				Totals for Joe Pargett Landscape & Lghtg:	*$210.00*	*$0.00*		*$210.00*
John Deere Landscapes Inc								
John Deere Landscapes Inc	5/11/2011	4/22/2011	57533205	PW Water Feature Landscape Materials 4/11	$515.93	$0.00		$515.93
				Totals for John Deere Landscapes Inc:	*$515.93*	*$0.00*		*$515.93*
LarryLogic Productions								
LarryLogic Productions	5/11/2011	5/4/2011	1145	City Council Meeting Video 5/3/11	$337.50	$0.00		$337.50
				Totals for LarryLogic Productions:	*$337.50*	*$0.00*		*$337.50*
Michel & Fackler APC								

City of Clayton
Cash Requirements Report
CC Meeting 5/17/11

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
Michel & Fackler APC	5/11/2011	5/9/2011	10921	MPA Legal Services 4/11	$862.98	$0.00		$862.98
				Totals for Michel & Fackler APC:	*$862.98*	*$0.00*		*$862.98*
Moore Tractor Co.								
Moore Tractor Co.	5/11/2011	4/11/2011	18677	PW Tractor Repair 4/11	$104.05	$0.00		$104.05
				Totals for Moore Tractor Co.:	*$104.05*	*$0.00*		*$104.05*
Neopost (add postage)								
Neopost (add postage)	5/12/2011	5/11/2011	5/11/11	Postage Added 5/11/11	$300.00	$0.00		$300.00
				Totals for Neopost (add postage):	*$300.00*	*$0.00*		*$300.00*
PERMCO, Inc.								
PERMCO, Inc.	5/12/2011	5/10/2011	9419	Retainer - General Svc 4/23-5/6/11	$2,312.00	$0.00		$2,312.00
PERMCO, Inc.	5/12/2011	5/10/2011	9420	PG&E EP (minor)	$41.50	$0.00		$41.50
PERMCO, Inc.	5/12/2011	5/10/2011	9421	CCWD EP (minor)	$933.75	$0.00		$933.75
PERMCO, Inc.	5/12/2011	5/10/2011	9422	Weisendanger SWP 13-09	$41.50	$0.00		$41.50
PERMCO, Inc.	5/12/2011	5/10/2011	9422	O'Meara SWP 01-10	$41.50	$0.00		$41.50
PERMCO, Inc.	5/12/2011	5/10/2011	9422	Richards SWP 11-10	$41.50	$0.00		$41.50
PERMCO, Inc.	5/12/2011	5/10/2011	9423	Clayton Comm Church Rev DEIR	$975.00	$0.00		$975.00
PERMCO, Inc.	5/12/2011	5/10/2011	9424	CCP Pkg Lot - Bids	$712.50	$0.00		$712.50
PERMCO, Inc.	5/12/2011	5/10/2011	9425	2010 Pavement Rehab	$282.13	$0.00		$282.13
PERMCO, Inc.	5/12/2011	5/10/2011	9426	Diablo Estates SPR Review	$150.00	$0.00		$150.00
PERMCO, Inc.	5/12/2011	5/10/2011	9427	Diablo Estates Const & Grdg Pln Rev	$150.00	$0.00		$150.00
PERMCO, Inc.	5/12/2011	5/10/2011	9428	Diablo Pointe Sbdv Imprv Inspections	$150.00	$0.00		$150.00
PERMCO, Inc.	5/12/2011	5/10/2011	9429	Diablo Pointe Grading Inspections	$1,138.00	$0.00		$1,138.00
PERMCO, Inc.	5/12/2011	5/10/2011	9430	Diablo Pointe SW Inspections	$311.25	$0.00		$311.25
PERMCO, Inc.	5/12/2011	5/10/2011	9431	St Lt AD FY 11-12 Eng Report	$183.00	$0.00		$183.00
PERMCO, Inc.	5/12/2011	5/10/2011	9432	Hedges 0004 SW Inspections	$41.50	$0.00		$41.50
PERMCO, Inc.	5/12/2011	5/10/2011	9432	Pallotta/ Majestic Pools 0004 SW Insp	$62.25	$0.00		$62.25
PERMCO, Inc.	5/12/2011	5/10/2011	9432	Gaunt 0009 GP Inspections	$145.25	$0.00		$145.25
PERMCO, Inc.	5/12/2011	5/10/2011	9432	Gaunt 0009 SW Inspections	$83.00	$0.00		$83.00
				Totals for PERMCO, Inc.:	*$7,795.63*	*$0.00*		*$7,795.63*
PG&E								
PG&E	5/12/2011	4/25/2011	Indv 4/11	Service 4/11	$470.17	$0.00		$470.17
PG&E	5/12/2011	4/25/2011	Mst #121 4/11	Service 4/11	$1,957.48	$0.00		$1,957.48
PG&E	5/12/2011	4/19/2011	Mst #729 4/11	Service 4/11	$14,886.00	$0.00		$14,886.00
				Totals for PG&E:	*$17,313.65*	*$0.00*		*$17,313.65*
Ready Print								
Ready Print	5/11/2011	4/21/2011	122898	Code Enforcement Citations 4/11	$202.11	$0.00		$202.11
				Totals for Ready Print:	*$202.11*	*$0.00*		*$202.11*
Riso Products of Sacramento								
Riso Products of Sacramento	5/11/2011	4/27/2011	73067	PD Copier 4/11	$105.62	$0.00		$105.62

City of Clayton
Cash Requirements Report
CC Meeting 5/17/11

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
				Totals for Riso Products of Sacramento:	*$105.62*	*$0.00*		*$105.62*
Rita Howe								
Rita Howe	5/11/2011	5/11/2011	5/11	Admin Petty Cash 5/11	$266.46	$0.00		$266.46
				Totals for Rita Howe:	*$266.46*	*$0.00*		*$266.46*
Rolling Hills Landscape, Inc								
Rolling Hills Landscape, Inc	5/13/2011	5/12/2011	700	Water Feature Mow Strips 5/11	$4,779.00	$0.00		$4,779.00
Rolling Hills Landscape, Inc	5/13/2011	5/12/2011	701	Water Feature Handicap Ramp 5/11	$995.00	$0.00		$995.00
				Totals for Rolling Hills Landscape, Inc:	*$5,774.00*	*$0.00*		*$5,774.00*
Sprint Comm (PD)								
Sprint Comm (PD)	5/11/2011	4/29/2011	113	PD Cell Phone Service + Equipment 4/11	$439.56	$0.00		$439.56
				Totals for Sprint Comm (PD):	*$439.56*	*$0.00*		*$439.56*
Sprint Comm (PW & ADM)								
Sprint Comm (PW & ADM)	5/11/2011	4/29/2011	108	PW & Adm Cell Phone Svc 4/11	$273.17	$0.00		$273.17
				Totals for Sprint Comm (PW & ADM):	*$273.17*	*$0.00*		*$273.17*
Treppa Law Group								
Treppa Law Group	5/12/2011	4/30/2011	502	Legal Services 4/11	$330.00	$0.00		$330.00
				Totals for Treppa Law Group:	*$330.00*	*$0.00*		*$330.00*
Wally's Rental Center, Inc.								
Wally's Rental Center, Inc.	5/11/2011	4/26/2011	98521-3	PW Equipment Rental Water Feature 4/11	$440.10	$0.00		$440.10
				Totals for Wally's Rental Center, Inc.:	*$440.10*	*$0.00*		*$440.10*
Western Exterminator								
Western Exterminator	5/11/2011	4/30/2011	557507	Extermination Service 4/11	$311.50	$0.00		$311.50
				Totals for Western Exterminator:	*$311.50*	*$0.00*		*$311.50*
				GRAND TOTALS:	**$90,838.95**	**$0.00**		**$90,838.95**

usbank.

P.O. BOX 6343
FARGO ND 58125-6343

ACCOUNT NUMBER	4246 0445 5565 0674
STATEMENT DATE	03-22-2011
AMOUNT DUE	$38,103.52
NEW BALANCE	$38,103.52

PAYMENT DUE ON RECEIPT

000000665 2 AT 0.482 106481009722905 P

CITY OF CLAYTON
LYNN CUPIT
6000 HERITAGE TRAIL
CLAYTON CA 94517-1249

AMOUNT ENCLOSED

$

Please make check payable to "U.S. Bank"

U.S. BANK CORPORATE PAYMENT SYSTEM
P.O. BOX 790428
ST. LOUIS, MO 63179-0428

4246044555650674 003810352 003810352

Please tear payment coupon at perforation.

CORPORATE ACCOUNT SUMMARY

CITY OF CLAYTON 4246 0445 5565 0674	Previous Balance	+ Purchases And Other Charges	+ Cash Advances	+ Cash Advance Fees	+ Late Payment Charges	- Credits	- Payments	= New Balance
Company Total	$47,603.58	$17,811.65	$0.00	$.00	$0.00	$16.23	$27,295.48	$38,103.52

CORPORATE ACCOUNT ACTIVITY

CITY OF CLAYTON
4246-0445-5565-0674

TOTAL CORPORATE ACTIVITY
$27,295.48 CR

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-23	02-20	74798261054000000002158	PAYMENT - THANK YOU 00000 C	11,295.67 PY
03-10	03-08	74798261069000000001278	PAYMENT - THANK YOU 00000 C	15,999.81 PY

NEW ACTIVITY

GARY NAPPER	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6706	$0.00	$300.00	$0.00	$300.00

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-10	03-08	24071051068987138022326	CALIFORNIA REDEVELOPME 916-4488760 CA	300.00 ✓

ACCOUNT NUMBER	
4246-0445-5565-0674	
STATEMENT DATE	DISPUTED AMOUNT
03/22/11	.00
AMOUNT DUE	
38,103.52	

ACCOUNT SUMMARY	
PREVIOUS BALANCE	47,603.58
PURCHASES & OTHER CHARGES	17,811.65
CASH ADVANCES	.00
CASH ADVANCE FEES	.00
LATE PAYMENT CHARGES	.00
CREDITS	16.23
PAYMENTS	27,295.48
ACCOUNT BALANCE	**38,103.52**

Company Name: CITY OF CLAYTON
Corporate Account Number: 4246 0445 5565 0674
Statement Date: 03-22-2011

NEW ACTIVITY

MARK JANNEY	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6722	$0.00	$9,034.05	$0.00	$9,034.05

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-24	02-22	24387751054004049040080	ORCHARD SUPPLY #0251 CONCORD CA	11.56
02-24	02-22	24387751054004049040502	ORCHARD SUPPLY #0251 CONCORD CA	29.49
02-24	02-22	24492791054118000100093	WALNUT CREEK FORD 925-9322900 CA	1,906.67
02-24	02-23	24492791054118000100317	WALNUT CREEK FORD 925-9322900 CA	804.60
02-28	02-24	24316051056548614007501	SHELL OIL 57444673503 CONCORD CA	65.56
03-01	02-25	24387751059004045042275	ORCHARD SUPPLY #0251 CONCORD CA	10.24
03-01	02-25	24387751059004045043067	ORCHARD SUPPLY #0251 CONCORD CA	34.33
03-01	02-16	24425131059513060010255	RED WING SHOE CO, INC. CONCORD CA	103.23
03-02	02-28	24387751060004059329284	ORCHARD SUPPLY #0251 CONCORD CA	1.74
03-03	03-02	24388941061230168382261	BILLS ACE(925)228-6150 CONCORD CA	40.07
03-03	03-02	24492151061849554413007	PLUMBERSURP 951-588-0385 CA	215.25
03-04	03-03	24492791062118000100127	WALNUT CREEK FORD 925-9322900 CA	3,337.73
03-04	03-03	24607941062200749700103	LIMPIA WATER 877-645-6044 TX	1,880.00
03-04	03-03	24717051062640624812603	DOLAN'S OF CONCORD CONCORD CA	91.26
03-07	03-04	24492791065118000100322	WALNUT CREEK FORD 925-9322900 CA	160.44
03-15	03-11	24387751073004045040339	ORCHARD SUPPLY #0251 CONCORD CA	213.37
03-16	03-15	24046031074000227387547	CHEVRON 00096738 VACAVILLE CA	65.94
03-16	03-14	24316051074548582027026	SHELL OIL 57444673503 CONCORD CA	44.54
03-17	03-16	24733091076206405700068	REX LOCK & SAFE INC 9257989673 CA	18.03

MERRY PELLETIER	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6730	$0.00	$1,546.50	$0.00	$1,546.50

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-03	03-01	24269281061980004168556	GEOCONSULTANTS, INC. 408-453-2541 CA	1,546.50

ED BRYCE	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6748	$0.00	$373.27	$0.00	$373.27

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-28	02-24	24316051056548615007500	SHELL OIL 57444673503 CONCORD CA	38.67
02-28	02-24	24427331056120002507922	F & T VALERO CONCORD CONCORD CA	75.00
03-02	02-28	24316051060548582035728	SHELL OIL 57444673503 CONCORD CA	75.00
03-11	03-09	24427331069120002367819	F & T VALERO CONCORD CONCORD CA	75.00
03-11	03-09	24427331069120002367827	F & T VALERO CONCORD CONCORD CA	65.85
03-11	03-09	24427331069120002367835	F & T VALERO CONCORD CONCORD CA	43.75

DAN JOHNSTON	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6755	$0.00	$550.58	$0.00	$550.58

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-25	02-23	24427331055120002418758	F & T VALERO CONCORD CONCORD CA	75.00
03-07	03-04	24316051064548654052516	SHELL OIL 57444673503 CONCORD CA	75.00
03-11	03-09	24316051069548592015851	SHELL OIL 57444673503 CONCORD CA	75.00
03-14	03-11	24316051071548661057368	SHELL OIL 57444673503 CONCORD CA	20.58

Company Name: CITY OF CLAYTON
Corporate Account Number: 4246 0445 5565 0674
Statement Date: 03-22-2011

NEW ACTIVITY

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-16	03-14	24427331074120002263003	F & T VALERO CONCORD CONCORD CA	75.00
03-18	03-16	24316051076548617023725	SHELL OIL 57444673503 CONCORD CA	80.00
03-18	03-16	24427331076120002419926	F & T VALERO CONCORD CONCORD CA	75.00
03-18	03-16	24427331076120002419934	F & T VALERO CONCORD CONCORD CA	75.00

	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
JOHN JOHNSTON 4246-0400-1392-6763	$0.00	$1,353.31	$0.00	$1,353.31

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-25	02-23	24164071055105139176311	STAPLES 00113654 CONCORD CA	25.64
03-07	03-03	24610431063004030128701	SEARS AUTO CNTR 6831 CONCORD CA	185.71
03-08	03-05	24387751066004047196161	ORCHARD SUPPLY #0251 CONCORD CA	52.42
03-14	03-10	24316051070548614043300	SHELL OIL 57444673503 CONCORD CA	74.48
03-14	03-11	24445001071100214027057	AUTOZONE #3334 CONCORD CA	14.72
03-15	03-11	24275391073900019505290	1276 ROYAL CONCORD CA	263.15
03-15	03-12	24387751073004045220907	ORCHARD SUPPLY #0251 CONCORD CA	29.98
03-15	03-14	24493981074206748000071	BAY AREA BARRICADE CONCORD CA	515.44
03-18	03-16	24164071076105114738536	STAPLES 00113654 CONCORD CA	22.46
03-18	03-17	24493981077206748300064	BAY AREA BARRICADE CONCORD CA	32.61
03-21	03-17	24316051077548632014104	SHELL OIL 57444673503 CONCORD CA	80.00
03-21	03-17	24387751077004039467858	ORCHARD SUPPLY #0251 CONCORD CA	56.70

	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
RICHARD ENEA II 4246-0400-1392-6797	$0.00	$249.52	$0.00	$249.52

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-25	02-23	24316051055548608021766	SHELL OIL 57444673503 CONCORD CA	45.50
03-04	03-02	24316051062548608027509	SHELL OIL 57444673503 CONCORD CA	43.01
03-10	03-08	24316051068548583046866	SHELL OIL 57444673503 CONCORD CA	45.50
03-11	03-09	24316051069548592015760	SHELL OIL 57444673503 CONCORD CA	31.51
03-16	03-14	24316051074548581026961	SHELL OIL 57444673503 CONCORD CA	34.00
03-21	03-18	24316051078548665055494	SHELL OIL 57444673503 CONCORD CA	50.00

	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
SCOTT DANSIE 4246-0400-1392-6839	$0.00	$151.75	$0.00	$151.75

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-28	02-25	24164071056619398685100	UNION 76 10011146 CONCORD CA	47.18
03-07	03-05	24164071065619520480403	UNION 76 10011146 CONCORD CA	40.28
03-14	03-12	24164071072619625593143	UNION 76 10011146 CONCORD CA	24.03
03-21	03-18	24164071079619717277798	UNION 76 10011146 CONCORD CA	40.26

	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
ALLEN WHITE 4246-0400-1392-6847	$0.00	$178.61	$0.00	$178.61

Company Name: CITY OF CLAYTON
Corporate Account Number: 4246 0445 5565 0674
Statement Date: 03-22-2011

NEW ACTIVITY

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-24	02-23	24164071054619360802164	UNION 76 10011146 CONCORD CA	56.77
03-08	03-07	24164071066619536825020	UNION 76 10011146 CONCORD CA	60.26
03-15	03-14	24164071073619641941101	UNION 76 10011146 CONCORD CA	61.58

DAN LAWRENCE 4246-0400-1392-6854	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
	$0.00	$63.53	$0.00	$63.53

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-09	03-08	24164071067619558507133	UNION 76 10011146 CONCORD CA	63.53

RICHARD MCEACHIN 4246-0400-1392-6862	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
	$0.00	$429.46	$0.00	$429.46

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-24	02-22	24316051054548606003304	SHELL OIL 57444673503 CONCORD CA	29.26
02-28	02-26	24316051058548573040715	SHELL OIL 57444673503 CONCORD CA	25.13
03-01	02-27	24316051059548537013526	SHELL OIL 57444673503 CONCORD CA	25.00
03-02	03-01	24692161060000680450152	GAL*GALLS INC 800-504-0328 KY	95.59
03-03	03-01	24316051061548593057231	SHELL OIL 57444673503 CONCORD CA	30.86
03-04	03-02	24316051062548601027514	SHELL OIL 57444673503 CONCORD CA	17.59
03-09	03-07	24316051067548586054389	SHELL OIL 57444673503 CONCORD CA	30.46
03-09	03-07	24492151067849802245114	LONESTARPRODUCTS 866-670-7951 TX	13.51
03-11	03-09	24316051069548593015769	SHELL OIL 57444673503 CONCORD CA	50.21
03-16	03-14	24316051074548582026960	SHELL OIL 57444673503 CONCORD CA	19.67
03-17	03-15	24164071075868038540004	DOLRTREE 1536 00015362 CONCORD CA	4.37
03-17	03-15	24316051075548593028624	SHELL OIL 57444673503 CONCORD CA	28.46
03-17	03-15	24316051075548593028913	SHELL OIL 57444673503 CONCORD CA	34.70
03-21	03-17	24316051077548631014295	SHELL OIL 57444673503 CONCORD CA	24.65

LYNN CHRIST 4246-0400-1392-6888	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
	$16.23	$460.94	$0.00	$444.71

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-25	02-23	74445741055200065429950	OFFICE DEPOT 1135 FREMONT CA	16.23CR
03-03	03-02	24275391061900016600031	IMAGE SALES INC 925-8493400 CA	16.28
03-04	03-03	24164071062418215482821	USPS 05159603133502543 CLAYTON CA	16.62
03-09	03-07	24445741067100189674211	OFFICE DEPOT 1135 800-463-3768 CA	105.47
03-09	03-06	24492151067869130317427	FRY'S.COM 877-688-7678 CA	270.52
03-10	03-08	24445741068100189384893	OFFICE DEPOT 1135 800-463-3768 CA	52.05

SANDRO ARIAS 4246-0400-1392-6896	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
	$0.00	$589.31	$0.00	$589.31

Company Name: CITY OF CLAYTON
Corporate Account Number: 4246 0445 5565 0674
Statement Date: 03-22-2011

NEW ACTIVITY

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-24	02-22	24316051054548606003403	SHELL OIL 57444673503 CONCORD CA	22.41
02-25	02-23	24316051055548604021844	SHELL OIL 57444673503 CONCORD CA	36.90
02-25	02-23	24316051055548605021843	SHELL OIL 57444673503 CONCORD CA	75.00
03-03	03-01	24427331061120002396097	F & T VALERO CONCORD CONCORD CA	75.00
03-03	03-01	24427331061120002397483	F & T VALERO CONCORD CONCORD CA	75.00
03-04	03-02	24427331062120002387798	F & T VALERO CONCORD CONCORD CA	75.00
03-14	03-11	24427331071120002777096	F & T VALERO CONCORD CONCORD CA	75.00
03-18	03-16	24316051076548618023724	SHELL OIL 57444673503 CONCORD CA	80.00
03-21	03-18	24427331078120002733613	F & T VALERO CONCORD CONCORD CA	75.00

LACI JACKSON	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6912	$0.00	$165.57	$0.00	$165.57

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-03	03-01	24164071061221011770386	SAFEWAY STORE00011957 CLAYTON CA	10.97
03-03	03-01	24226451061980019548926	DEVIL S MOUNTAIN AWARDS CONCORD CA	49.10
03-07	03-03	24692161063000172781640	CONTAINERSTOREWALNUTCR WALNUT CREEK CA	49.15
03-21	03-18	24445741078100215237402	OFFICE DEPOT 1135 800-463-3768 CA	56.35

JASON SHAW	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6920	$0.00	$172.63	$0.00	$172.63

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-28	02-25	24316051057548634041380	SHELL OIL 57444673503 CONCORD CA	38.23
03-03	03-02	24445001062000149602498	AUTOZONE #3334 CONCORD CA	6.54
03-04	03-02	24164071062619474703001	UNION 76 10011146 CONCORD CA	39.37
03-07	03-05	24164071065619509609303	UNION 76 10011146 CONCORD CA	46.49
03-21	03-18	24316051078548666055493	SHELL OIL 57444673503 CONCORD CA	42.00

RUSS EDDY	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6946	$0.00	$39.23	$0.00	$39.23

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-28	02-26	24164071058619415924548	UNION 76 10011146 CONCORD CA	21.98
03-21	03-19	24164071079619720395421	UNION 76 10011146 CONCORD CA	17.25

SHANNA DECOITE	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1463-1263	$0.00	$324.55	$0.00	$324.55

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-24	02-22	24316051054548607003402	SHELL OIL 57444673503 CONCORD CA	35.01
02-28	02-27	24164071058619417580249	UNION 76 10011146 CONCORD CA	44.59
03-02	03-01	24164071060619448860178	UNION 76 10011146 CONCORD CA	38.89
03-07	03-05	24164071065619509609295	UNION 76 10011146 CONCORD CA.	42.39

Company Name: CITY OF CLAYTON
Corporate Account Number: 4246 0445 5565 0674
Statement Date: 03-22-2011

NEW ACTIVITY

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-14	03-10	24164071070619593140671	UNION 76 10011146 CONCORD CA	44.88
03-14	03-12	24164071072619625592947	UNION 76 10011146 CONCORD CA	45.08
03-18	03-17	24164071076619685524612	UNION 76 10011146 CONCORD CA	37.46
03-21	03-20	24164071079619736956398	UNION 76 10011146 CONCORD CA	36.25

DAREN BILLINGTON	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1488-5976	$0.00	$438.05	$0.00	$438.05

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-23	02-21	24316051053548587034014	SHELL OIL 57444673503 CONCORD CA	67.42
02-28	02-25	24316051057548636041461	SHELL OIL 57444673503 CONCORD CA	49.71
03-02	02-28	24316051060548583035651	SHELL OIL 57444673503 CONCORD CA	51.29
03-07	03-03	24316051063548628006664	SHELL OIL 57444673503 CONCORD CA	41.76
03-07	03-05	24316051065548583018090	SHELL OIL 57444673503 CONCORD CA	51.03
03-11	03-09	24316051069548598016036	SHELL OIL 57444673503 CONCORD CA	21.92
03-14	03-10	24316051070548613043517	SHELL OIL 57444673503 CONCORD CA	50.04
03-14	03-11	24316051071548661057624	SHELL OIL 57444673503 CONCORD CA	32.69
03-18	03-16	24316051076548611023739	SHELL OIL 57444673503 CONCORD CA	23.13
03-21	03-18	24316051078548662055760	SHELL OIL 57444673503 CONCORD CA	49.06

DAVID WOLTERING	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1514-0918	$0.00	$680.36	$0.00	$680.36

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-07	03-04	24755421064640641870572	CA NEWSPAPERS ADV 925-3021855 CA	680.36

ALLAN PIKE	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1546-0803	$0.00	$401.95	$0.00	$401.95

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-28	02-24	24316051056548614007691	SHELL OIL 57444673503 CONCORD CA	53.80
02-28	02-26	24316051058548574041019	SHELL OIL 57444673503 CONCORD CA	58.90
03-07	03-03	24316051063548621006679	SHELL OIL 57444673503 CONCORD CA	65.00
03-07	03-05	24316051065548583018355	SHELL OIL 57444673503 CONCORD CA	54.25
03-14	03-11	24316051071548662057623	SHELL OIL 57444673503 CONCORD CA	57.50
03-18	03-16	24316051076548616023924	SHELL OIL 57444673503 CONCORD CA	49.90
03-21	03-18	24316051078548665055577	SHELL OIL 57444673503 CONCORD CA	62.60

TODD SORRELL	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1559-0260	$0.00	$97.25	$0.00	$97.25

Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-28	02-24	24316051056548614007444	SHELL OIL 57444673503 CONCORD CA	48.07
03-15	03-13	24316051073548541006971	SHELL OIL 57444673503 CONCORD CA	49.18

Company Name: CITY OF CLAYTON
Corporate Account Number: 4246 0445 5565 0674
Statement Date: 03-22-2011

NEW ACTIVITY

	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
WENDY RODEN 4246-0400-1657-2416	$0.00	$50.01	$0.00	$50.01

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-10	03-09	24046031068000189485287	CHEVRON 00091338 MARTINEZ CA	50.01

	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
TIM MARCHUT 4246-0441-0105-4355	$0.00	$161.22	$0.00	$161.22

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-08	03-08	24692161067000886514739	PAYPAL *NAPAVALLEYC 402-935-7733 CA	103.00
03-16	03-15	24164071074619656270494	UNION 76 10011146 CONCORD CA	33.22
03-22	03-21	24492151080206799000015	CONTRA COSTA CO SHERIFF 9254278230 CA	25.00

Department: 00000 Total:	$17,795.42
Division: 00000 Total:	$17,795.42

usbank.

P.O. BOX 6343
FARGO ND 58125-6343

ACCOUNT NUMBER	4246 0445 5565 0674
STATEMENT DATE	04-22-2011
AMOUNT DUE	$46,889.59
NEW BALANCE	$46,889.59

PAYMENT DUE ON RECEIPT

AMOUNT ENCLOSED
$

Please make check payable to "U.S. Bank"

000000026 2 SP 106481052990027 P
CITY OF CLAYTON
LYNN CUPIT
6000 HERITAGE TRAIL
CLAYTON CA 94517-1249

U.S. BANK CORPORATE PAYMENT SYSTEMS
P.O. BOX 790428
ST. LOUIS, MO 63179-0428

424604455565067 4 004688959 004688959

Please tear payment coupon at perforation.

CORPORATE ACCOUNT SUMMARY

CITY OF CLAYTON 4246 0445 5565 0674	Previous Balance	+ Purchases And Other Charges	+ Cash Advances	+ Cash Advance Fees	+ Late Payment Charges	- Credits	- Payments	= New Balance
Company Total	$38,103.52	$29,295.24	$0.00	$.00	$0.00	$201.07	$20,308.10	$46,889.59

CORPORATE ACCOUNT ACTIVITY

CITY OF CLAYTON
4246-0445-5565-0674

TOTAL CORPORATE ACTIVITY
$20,308.10CR

Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-18	04-17	74798261108000000000182	PAYMENT - THANK YOU 00000 C	20,308.10 PY

NEW ACTIVITY

MARK JANNEY
4246-0400-1392-6722

CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
$201.07	$18,404.10	$0.00	$18,203.03

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-24	03-22	24387751082004045040932	ORCHARD SUPPLY #0251 CONCORD CA	18.28
03-24	03-23	24692161082000902463367	LOWES #02604* CONCORD CA	521.06
03-25	03-24	24492791083118000100155	WALNUT CREEK FORD 925-9322900 CA	2,114.95
03-30	03-29	24269281088980000407452	PROPET DISTRIBUTORS INC 407-888-4627 FL	488.35
03-31	03-29	24427331089120002344863	F & T VALERO CONCORD CONCORD CA	68.38
03-31	03-30	24445001090600156117953	UNITED RENTALS 925-829-2980 CA	773.69

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29,09

ACCOUNT NUMBER	
4246-0445-5565-0674	
STATEMENT DATE	DISPUTED AMOUNT
04/22/11	.00

AMOUNT DUE

46,889.59

ACCOUNT SUMMARY	
PREVIOUS BALANCE	38,103.52
PURCHASES & OTHER CHARGES	29,295.24
CASH ADVANCES	.00
CASH ADVANCE FEES	.00
LATE PAYMENT CHARGES	.00
CREDITS	201.07
PAYMENTS	20,308.10
ACCOUNT BALANCE	**46,889.59**

Company Name: CITY OF CLAYTON
Corporate Account Number: 4246 0445 5565 0674
Statement Date: 04-22-2011

NEW ACTIVITY

Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-01	03-30	24736931090009257136514	INDUSTRIAL LUMBER COMPANY 925-2282486 CA	731.32
04-04	03-31	24335491091900014000093	MONUMENT CAR PARTS #3 925-6876050 CA	74.75
04-05	04-04	24270741094000040940016	ATCO CONSTRUCTION PRODUCT CONCORD CA	8,381.76
04-05	04-04	24445001095600152145821	UNITED RENTALS 925-829-2980 CA	200.00
04-06	04-05	74445001096000150266287	UNITED RENTALS DUBLIN CA	174.76CR
04-07	04-06	24492151097207099700016	GOLDEN GATE PETROLEUM 510-603-8670 CA	130.15
04-13	04-11	24316051102548581058861	SHELL OIL 57444673503 CONCORD CA	72.90
04-14	04-12	24387751103004045050993	ORCHARD SUPPLY #0251 CONCORD CA	42.77
04-15	04-13	24445001104100205383015	AUTOZONE #3334 CONCORD CA	105.29
04-18	04-15	24270741105000151050016	ATCO CONSTRUCTION PRODUCT 925-686-4430 CA	2,830.18
04-21	04-20	24493981110207496400113	PAC SOD/PAC ARBOR 805-986-8277 CA	135.85
04-21	04-20	24692161110000377953609	LOWES #02604* CONCORD CA	205.36
04-22	04-20	74387751111004068184039	ORCHARD SUPPLY #0251 CONCORD CA	26.31 CR
04-22	04-20	24387751111004068184281	ORCHARD SUPPLY #0251 CONCORD CA	66.40
04-22	04-21	24717051111171112823614	ANTIOCH BUILDING MATERIAL PITTSBURG CA	1,442.66

MERRY PELLETIER	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6730	$0.00	$1,791.09	$0.00	$1,791.09

Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-04	03-31	24269281091980004168543	GEOCONSULTANTS, INC. 408-453-2541 CA	1,546.50
04-13	04-11	24418001102102051153406	VERIZON EPAYMENT 800-4441926 CO	214.64
04-20	04-20	24692161110000214729238	TRLPAY *WINZIP STANDAR TRIALPAY.COM CA	29.95

ED BRYCE	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6748	$0.00	$1,043.97	$0.00	$1,043.97

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-24	03-22	24427331082120002348176	F & T VALERO CONCORD CONCORD CA	75.00
03-24	03-22	24427331082120002348192	F & T VALERO CONCORD CONCORD CA	66.10
03-24	03-22	24427331082120002348200	F & T VALERO CONCORD CONCORD CA	75.00
03-28	03-24	24427331084120002509841	F & T VALERO CONCORD CONCORD CA	75.00
03-28	03-24	24427331084120002510476	F & T VALERO CONCORD CONCORD CA	75.00
03-28	03-24	24427331084120002510781	F & T VALERO CONCORD CONCORD CA	75.00
04-04	03-31	24316051091548633015573	SHELL OIL 57444673503 CONCORD CA	90.00
04-11	04-07	24316051098548616040591	SHELL OIL 57444673503 CONCORD CA	9.73
04-11	04-08	24316051099548664040872	SHELL OIL 57444673503 CONCORD CA	34.95
04-11	04-08	24316051099548665040871	SHELL OIL 57444673503 CONCORD CA	36.00
04-11	04-08	24316051099548666040870	SHELL OIL 57444673503 CONCORD CA	75.00
04-11	04-08	24316051099548667040879	SHELL OIL 57444673503 CONCORD CA	85.51
04-11	04-07	24427331098120002547639	F & T VALERO CONCORD CONCORD CA	75.00
04-14	04-12	24316051103548591023029	SHELL OIL 57444673503 CONCORD CA	90.00
04-14	04-12	24316051103548598023014	SHELL OIL 57444673503 CONCORD CA	31.68
04-15	04-13	24427331104120002459290	F & T VALERO CONCORD CONCORD CA	75.00

DAN JOHNSTON	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6755	$0.00	$924.82	$0.00	$924.82

Company Name: CITY OF CLAYTON
Corporate Account Number: 4246 0445 5565 0674
Statement Date: 04-22-2011

NEW ACTIVITY

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-23	03-21	24427331081120002308858	F & T VALERO CONCORD CONCORD CA	75.00
03-25	03-23	24427331083120002451532	F & T VALERO CONCORD CONCORD CA	75.00
03-28	03-24	24316051084548615040358	SHELL OIL 57444673503 CONCORD CA	85.00
04-01	03-30	24316051090548605019893	SHELL OIL 57444673503 CONCORD CA	85.00
04-04	03-31	24316051091548634015572	SHELL OIL 57444673503 CONCORD CA	63.89
04-04	03-31	24316051091548635015571	SHELL OIL 57444673503 CONCORD CA	90.00
04-06	04-04	24316051095548587007259	SHELL OIL 57444673503 CONCORD CA	90.00
04-06	04-04	24427331095120002407084	F & T VALERO CONCORD CONCORD CA	64.49
04-11	04-07	24427331098120002547480	F & T VALERO CONCORD CONCORD CA	75.00
04-14	04-12	24427331103120002420020	F & T VALERO CONCORD CONCORD CA	75.00
04-21	04-19	24427331110120002431010	F & T VALERO CONCORD CONCORD CA	75.00
04-22	04-20	24427331111120002498398	F & T VALERO CONCORD CONCORD CA	71.44

	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
JOHN JOHNSTON 4246-0400-1392-6763	$0.00	$1,166.18	$0.00	$1,166.18

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-28	03-26	24445001086100243993124	BARNES & NOBLE #2644 PLEASANT HILL CA	81.83
04-04	03-31	24316051091548636015570	SHELL OIL 57444673503 CONCORD CA	89.39
04-04	03-31	24387751091004043055386	ORCHARD SUPPLY #0251 CONCORD CA	17.44
04-06	04-04	24610431095010174726368	THE HOME DEPOT 634 CONCORD CA	297.91
04-08	04-07	24388941097230161711787	BILLS ACE(925)228-6150 CONCORD CA	111.85
04-11	04-07	24387751098004065271369	ORCHARD SUPPLY #0251 CONCORD CA	23.45
04-11	04-07	24387751098004065272292	ORCHARD SUPPLY #0251 CONCORD CA	5.11
04-11	04-09	24692161099000226131543	LOWES #02604* CONCORD CA	403.58
04-12	04-11	24692161101000583682514	LOWES #02604* CONCORD CA	13.43
04-13	04-11	24427331102120002476577	F & T VALERO CONCORD CONCORD CA	75.00
04-20	04-18	24610431109010174704732	THE HOME DEPOT 634 CONCORD CA	47.19

	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
RICHARD ENEA II 4246-0400-1392-6797	$0.00	$518.96	$0.00	$518.96

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-23	03-21	24316051081548594004287	SHELL OIL 57444673503 CONCORD CA	38.88
03-24	03-22	24316051082548593031751	SHELL OIL 57444673503 CONCORD CA	54.30
03-30	03-29	24164071088619867066651	UNION 76 10011146 CONCORD CA	56.00
04-06	04-05	24164071095619980905455	UNION 76 10011146 CONCORD CA	7.50
04-06	04-04	24316051095548582007163	SHELL OIL 57444673503 CONCORD CA	55.51
04-08	04-06	24316051097548602002754	SHELL OIL 57444673503 CONCORD CA	54.75
04-12	04-10	24316051101548562020048	SHELL OIL 57444673503 CONCORD CA	57.48
04-14	04-12	24316051103548594022952	SHELL OIL 57444673503 CONCORD CA	52.50
04-15	04-13	24316051104548601032373	SHELL OIL 57444673503 CONCORD CA	40.00
04-21	04-19	24316051110548581054209	SHELL OIL 57444673503 CONCORD CA	52.30
04-22	04-20	24164071111619226097547	UNION 76 10011146 CONCORD CA	49.74

	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
SCOTT DANSIE 4246-0400-1392-6839	$0.00	$117.12	$0.00	$117.12

Company Name:	CITY OF CLAYTON
Corporate Account Number:	4246 0445 5565 0674
Statement Date:	04-22-2011

NEW ACTIVITY

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-28	03-25	24164071086619823648172	UNION 76 10011146 CONCORD CA	31.01
04-01	03-31	24164071090619896995496	UNION 76 10011146 CONCORD CA	37.00
04-18	04-16	24164071107619163957121	UNION 76 10011146 CONCORD CA	49.11

ALLEN WHITE	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6847	$0.00	$224.31	$0.00	$224.31

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-24	03-23	24164071082619786452731	UNION 76 10011146 CONCORD CA	56.03
03-31	03-30	24164071089619885509301	UNION 76 10011146 CONCORD CA	7.50
03-31	03-30	24164071089619885509657	UNION 76 10011146 CONCORD CA	46.02
04-14	04-13	24164071103619111797342	UNION 76 10011146 CONCORD CA	57.20
04-21	04-20	24164071110619219281257	UNION 76 10011146 CONCORD CA	57.56

DAN LAWRENCE	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6854	$0.00	$312.02	$0.00	$312.02

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-23	03-22	24164071081619768193692	UNION 76 10011146 CONCORD CA	62.35
04-08	04-07	24164071097619014923712	UNION 76 10011146 CONCORD CA	59.65
04-18	04-15	24258021105701290710872	IACP 800-843-4227 VA	120.00
04-22	04-21	24164071111619236200230	UNION 76 10011146 CONCORD CA	70.02

RICHARD MCEACHIN	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6862	$0.00	$1,020.93	$0.00	$1,020.93

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-23	03-21	24316051081548595004286	SHELL OIL 57444673503 CONCORD CA	22.78
03-23	03-22	24692161081000726264349	GAL*GALLS INC 800-504-0328 KY	89.08
03-24	03-22	24316051082548593031504	SHELL OIL 57444673503 CONCORD CA	29.33
03-25	03-23	24316051083548592054399	SHELL OIL 57444673503 CONCORD CA	20.78
03-25	03-23	24316051083548593054398	SHELL OIL 57444673503 CONCORD CA	44.48
03-29	03-28	24110391087286695200205	PK SAFETY SUPPLY 800-829-9580 CA	62.56
03-29	03-27	24316051087548543022160	SHELL OIL 57444673503 CONCORD CA	39.63
03-31	03-30	24110391089286695400043	PK SAFETY SUPPLY 800-829-9580 CA	29.99
03-31	03-30	24492151089849685901043	PAYPAL *HALF ZIPPED 402-935-7733 CA	84.30
04-01	03-31	24692161090000427052349	GAL*GALLS INC 800-504-0328 KY	80.82
04-04	04-02	24316051093548601024092	SHELL OIL 57444673503 CONCORD CA	26.58
04-06	04-04	24316051095548583007162	SHELL OIL 57444673503 CONCORD CA	19.85
04-07	04-05	24275391096900017900033	PROFORCE MARKETING INC 928-7767192 AZ	37.97
04-08	04-06	24316051097548608003053	SHELL OIL 57444673503 CONCORD CA	52.94
04-08	04-07	24692161097000855606130	GAL*GALLS INC 800-504-0328 KY	179.79
04-11	04-07	24316051098548614040296	SHELL OIL 57444673503 CONCORD CA	33.71
04-12	04-10	24316051101548563020047	SHELL OIL 57444673503 CONCORD CA	46.13
04-14	04-12	24316051103548595022951	SHELL OIL 57444673503 CONCORD CA	27.93
04-19	04-17	24316051108548567033189	SHELL OIL 57444673503 CONCORD CA	35.47
04-19	04-18	24445001109000159221077	AUTOZONE #3334 CONCORD CA	5.48
04-21	04-19	24316051110548582054208	SHELL OIL 57444673503 CONCORD CA	27.18
04-22	04-20	24316051111548607047699	SHELL OIL 57444673503 CONCORD CA	22.15

Company Name: CITY OF CLAYTON
Corporate Account Number: 4246 0445 5565 0674
Statement Date: 04-22-2011

NEW ACTIVITY

Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-22	04-20	24418001111111331996004	CITY OF WALNUT CREEK WALNUT CREEK CA	2.00

LYNN CHRIST	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6888	$0.00	$244.78	$0.00	$244.78

Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-01	03-31	24639231090900019900036	TULLY-WIHR COMPANY 510-4714500 CA	18.93
04-08	04-07	24164071097619014923720	UNION 76 10011146 CONCORD CA	53.84
04-08	04-06	24412901097980001557386	ACE-SIERRA TOW MARTINEZ CA	25.00
04-14	04-12	24445741103100200144364	OFFICE DEPOT 1135 800-463-3768 CA	124.04
04-14	04-12	24445741103100200144448	OFFICE DEPOT 1135 800-463-3768 CA	11.89
04-18	04-15	24164071105418205473144	USPS 05159603133502543 CLAYTON CA	11.08

SANDRO ARIAS	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6896	$0.00	$580.00	$0.00	$580.00

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-28	03-26	24427331086120002484902	F & T VALERO CONCORD CONCORD CA	75.00
03-31	03-29	24316051089548596001671	SHELL OIL 57444673503 CONCORD CA	85.00
04-04	04-01	24316051092548672043345	SHELL OIL 57444673503 CONCORD CA	90.00
04-06	04-04	24316051095548581007438	SHELL OIL 57444673503 CONCORD CA	90.00
04-07	04-05	24316051096548597001226	SHELL OIL 57444673503 CONCORD CA	90.00
04-18	04-14	24427331105120002596033	F & T VALERO CONCORD CONCORD CA	75.00
04-20	04-18	24427331109120002409514	F & T VALERO CONCORD CONCORD CA	75.00

LACI JACKSON	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6912	$0.00	$809.74	$0.00	$809.74

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-28	03-25	24445001085600164641520	INDEPENDENT STATIONERS 317-845-9155 IN	56.43
03-28	03-24	24445741084100198082363	OFFICE DEPOT 1135 800-463-3768 CA	60.37
04-07	04-05	24164071096221014470389	SAFEWAY STORE00011957 CLAYTON CA	20.11
04-11	04-09	24445001100600130550947	INDEPENDENT STATIONERS 317-845-9155 IN	103.74
04-15	04-14	24717051104151047721835	LABOR LAW CENTER COM 800-7459970 CA	278.79
04-18	04-15	24445001106600167050914	INDEPENDENT STATIONERS 317-845-9155 IN	35.23
04-19	04-15	24493981108207299500956	NEOPOST USA 650-632-2000 CT	223.64
04-21	04-19	24164071110221014260097	SAFEWAY STORE00011957 CLAYTON CA	13.97
04-21	04-19	24445001110100208933008	CVS PHARMACY #6526 CLAYTON CA	17.46

JASON SHAW	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6920	$0.00	$233.85	$0.00	$233.85

Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-01	03-30	24316051090548603020125	SHELL OIL 57444673503 CONCORD CA	27.26

Company Name: CITY OF CLAYTON
Corporate Account Number: 4246 0445 5565 0674
Statement Date: 04-22-2011

NEW ACTIVITY

Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-04	03-31	24164071091619911073682	UNION 76 10011146 CONCORD CA	43.09
04-04	04-01	24164071093619929107272	UNION 76 10011146 CONCORD CA	11.10
04-04	04-02	24164071093619945171104	UNION 76 10011146 CONCORD CA	38.47
04-11	04-08	24316051099548665041119	SHELL OIL 57444673503 CONCORD CA	41.49
04-18	04-14	24164071105619132430889	UNION 76 10011146 CONCORD CA	44.95
04-18	04-16	24164071107619166084238	UNION 76 10011146 CONCORD CA	27.49

RUSS EDDY	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1392-6946	$0.00	$121.31	$0.00	$121.31

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-28	03-26	24164071086619838487053	UNION 76 10011146 CONCORD CA	41.62
04-04	04-02	24164071093619945226197	UNION 76 10011146 CONCORD CA	20.38
04-11	04-08	24164071100619039849004	UNION 76 10011146 CONCORD CA	40.28
04-18	04-16	24164071107619166087678	UNION 76 10011146 CONCORD CA	19.03

SHANNA DECOITE	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1463-1263	$0.00	$413.01	$0.00	$413.01

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-28	03-26	24164071086619826639194	UNION 76 10011146 CONCORD CA	42.67
03-30	03-29	24164071088619875576063	UNION 76 10011146 CONCORD CA	42.79
04-05	04-04	24164071094619964602400	UNION 76 10011146 CONCORD CA	46.43
04-06	04-05	24164071095619980905380	UNION 76 10011146 CONCORD CA	7.50
04-07	04-06	24164071096619994243009	UNION 76 10011146 CONCORD CA	45.29
04-11	04-10	24164071100619061281050	UNION 76 10011146 CONCORD CA	31.71
04-13	04-12	24164071102619088702755	UNION 76 10011146 CONCORD CA	40.40
04-20	04-19	24164071109619201859378	UNION 76 10011146 CONCORD CA	7.50
04-20	04-19	24164071109619201860244	UNION 76 10011146 CONCORD CA	61.31
04-20	04-18	24427331109120002408961	F & T VALERO CONCORD CONCORD CA	46.14
04-21	04-20	24164071110619216527058	UNION 76 10011146 CONCORD CA	41.27

DAREN BILLINGTON	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1488-5976	$0.00	$430.47	$0.00	$430.47

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-25	03-23	24316051083548596054668	SHELL OIL 57444673503 CONCORD CA	45.70
03-28	03-24	24316051084548616040514	SHELL OIL 57444673503 CONCORD CA	63.99
03-28	03-25	24316051085548661031201	SHELL OIL 57444673503 CONCORD CA	46.15
04-01	03-30	24316051090548606019892	SHELL OIL 57444673503 CONCORD CA	59.07
04-04	03-31	24316051091548637015819	SHELL OIL 57444673503 CONCORD CA	43.56
04-11	04-07	24316051098548615040378	SHELL OIL 57444673503 CONCORD CA	49.28
04-18	04-14	24316051105548623052747	SHELL OIL 57444673503 CONCORD CA	33.77
04-18	04-15	24316051106548678021216	SHELL OIL 57444673503 CONCORD CA	43.90
04-22	04-20	24316051111548604048021	SHELL OIL 57444673503 CONCORD CA	45.05

NEW ACTIVITY

DAVID WOLTERING	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1514-0918	$0.00	$89.44	$0.00	$89.44

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-31	03-30	24717051089150893562995	ACEC CALIFORNIA 916-4417991 CA	89.44

ALLAN PIKE	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1546-0803	$0.00	$505.10	$0.00	$505.10

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-28	03-24	24316051084548617040513	SHELL OIL 57444673503 CONCORD CA	40.00
03-28	03-25	24316051085548662031200	SHELL OIL 57444673503 CONCORD CA	50.30
04-04	03-31	24316051091548632015483	SHELL OIL 57444673503 CONCORD CA	62.25
04-04	04-01	24316051092548673043344	SHELL OIL 57444673503 CONCORD CA	68.80
04-04	04-02	24316051093548602024091	SHELL OIL 57444673503 CONCORD CA	51.00
04-11	04-08	24316051099548668040878	SHELL OIL 57444673503 CONCORD CA	60.50
04-15	04-13	24316051104548602032448	SHELL OIL 57444673503 CONCORD CA	50.85
04-18	04-14	24316051105548624052746	SHELL OIL 57444673503 CONCORD CA	58.40
04-18	04-16	24316051107548594053300	SHELL OIL 57444673503 CONCORD CA	63.00

TODD SORRELL	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1559-0260	$0.00	$256.27	$0.00	$256.27

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-28	03-26	24316051086548583042368	SHELL OIL 57444673503 CONCORD CA	27.58
04-04	04-01	24316051092548674043269	SHELL OIL 57444673503 CONCORD CA	18.85
04-04	04-02	24316051093548607023783	SHELL OIL 57444673503 CONCORD CA	49.53
04-05	04-03	24316051094548554039567	SHELL OIL 57444673503 CONCORD CA	40.00
04-12	04-10	24316051101548562019743	SHELL OIL 57444673503 CONCORD CA	52.62
04-18	04-14	24316051105548625052661	SHELL OIL 57444673503 CONCORD CA	39.86
04-18	04-16	24316051107548592053229	SHELL OIL 57444673503 CONCORD CA	27.83

WENDY RODEN	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0400-1657-2416	$0.00	$49.86	$0.00	$49.86

Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-30	03-29	24164071088418195494697	USPS 05159603133502543 CLAYTON CA	11.08
04-07	04-06	24164071096418215471527	USPS 05159603133502543 CLAYTON CA	22.16
04-14	04-13	24164071103418195472710	USPS 05159603133502543 CLAYTON CA	16.62

TIM MARCHUT	CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
4246-0441-0105-4355	$0.00	$37.91	$0.00	$37.91

Agenda Date: 5-17-11

Agenda Item: 4d

ENGINEER'S REPORT

DATE: **MAY 17, 2011**

TO: **CITY COUNCIL**

FROM: **CITY ENGINEER**

RE: **STREET LIGHT ASSESSMENT DISTRICT - FISCAL YEAR 2011-12**

This report has been prepared in accordance with the requirements of the Street Lighting Act of 1919 (Section 18091 of the Street and Highways Code).

HISTORICAL REVIEW

Prior to 1979, the year the City formed the Street Light Assessment District, all subdivisions were annexed to the City's Lighting District #1. This district became a Special District, which made it eligible for a small portion of the property tax as well as Special Augmentation Funds for special districts.

When the Assessment District was formed, primarily to pay for street lighting in residential areas with street lights, the City ceased annexing new subdivisions to Lighting District #1. While the City continues to receive moneys on Lighting District #1 as Special Augmentation Funds, the amounts are expected to decrease. The expected income for FY 2011-12 is approximately $26,894.

All of the residential subdivisions with street lighting have now been annexed to the district and are being assessed annually.

When the Street Light Assessment District was formed, it was the City Council's policy that the residential street lighting be paid by the Assessment District and arterial street lighting by Lighting District #1.

PROPOSITION 218

In 2001, significant increases in electric charges from PG&E were anticipated and a large increase was proposed in the annual assessments. It was finally determined that any increases over the amounts being assessed when Proposition 218 was approved, were subject to the terms of Proposition 218. A ballot election was held and the proposed increases were rejected by almost 60% of the votes cast. Based upon that result, a public meeting and public hearing was held on the pre-218 assessments based upon the old majority protest procedures. Since there was not a majority protest, the pre-218 assessments were levied.

Due to the current fiscal climate, I again do not recommend that the City attempt another 218 election in order to increase the assessments.

DETERMINATION OF SPECIAL BENEFIT

For this district, being limited to street lighting, the finding of a special benefit is relatively simple. Those properties, occupied and located on a lighted public street, receive a special benefit relative to those properties located on unlit streets. This benefit may be described as additional protection for residents from criminal activity and, to a lesser extent, vehicular traffic. It should be noted that I am saying that the lights protect the pedestrians from vehicular traffic by increasing the pedestrians' ability to see and not the other way around.

There may be some who would argue that since pedestrians benefit from the additional protection and that some of the pedestrians may be other than the actual residents, a general benefit exists. However, I believe that the number of trips by non-residents would be minuscule compared to the residents' trips and impossible to reasonably quantify.

There are some publicly owned parcels (open space areas) that do have some frontage along lighted public streets. However, since these properties are not occupied, no benefit, either special or general, is received.

Therefore, I can only find that no "general" benefit exists.

DISTRICT IMPROVEMENTS

The district improvements consist of streetlights located on residential streets. The streetlights may be mounted on PG&E poles or on their own poles (either wood, metal or concrete).

ESTIMATED COSTS

Actual PG&E costs for FY 2010-11 will be approximately $96,500. Based upon expenditures to date, the City's labor, materials and overhead costs should be approximately $32,284.

We are projecting a modest increase in electrical costs over the current year's actual costs to $97,000 for the almost 800 streetlights covered by the assessment district. In addition, we are proposing that the maintenance and administrative budgets be set at $33,330.

METHOD OF ASSESSMENT

In detached, single family subdivisions with public streets, the special benefit received from street lights is equal to all the lots, regardless of size, and the assessment should, therefore, be equal for every lot and will be assigned an assessment unit of one.

In those subdivisions with private streets, but served or traversed by public, lit streets, the property owners already pay for a share of their private street lighting and the ratio of lots to the number of public lights is higher than those in subdivisions with all public streets. Therefore, in order to provide an equitable assessment, I have assigned assessment units of one-half to single family and duet subdivisions (Oak Hollow and Black Diamond) and one-quarter to multifamily subdivisions (Diablo Ridge, Chaparral Springs, Marsh Creek Villas).

See the chart on pages 4 and 5 for a complete breakdown on the assessment units.

UNEXPENDED FUNDS

The fund balance at the beginning of FY 2010/11 was approximately $133,874.

We estimate that the final costs for FY 2010/11 should be approximately $128,784 and the final income amount should be $128,201, resulting in a shortfall of $583. This shortfall will decrease the fund balance to $133,291 for the beginning of FY 2011/12.

This fund balance will cover the costs of the District until receipt of the first tax payment in December.

PER UNIT ALLOCATION

If we were able to spread the costs strictly by the number of assessment units in the District, we would have the following cost per assessment unit:

Estimated PG&E cost	$97,000.00
City Maintenance Costs	16,625.00
City Administrative Costs	10,000.00
Legal (ads, notice, etc.)	2,905.00
County Collection of Levy Fee	3,800.00
Total Budget	$130,330.00
Less Interest Income	(2,000.00)
Net Assessment Required	$128,330.00
Total Assessment Units	2896.5
Total Assessment Per Unit	$44.31

However, since we are unable to increase assessments beyond their current level without a ballot election, we recommend that the current assessments remain the same for FY 2011-12 (see table on pages 4 and 5). Based upon the current assessment levels, the District will receive approximately $125,458.76. Therefore, we must project a shortfall of approximately $2,871 in FY 2011-12 which will decrease the existing fund balance at the end of FY 2011-12 to $130,420.

ASSESSMENT HISTORY

Proposed FY 11-12	between $0 and $43.54
FY 10-11	between $0 and $43.54
FY 09-10	between $0 and $43.54
FY 08-09	between $0 and $43.54
FY 07-08	between $0 and $43.54
FY 06-07	between $0 and $43.54
FY 05-06	between $0 and $43.54
FY 04-05	between $0 and $43.54
FY 03-04	between $0 and $43.54
FY 02-03	between $0 and $43.54
FY 01-02	between $0 and $43.54
FY 00-01	$34.34
FY 99-00	$33.38
FY 98-99	$33.38
FY 97-98	$33.38
FY 96-97	$43.54

CITY OF CLAYTON								
STREETLIGHT ASSESSMENT DISTRICT FY 2011-12								
PROPOSED ASSESSMENTS								
Subd. Name	Subd. No.	No. of Lots	Type	Public Streets	A.U. per lot	Total A.U.	Assessment Per Lot	Total $
Cardinet Glen I	2556	22	SF	Y	1.00	22.00	$43.54	$957.88
Cardinet Glen II	2572	30	SF	Y	1.00	30.00	$43.54	$1,306.20
Glen Almond	3434	23	SF	Y	1.00	23.00	$43.54	$1,001.42
Dana Hills I	3576	29	SF	Y	1.00	29.00	$43.54	$1,262.66
Mission Manor	3659	25	SF	Y	1.00	25.00	$43.54	$1,088.50
Dana Hills II	4011	55	SF	Y	1.00	55.00	$43.54	$2,394.70
Dana Hills III	4012	50	SF	Y	1.00	50.00	$43.54	$2,177.00
Dana Hills IV	4013	93	SF	Y	1.00	93.00	$43.54	$4,049.22
Dana Hills V	4014	50	SF	Y	1.00	50.00	$43.54	$2,177.00
Dana Hills VI	4015	30	SF	Y	1.00	30.00	$43.54	$1,306.20
Dana Hills VII	4016	65	SF	Y	1.00	65.00	$43.54	$2,830.10
Dana Hills VIII	4017	46	SF	Y	1.00	46.00	$43.54	$2,002.84
Dana Hills IX	4018	32	SF	Y	1.00	32.00	$43.54	$1,393.28
Dana Hills X	4019	52	SF	Y	1.00	52.00	$43.54	$2,264.08
Marsh Creek	4240	109	MF	N	0.25	27.25	$15.64	$1,704.76
Regency Woods I	4343	77	SF	Y	1.00	77.00	$43.54	$3,352.58
St. James Place	4403	16	SF	Y	1.00	16.00	$43.54	$696.64
Casey Glen	4449	24	SF	Y	1.00	24.00	$43.54	$1,044.96
Briarwood I	4451	19	SF	Y	1.00	19.00	$43.54	$827.26
Jeffry Ranch	4499	68	SF	Y	1.00	68.00	$43.54	$2,960.72
Dana Ridge	4504	86	MF	N	0.25	21.50	$15.64	$1,345.04
Clayton Greens	4515	78	SF	Y	1.00	78.00	$43.54	$3,396.12
Regency Woods II	4543	71	SF	Y	1.00	71.00	$43.54	$3,091.34
Regency Woods III	4643	37	SF	Y	1.00	37.00	$43.54	$1,610.98
Briarwood II	4654	40	SF	Y	1.00	40.00	$43.54	$1,741.60
Regency Woods IV	4798	145	SF	Y	1.00	145.00	$43.54	$6,313.30
Easley Estates I	4805	48	SF	Y	1.00	48.00	$43.54	$2,089.92
Silver Creek I	4827	26	SF	Y	1.00	26.00	$43.54	$1,132.04
Silver Creek II	4956	94	SF	Y	1.00	94.00	$43.54	$4,092.76
Easley Estates II	5048	51	SF	Y	1.00	51.00	$43.54	$2,220.54
Easley Estates III	5049	40	SF	Y	1.00	40.00	$43.54	$1,741.60
Easley Estates IV	5050	55	SF	Y	1.00	55.00	$43.54	$2,394.70
Douglas Court	5267	9	SF	Y	1.00	9.00	$43.54	$391.86

Regency Meadows	5722	96	SF	Y	1.00	96.00	$43.54	$4,179.84
Westwood	6001	65	SF	Y	1.00	65.00	$43.54	$2,830.10
Westwood	6001	4	MF	Y	0.50	2.00	$15.64	$62.56
Windmill Canyon I	6990	92	SF	Y	1.00	92.00	$43.54	$4,005.68
Black Diamond I	7065	108	Duet	N	0.50	54.00	$31.28	$3,378.24
Chaparral Springs I	7066	117	MF	N	0.25	29.25	$8.34	$975.78
Peacock Creek I	7249	69	SF	Y	1.00	69.00	$33.38	$2,303.22
Peacock Creek II	7255	72	SF	Y	1.00	72.00	$33.38	$2,403.36
Eagle Peak I	7256	70	SF	Y	1.00	70.00	$43.54	$3,047.80
Eagle Peak II	7257	60	SF	Y	1.00	60.00	$43.54	$2,612.40
Falcon Ridge I	7260	75	SF	Y	1.00	75.00	$33.38	$2,503.50
Falcon Ridge II	7261	70	SF	Y	1.00	70.00	$43.54	$3,047.80
Windmill Canyon II	7262	99	SF	Y	1.00	99.00	$43.54	$4,310.46
Windmill Canyon III	7263	101	SF	Y	1.00	101.00	$43.54	$4,397.54
Windmill Canyon IV	7264	102	SF	Y	1.00	102.00	$33.38	$3,404.76
Chaparral Springs II	7303	52	MF	N	0.25	13.00	$8.34	$433.68
Black Diamond II	7311	118	Duet	N	0.50	59.00	$31.28	$3,691.04
Diablo Ridge I	7766	60	MF	N	0.25	15.00	$8.34	$500.40
Oak Hollow	7766	35	SF	N	0.50	17.50	$16.68	$583.80
Diablo Ridge II	7767	76	MF	N	0.25	19.00	$8.34	$633.84
Oak Hollow IIA	7768	55	SF	N	0.50	27.50	$31.28	$1,720.40
Oak Hollow IIB	7769	53	SF	N	0.50	26.50	$31.28	$1,657.84
Stranahan	7887	54	SF	Y	1.00	54.00	$33.38	$1,802.52
Diablo Village	8215	33	SF	Y	1.00	33.00	$43.54	$1,436.82
Rachel Ranch	8355	8	SF	Y	1.00	8.00	$43.54	$348.32
Bridlewood	8358	19	SF	Y	1.00	19.00	$43.54	$827.26
TOTALS		3458				2896.5		$125,458.76

RESOLUTION NO.

A RESOLUTION APPROVING ENGINEER'S REPORT AND DECLARING INTENTION TO LEVY AND COLLECT ASSESSMENTS FOR THE STREET LIGHTING ASSESSMENT DISTRICT FOR FISCAL YEAR 2011-12, AND GIVING NOTICE OF THE TIME AND PLACE FOR HEARING ON THE LEVY OF THE PROPOSED ASSESSMENT.

THE CITY COUNCIL
City of Clayton, California

WHEREAS, by Resolution No. 11-79, adopted May 2, 1979, the Clayton City Council converted Street Lighting District No. 1 to a benefit assessment district and confirmed an assessment for fiscal year 1979-80, pursuant to the Street Lighting Act of 1919; and

WHEREAS, by City Resolution No. 11-2011, adopted May 3, 2011, the Engineer has been ordered by the Council to prepare and file a report setting forth the information called for in Section 18091 of the Streets and Highways Code and Article XIII C of the California Constitution for the 2011-12 assessment; and

WHEREAS, the City Council reviewed the Engineer's Report at its regular meeting on May 17, 2011, and found same to be satisfactory and in compliance with Section 18091 of the California Streets and Highway Code and Article XIII C of the California Constitution for the 2011-12 assessment; and

WHEREAS, it is now necessary for the City Council to establish the date for the public meeting and public hearing on the levying of the proposed assessments for fiscal year 2011-12 and to direct the Clerk to give the required notice of such hearing.

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

1. The report, dated May 17, 2011, prepared by the City Engineer as the Engineer for the Assessment District, and each part thereof, is sufficient in each particular, has fairly and properly apportioned the cost of the improvement to each parcel of land in the assessment district in proportion to the estimated benefits to be received by each parcel respectively from such improvements, and is hereby approved as filed.

2. The City Council hereby declares its intention to levy and collect assessments pursuant to the Street Lighting Act of 1919 for fiscal year 2011-12 in the amounts specified on the attached Exhibit A for each of the residential parcels within all of the subdivisions located in the Street Lighting Assessment District.

4. The Assessment District includes all territory within the present boundaries of the Street Lighting Assessment District, and consists of all of the following subdivisions: #2556, #2572, #3434, #3576, #3659, #4011, #4012, #4013, #4014, #4015, #4016, #4017, #4018, #4019, #4240, #4343, #4403, #4449, #4451, #4499, #4504, #4515, #4543, #4643, #4654, #4798, #4805, #4827, #4956, #5048, #5049, #5050, #5267, #5722, #6001, #6990, #7065, #7066, #7249, #7255, #7256, #7257, #7260, #7261, #7262, #7263, #7264, #7303, #7311, #7766, #7767, #7768, #7769, #7887, #8215, #8355, and #8358 as such maps appear of record in the Contra Costa County Recorder's Office.

5. As shown on the report on file with the City Clerk, the City will pay for the lighting cost of some 800 subdivision street lights on local residential streets within the Street Lighting Assessment District by the proposed assessments during fiscal year 2011-12. The proposed assessments are the same as the existing assessments from fiscal year 2010-11.

6. **A public meeting will be held on Tuesday, June 21, 2011, at the hour of 7:00 p.m., of said day, at a regular City Council meeting and a public hearing shall be held on Tuesday, July 19, 2011, at the hour of 7:00 p.m., of said day, at a regular City Council meeting, each at Hoyer Hall in the Clayton Community Library situated at 6125 Clayton Road, Clayton, California,** the regular meeting place of the Clayton City Council; any and all persons having any interest in the lands within the Street Lighting Assessment District, liable to be assessed for the expenses of the District for fiscal year 2011-12, may be heard, and any such persons may also present their protests against the proposed assessments with City Clerk at or before the time set for hearing.

7. The City Clerk shall give notice of the passage of this resolution and of the time and place of hearing of protests as herein designated by causing a copy of this resolution to be published and by causing a joint notice of the passage of this resolution and of the time and place of the public

meeting and the public hearing of protests to be mailed to all owners of property within the District as required by Section 54954.6 of the Government Code.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on 17th day of May 2011 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

David Shuey, Mayor

ATTEST:

Laci J. Jackson, City Clerk

I hereby certify that the foregoing resolution was duly and regularly passed by the City Council of the City of Clayton at a regular meeting held on May 17, 2011.

Laci J. Jackson, City Clerk

CITY OF CLAYTON								
STREETLIGHT ASSESSMENT DISTRICT FY 2011-12								
PROPOSED ASSESSMENTS								
Subd. Name	Subd. No.	No. of Lots	Type	Public Streets	A.U. per lot	Total A.U.	Assessment Per Lot	Total $
Cardinet Glen I	2556	22	SF	Y	1.00	22.00	$43.54	$957.88
Cardinet Glen II	2572	30	SF	Y	1.00	30.00	$43.54	$1,306.20
Glen Almond	3434	23	SF	Y	1.00	23.00	$43.54	$1,001.42
Dana Hills I	3576	29	SF	Y	1.00	29.00	$43.54	$1,262.66
Mission Manor	3659	25	SF	Y	1.00	25.00	$43.54	$1,088.50
Dana Hills II	4011	55	SF	Y	1.00	55.00	$43.54	$2,394.70
Dana Hills III	4012	50	SF	Y	1.00	50.00	$43.54	$2,177.00
Dana Hills IV	4013	93	SF	Y	1.00	93.00	$43.54	$4,049.22
Dana Hills V	4014	50	SF	Y	1.00	50.00	$43.54	$2,177.00
Dana Hills VI	4015	30	SF	Y	1.00	30.00	$43.54	$1,306.20
Dana Hills VII	4016	65	SF	Y	1.00	65.00	$43.54	$2,830.10
Dana Hills VIII	4017	46	SF	Y	1.00	46.00	$43.54	$2,002.84
Dana Hills IX	4018	32	SF	Y	1.00	32.00	$43.54	$1,393.28
Dana Hills X	4019	52	SF	Y	1.00	52.00	$43.54	$2,264.08
Marsh Creek	4240	109	MF	N	0.25	27.25	$15.64	$1,704.76
Regency Woods I	4343	77	SF	Y	1.00	77.00	$43.54	$3,352.58
St. James Place	4403	16	SF	Y	1.00	16.00	$43.54	$696.64
Casey Glen	4449	24	SF	Y	1.00	24.00	$43.54	$1,044.96
Briarwood I	4451	19	SF	Y	1.00	19.00	$43.54	$827.26
Jeffry Ranch	4499	68	SF	Y	1.00	68.00	$43.54	$2,960.72
Dana Ridge	4504	86	MF	N	0.25	21.50	$15.64	$1,345.04
Clayton Greens	4515	78	SF	Y	1.00	78.00	$43.54	$3,396.12
Regency Woods II	4543	71	SF	Y	1.00	71.00	$43.54	$3,091.34
Regency Woods III	4643	37	SF	Y	1.00	37.00	$43.54	$1,610.98
Briarwood II	4654	40	SF	Y	1.00	40.00	$43.54	$1,741.60
Regency Woods IV	4798	145	SF	Y	1.00	145.00	$43.54	$6,313.30
Easley Estates I	4805	48	SF	Y	1.00	48.00	$43.54	$2,089.92
Silver Creek I	4827	26	SF	Y	1.00	26.00	$43.54	$1,132.04
Silver Creek II	4956	94	SF	Y	1.00	94.00	$43.54	$4,092.76
Easley Estates II	5048	51	SF	Y	1.00	51.00	$43.54	$2,220.54
Easley Estates III	5049	40	SF	Y	1.00	40.00	$43.54	$1,741.60
Easley Estates IV	5050	55	SF	Y	1.00	55.00	$43.54	$2,394.70
Douglas Court	5267	9	SF	Y	1.00	9.00	$43.54	$391.86

Regency Meadows	5722	96	SF	Y	1.00	96.00	$43.54	$4,179.84
Westwood	6001	65	SF	Y	1.00	65.00	$43.54	$2,830.10
Westwood	6001	4	MF	Y	0.50	2.00	$15.64	$62.56
Windmill Canyon I	6990	92	SF	Y	1.00	92.00	$43.54	$4,005.68
Black Diamond I	7065	108	Duet	N	0.50	54.00	$31.28	$3,378.24
Chaparral Springs I	7066	117	MF	N	0.25	29.25	$8.34	$975.78
Peacock Creek I	7249	69	SF	Y	1.00	69.00	$33.38	$2,303.22
Peacock Creek II	7255	72	SF	Y	1.00	72.00	$33.38	$2,403.36
Eagle Peak I	7256	70	SF	Y	1.00	70.00	$43.54	$3,047.80
Eagle Peak II	7257	60	SF	Y	1.00	60.00	$43.54	$2,612.40
Falcon Ridge I	7260	75	SF	Y	1.00	75.00	$33.38	$2,503.50
Falcon Ridge II	7261	70	SF	Y	1.00	70.00	$43.54	$3,047.80
Windmill Canyon II	7262	99	SF	Y	1.00	99.00	$43.54	$4,310.46
Windmill Canyon III	7263	101	SF	Y	1.00	101.00	$43.54	$4,397.54
Windmill Canyon IV	7264	102	SF	Y	1.00	102.00	$33.38	$3,404.76
Chaparral Springs II	7303	52	MF	N	0.25	13.00	$8.34	$433.68
Black Diamond II	7311	118	Duet	N	0.50	59.00	$31.28	$3,691.04
Diablo Ridge I	7766	60	MF	N	0.25	15.00	$8.34	$500.40
Oak Hollow	7766	35	SF	N	0.50	17.50	$16.68	$583.80
Diablo Ridge II	7767	76	MF	N	0.25	19.00	$8.34	$633.84
Oak Hollow IIA	7768	55	SF	N	0.50	27.50	$31.28	$1,720.40
Oak Hollow IIB	7769	53	SF	N	0.50	26.50	$31.28	$1,657.84
Stranahan	7887	54	SF	Y	1.00	54.00	$33.38	$1,802.52
Diablo Village	8215	33	SF	Y	1.00	33.00	$43.54	$1,436.82
Rachel Ranch	8355	8	SF	Y	1.00	8.00	$43.54	$348.32
Bridlewood	8358	19	SF	Y	1.00	19.00	$43.54	$827.26
TOTALS		3458				2896.5		$125,458.76

Exhibit A
Sheet 2 of 2

JOINT NOTICE OF PUBLIC MEETING AND PUBLIC HEARING ON THE LEVYING OF ASSESSMENTS ON REAL PROPERTY IN THE STREET LIGHTING ASSESSMENT DISTRICT PURSUANT TO STREETS AND HIGHWAYS CODE 18070 AND GOVERNMENT CODE 54954.6.

KNOW ALL INTERESTED PARTIES BY THIS NOTICE THAT:

1. The City Engineer did present on May 17, 2011, to the City Council, his report dated May 17, 2011, indicating a total budget for FY 2011-12 of $130,330.00 and recommending assessments of between $0 and $43.54 per residential unit to pay for the obligations of the Street Lighting Assessment District ("District") during the 2010-11 fiscal year. The exact assessments proposed are shown on the attached Exhibit A.

2. The City Council accepted and approved the report on May 17, 2011, by adopting a Resolution, which set forth, among other things:

a. The Council's intent to levy and collect assessments of between $0 and $43.54 per residential unit to pay for the obligations of said District during the 2011-12 fiscal year.

b. The dates of Tuesday, June 21, 2011 and Tuesday, July 19, 2011, at 7:00 p.m., at Hoyer Hall in the Clayton Community Library, situated at 6125 Clayton Road, Clayton, California, as the dates, times and place for the public meeting and public hearing, respectively, required for the hearing of protests against the levying of said assessments in the District for the cost of operating in fiscal year 2010-11.

3. The existing assessments for the 2010-11 fiscal year were between $0 and $43.54 per assessment unit.

► **The proposed assessments do not constitute an increase over the existing assessments which have remained at the same rates for the last 10 years.** ◄

4. A general description of the items to be maintained and operated in the District and paid for by the assessment is as follows: Street lights located on public streets in residential subdivisions within the City except for those on arterial streets.

5. All interested parties may obtain further particulars concerning the proposed assessments in the District and a description and map of the boundaries of the District by referring to the resolution and the report of May 17, 2011, which are on file with the City Clerk in the Clayton City Office. In addition, interested parties may contact the City Engineer directly by phone at (925) 363-7433 or in person at 5375 Clayton Road, Concord, California.

NOW, THEREFORE, any and all persons having any interest in lands within the District liable to be assessed for the expenses of the district for fiscal year 2011-12, may appear at the public meeting and the public hearing, the time and place thereof being set forth above, and offer protest to said assessments, and any of said persons may also present any objections that they may have by written protest filed with the City Clerk, City of Clayton, 6000 Heritage Trail, Clayton, California, 94517, at or before the time set for public hearing.

LACI J. JACKSON
City Clerk
City of Clayton
Phone: 925/673-7300
DATED: May 18, 2011

CITY OF CLAYTON								
STREETLIGHT ASSESSMENT DISTRICT FY 2011-12								
PROPOSED ASSESSMENTS								
Subd. Name	Subd. No.	No. of Lots	Type	Public Streets	A.U. per lot	Total A.U.	Assessment Per Lot	Total $
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Bridlewood	8358	19	SF	Y	1.00	19.00	$43.54	$827.26
TOTALS		3458				2896.5		$125,458.76

CITY OF CLAYTON
Founded 1857 .. Incorporated 1964

Agenda Date: 5-17-11

Agenda Item: 4e

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CITY MANAGER

DATE: 17 MAY 2011

SUBJECT: RETENTION OF SPECIAL LEGAL COUNSEL FOR EXISTING LITIGATION *JFC CONSTRUCTION, INC. v. CITY OF CLAYTON, ET AL*

RECOMMENDATION

It is recommended the City Council, by minute motion, accept the retention of Michael S. Treppa, Esq., of the Treppa Law Firm (Walnut Creek, CA) as the City's special legal counsel by approval of the Attorney-Client Services Agreement attached hereto.

BACKGROUND

On 20 March 2007 the City awarded contract to JFC Construction, Inc. as the low bidder for construction of new Downtown park, now known as "The Grove Park". In early January 2008 the long-awaited community park officially opened and has been thoroughly enjoyed by our public and visitors since day one.

Despite the park's well-received addition, certain circumstances arose during its construction which resulted in lingering arguments between the construction firm, the City's construction management company (the Zahn Group), and the City. Resolution meetings were informally held between all parties on several subsequent occasions without success. On 02 February 2010, JFC Construction, Inc. filed a complaint against the City in the Superior Court of California, Contra Costa County (Case No. C10-00293). In turn, the City filed a cross-complaint against the Zahn Group as its construction management firm.

At issue are the following matters:

1. City's withholding of the 10% retention for late project completion:	$137,460.00
2. Change Order net-net disagreement:	$ 17,877.49
3. JFC undocumented claim for alleged cost overruns:	$200,000.00
Total in Dispute:	$355,337.49

CITY DEFENSE COUNSEL

From the time of The Grove Park's opening and the resultant construction dispute, our City Attorney has handled the City's case and defense under its existing Base Retainer Agreement with the City. The law firm's willingness to do so has allowed legal expenses to defend and prosecute the case to result in no additional cost to the City.

Recently, the law firm of Turner, Huguet and Adams announced its retirement from service as the City's long-standing city attorney for 47 years. The City is presently in the process of seeking Request for Proposals (RFP) from qualified firms or individuals for a new city attorney, which filing deadline has been established for Friday, 01 July 2011. With trial on this case pending for start on 29 August 2011 coupled with the City Attorney's pending public service retirement, it is necessary for the City to secure the services of special legal counsel to defend the City in trial and in mediation conference(s).

With that representation in mind, the City Attorney solicited recommendations for substitute law firms to handle the City's case and then a Council ad-hoc committee comprised of Mayor Shuey and Council Member Pierce (and the City Manager) interviewed two attorneys on May 5th. Following the interviews, it is the recommendation of the Council's ad-hoc committee that attorney Michael S. Treppa of the Treppa Law Group be retained as the City's special legal counsel for this litigation.

Attached hereto (as Attachment 1) is an Attorney-Client Services Agreement signed by Mr. Treppa that will procure his legal services. Attachment 2 is a short bio of Mr. Treppa's credentials and experiences that includes construction disputes and municipality representation.

FISCAL IMPACT

The necessary retention of special legal counsel for this litigation will prompt the payment of new expenses by the City for these legal services. As the case involves matters rising from the construction of The Grove Park, billings will be charged to the Downtown Park's Capital Improvement Project budget (CIP No. 10367). There are sufficient interest earnings in the City's CIP Budget to support this legal services expense.

Attachments: 1. Attorney-Client Services Agreement [4 pp.]
2. Mr. Treppa's bio [1 pg.]

ATTACHMENT -1-

CITY OF CLAYTON, CA

ATTORNEY- CLIENT SERVICES AGREEMENT
(General)

1. Special Conditions:

   A) Attorney's Name & Address: Michael S. Treppa, Esq.
   Treppa Law Group
   2033 N. Main Street, Ste. 750
   Walnut Creek, CA 94596-3759
   925.296-0600

   B) Effective Date: May 9, 2011

   C) Payment Limit: $165.00 per hour for the full term of this Agreement.

   D) Completion Date: Open until litigation concluded.

   F) Federal Tax I.D.: 26-0887419

2. Signatures: These signatures attest the parties' agreement hereto this 9th day of May 2011:

CITY OF CLAYTON:

BY______________________________
City Manager

ATTORNEY:

BY______________________________

____
(Designate official capacity in the business)

3. Parties: Effective on the above date, the City of Clayton ("City") and Attorney mutually agree and promise as follows.

4. Employment: City hereby retains Attorney, as an independent agent, and Attorney hereby accepts such retention, to perform the special legal services described in Exhibit A included herein by reference, upon the terms and in consideration of the payments stated herein.

5. Scope of Service: Scope of services shall be as described in Exhibit A, attached hereto and made a part hereof by this reference.

6. Insurance: Attorney shall, at no cost to the City, obtain and maintain during the term hereof: (a) Workers' Compensation Insurance pursuant to State Law, and (b) Commercial General Liability Insurance, Automobile Liability Insurance including coverage for owned and non-owned automobiles, and Professional Liability (E&O). Each liability policy shall have combined single limit coverage of at least $2 million per occurrence for all damages due to bodily injury, sickness or disease, or death to any person and damage to property, including the loss of use thereof, arising out of each accident or occurrence. Attorney shall furnish evidence of such coverage, naming the City of Clayton, its agents, officers and employees as additional insured and requiring 30 days written notice of policy lapse or cancellation.

7. Payment: The City shall pay the Attorney for professional services performed at the rate indicated in Section 1. C) above, which includes all overhead and incidental expenses, for which no additional compensation shall be allowed. In no event shall the total rate paid to the Attorney exceed the payment limit specified in Sec. 1 C) without approval of the City Manager.

8. Status: The Attorney is an independent contractor and is not and shall not be considered an employee of the City of Clayton.

9. Time of Completion. City desires to retain said Attorney to represent it and defend the rights, interests and well-being of the City in litigation filed against it by JFC Construction, Inc. (Superior Court of California, Case No. C10-00293, Contra Costa County), and therefore the Time of Completion coincides with the resolution of this case to the satisfaction of the City as the client.

10. Documentation: The Attorney shall prepare and deliver to the City at no additional charge any items described in Exhibit A to document the performance of this Agreement and shall furnish to the City such information as is necessary to enable the City to monitor the performance of this Agreement.

11. Extra Work: The Attorney shall be paid for extra work at the rate mutually agreed and listed in Section 1. C) on or prior to commencement of the extra work. In no event shall the Contractor be entitled to compensation for extra work unless a written authorization or change order describing the work and payment terms has been executed by the City prior to the commencement of the extra work.

12. Termination By The City: At its option, the City shall have the right to terminate this Agreement at any time by written notice to the Attorney, whether or not the Attorney is then in default. Upon such termination, the Attorney shall, without delay, deliver to the City all materials and records prepared or obtained in the performance of this Agreement and shall be paid, without duplication, all amounts due for the services rendered up to the date of termination.

13. Abandonment By Attorney: In the event that the Attorney ceases performing services under this Agreement or otherwise abandons the project prior to completing all of the services described in this Agreement, the Attorney shall, without delay, deliver to the City all materials and records prepared or obtained in the performance of this Agreement, and shall be paid for the value of the services performed up to the time of cessation or abandonment.

14. Breach: In the event that the Attorney fails to perform any of the services described in this Agreement or otherwise breaches this Agreement, the City shall have the right to pursue all remedies provided by law or equity. Any dispute relating to the performance of this Agreement shall not be subject to non-judicial arbitration.

15. Compliance with Laws: In performing this Agreement, the Attorney shall comply with all applicable laws, statutes, ordinances, rules and regulations, whether federal, state or local in origin.

16. Assignment: This Agreement shall not be assignable or transferable in whole or in part by the Attorney, whether voluntarily, by operation of law or otherwise provided, however, the Attorney shall have the right to sub-contract that portion of the services for which the Attorney does not have the facilities to perform so long as the Attorney notifies the City of such sub-contracting prior to execution of this Agreement. Any other purported assignment, transfer or sub-contracting shall be void.

17. Indemnification: The Attorney shall defend, indemnify, save and hold harmless the City and its agents, officers and employees from any and all claims, litigation costs and liability for any damages, injury or death (herein collectively "City Expenses") arising directly or indirectly from or connected with the services provided hereunder, due to or claimed or alleged to be due to negligent or wrongful acts, errors or omissions or other legal responsibility of Attorney or any person under its control, save and except claims or litigation costs and liability arising through the sole negligence or sole willful misconduct of the City. All City Expenses shall be paid by the Attorney as they are incurred.

18. Heirs, Successor and Assigns: Except as provided otherwise in Section 16 above, this Agreement shall insure to the benefit of and bind the heirs, successors, executors, personal representatives and assigns of the parties.

Attachment: Exhibit A

****

EXHIBIT "A"

TO ATTORNEY- CLIENT SERVICES AGREEMENT
BY AND BETWEEN
MICHAEL S. TREPPA AND CITY OF CLAYTON, CA

SCOPE OF SERVICES

Professional special legal counsel services for, to and in behalf of the City of Clayton, the Clayton City Council, City officials and its staff in the defense of the City and its rights, interests and well-being concerning that litigation filed by JFC Construction, Inc. on or about 04 February 2010 in Superior Court of California, Case No. C10-00293, County of Contra Costa and the prosecution of the City's cross-complaint against the Zahn Group in said action.

* * * * *

ATTACHMENT -2-

TREPPA LAW GROUP

2033 North Main St., Suite 750
Walnut Creek, CA 94596
Telephone: (925) 296-0600
Facsimile: (925) 296-6146
e-mail: mtreppa@treppalaw.com

Michael S. Treppa

Michael S. Treppa is a principal of the firm. His practice focuses on complex litigation including public entity representation, construction, real estate, professional malpractice, commercial disputes, employment and transactional work in conjunction with the purchase and sale of businesses.

Mr. Treppa has tried cases to verdict in 8 Northern California Counties. He is admitted to practice in all California State Courts, The Northern, Central and Eastern Districts of the U.S. District Courts, and the Ninth Circuit Court of Appeals. He acts as a Mediator in various civil disputes. Mr. Treppa also presents risk management seminars for clients.

Public Entity Representation

Mr. Treppa represents municipalities in multiple sectors including land use, construction, employment, civil rights, and general liability disputes. He has been retained for matters that include water runoff disputes, claims of excessive force by law enforcement, labor and employment (termination) claims, "dangerous" condition allegations and public contracting matters.

Education:

- Golden Gate University, J.D., 1989 (Law Review Editor in Chief)
- University of California at Santa Barbara, B.A., Economics 1986

Memberships

- State Bar of California
- Regional Center of East Bay, Past President of the Board of Directors
- Alameda County Bar Association
- Contra Costa County Bar Association

Agenda Date: 5-17-11
Agenda Item: 5a

CLARK K. BLATTER

EAGLE SCOUT PROJECT
TROOP 492, MT. DIABLO SILVERADO COUNCIL
BOYS SCOUTS OF AMERICA
for
planting of 6 shade trees
and foundation for
a dog hurdle jump
at the Clayton Dog Park
Clayton, CA
December 2010

GARRETT BLATTER

EAGLE SCOUT PROJECT

TROOP 492, MT. DIABLO SILVERADO COUNCIL

BOYS SCOUTS OF AMERICA

for

Two Water Stations

at the Clayton Dog Park

Clayton, CA

December 2010

BRAYDEN T. MOORE

EAGLE SCOUT PROJECT

TROOP 492, MT. DIABLO SILVERADO COUNCIL

BOYS SCOUTS OF AMERICA

for

Planting of 6 trees and

Installation of a Sign

at the Clayton Dog Park

Clayton, CA

April 2011

BRYAN ALAN CRASE
EAGLE SCOUT PROJECT
TROOP 492, MT. DIABLO SILVERADO COUNCIL
BOYS SCOUTS OF AMERICA
for
a 2nd Water Station
in the Clayton Dog Park
Clayton, CA
December 2010

Agenda Date: 5-17-11

Agenda Item: 5b

CLAYTON COMMUNITY LIBRARY FOUNDATION 2010 ANNUAL REPORT

The Clayton Community Library Foundation, established July 1989, continues to be actively involved in support of the Clayton Community Library. The CCLF is an all volunteer, tax exempt, non-profit (501)(c)(3) corporation. The purpose of the CCLF is to support the Library by providing a pool of volunteers and funds to provide books, materials, special programs and furniture not provided by City and County budgets. The City of Clayton owns the 15,500 square foot building and its furnishings. The Board of Directors of the Foundation serves as the City of Clayton Library Advisory Committee.

Clayton Community Library in-library volunteers donated 7079 hours of library service in 2010. Our volunteers checked in and shelved returned books, repaired books and videos, provided computer assistance, tutored students and helped out where needed. Volunteers working in the library numbered 82 adults and 34 students. The Volunteer Coordinator oriented 13 adults and 17 students. Six volunteer tutors assisted 11 students, one-on-one, for a total of 82 hours. Two adult and 4 student group-study tutors worked 251 hours assisting 43 students. Two Computer Helpers worked 192 hours assisting 43 patrons with use of the Internet and word-processing. Even our paid Volunteer Coordinator volunteered 333.5 hours, or 27.8 hours a month. Based on the 2009 Independent Sector figure for the value of volunteer labor in California, $23.42 per hour, the total monetary value of library volunteerism is $165,790.18! Once again the Clayton Community Library has more volunteers than any other library in the County. Our library operates on 3/5ths of the normal staffing – our wonderful volunteers provide the rest of the staffing.

Other volunteers donated 2,101.5 hours working on Used Book Sales and other Foundation related activities.

The Fifteenth Birthday celebration and the Creekside Arts Celebration shared the stage on the weekend of March 5th through 7th. On Friday, March 5th there was an artist's preview, a "live" Eurasian Eagle Owl from Native Bird Connections, jazz musicians, "Bonafide" Kids", refreshments and the presentation of awards. Festivities on Saturday and Sunday included our Annual Meeting, complete with a Birthday Cake provided by Safeway, followed by demonstrations by local artists and crafters. Performers from the community included an Improv Workshop by the CVHS Arts Academy, the CVHS Show Choir, directed by Elizabeth Emigh, Performance Poetry led by Tazuo Yamaguchi, Diablo Taiko, Samba Na Chuva, a Brazilian Percussion Group and Jim Hudak with Light Rock on the Keyboard. The net income from this weekend totaled $1,108.06.12

Second grade classes from Mt. Diablo Elementary visited the library and received library cards. In 2009 the Book Club that had been meeting at Clayton Books moved to the Clayton Community Library. Sunny Solomon continued to lead this successful group.

The Clayton Community Library participated in the 4th of July Parade for the 12th year. The Summer Reading Program, "MAKE A SPLASH! READ, AND MAKE WAVES AT YOUR LIBRARY! was the theme of our entry. Organized by Arlene Kikkawa Nielsen, 48 participants; 11 children, 26 teens, and 25 adults volunteered 487 hours to make our library entry another success. Dressed in vintage bathing suits from the 1920's librarians Karen Hansen-Smith and Mary Alice McKillen-Wright led "beach goers" including library staff members, library kid's and their families along the parade route. CCLF members, Joyce and Dave Atkinson, drove their 1994 crew-cab and carried teen volunteers and ukelele players Stephen Hill and Andrew Neilsen.

In 2010 the CCLF was able to generate $50,175 in income from a variety of sources, $11,913 of this represents the value of in-kind materials, in the form of used books and tapes/CD/DVDs donated for the booksale and diverted to the library collection. The Foundation maintained an average membership of 340 units in 2010, which brought in $9,210 in revenue, slightly more than 2009. Used Book Sales grossed $18,256, up from last year. 2010 saw the introduction of our first summer Mini Book Sale, featuring paperback fiction/nonfiction and children's books. The sale was held on Saturday, involved 47.5 hours of volunteer time and brought in $475. United Way/LIC donations added $2,720.58, a decrease from last year. Organizations donated $1,200: $300 from Clayton Valley Woman's Club, and $900 from the Clayton Valley/Sunrise Rotary. Matching Gifts, donations and memorials in addition to account interest, merchandise sales, and fundraising activities complete our total revenue.

CCLF spent almost $54,407.67 on library support. As mentioned in the previous paragraph, in-kind materials added to the collection from patron donations, valued at $11,913, represent a portion of this amount. In 2010 CCLF gave $26,437.84 for materials, books, cd's, DVD's and library programs. $9,020 was paid to the City of Clayton, which in turn pays our volunteer coordinator, a private contractor. Additional money provided insurance for volunteers, and volunteer recognition events.

CCLF spent $3,527 on library programs and special events. This included 7 major programs, craft supplies for the programs presented by our talented staff, and prizes for the Teen Reading Program, and for the summer reading program. Because we offer great prizes 1184 children, teens and adults participated in the Summer Reading Program, 379 completed the program.

This was our third year for "Clayton Reads". Special programming focused on the book, "Tortilla Curtain". CCLF purchased 150 copies of the book so they could be made available to the public to encourage everyone to take part in this event. Fourteen volunteers worked 170 hours creating 200 bookmarks to go along with the books.

The Clayton Community Library Foundation thanks the City Council, Staff and the community, for all the support you have shown over the years. We think the Clayton Community Library is a terrific asset to the community and it is a good feeling to know that this community values its public library. The 2010 circulation at the Clayton Community Library was 210,739 a slight decrease from 2009. Our door count was 138,928. The money raised by CCLF enables the staff to schedule more programs and purchase additional materials and therefore attract patrons into our library to utilize library services

I want to invite any interested citizen to attend our board meetings and become involved in our work. We meet on the 3rd Wednesday of the month at 7:30 in the Library Story Room. We do not meet in December or July.

Joyce Atkinson, President

Agenda Date: 5-17-11

Agenda Item: 5c

declaring

June 17, 2011

As

Clayton Community Library Volunteer Day

WHEREAS, the Clayton Community Library has a total of 116 in-library adult and student volunteers whose work is essential to the support and functioning of library services; and

WHEREAS, In-library volunteers contributed 7,079 hours and Foundation volunteers contributed 2,101.5 in 2010, for a total of 9,180.5 hours, which remains the largest library volunteer program in Contra Costa County; and

WHEREAS, 62 Clayton Community Library volunteers and patrons contributed 487 hours promotiing the Library's Summer Reading Program at the 4th of July Parade, highlighting the importance of summer reading and summer library visits; and

WHEREAS, 6 volunteer tutors spent 82 hours, one-on-one with 11 students to provide homework help; and in the Group Tutoring Sessions on Wednesday afternoons 2 adult and 4 student tutors spent 251 hours to provide help to an additional 43 students; and

WHEREAS, Clayton Community Library volunteers shelve all the materials at the library, check in returned materials, do all mending of materials, read to children, deliver books to homebound patrons, provide art and environmental education programs, and much more; and

WHEREAS, the Seventh Annual Creekside Arts Celebration was held to showcase local artisans, performance and environmental groups and to promote the education of such to the community as well as raise funds for purchasing library materials; and

WHEREAS, the Clayton Community Library Foundation contributed $54,407 in 2010 for volunteer support and recognition, library materials and furniture, programs for adults, teens and young children, and Creekside Arts Celebration expenses.

NOW, THEREFORE, I, David T. Shuey, as Mayor on behalf of the Clayton City Council, do hereby acknowledge June 17, 2011, as "Clayton Community Library Volunteer Day," and urge my fellow citizens to recognize that Clayton Community Library volunteers are a gift to the community and to thank the operational volunteers, tutors, book buddies, computer helpers, parade volunteers, Creekside habitat and garden volunteers, homebound deliverers, Creekside Arts Celebration volunteers, Creekside Artists Guild artists, Library Commissioners, Foundation members, and Board for their outstanding volunteerism.

Sara McCraken

for

outstanding service

Clayton Community Library

Student Volunteer of the Year

2011

Laura Carlson

for

outstanding service

Clayton Community Library

Volunteer of the Year

2011

John Robinson

for

outstanding service

Clayton Community Library

Volunteer of the Year

2011

CITY OF CLAYTON
Founded 1857 .. Incorporated 1964

Agenda Date: 5-17-11

Agenda Item: 8a

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: DAVID WOLTERING, COMMUNITY DEVELOPMENT DIRECTOR

DATE: MAY 17, 2011

SUBJECT: CONSIDERATION OF SUGGESTED AMENDMENTS TO MODIFY THE TEMPORARY USE PERMIT REGULATIONS IN THE CLAYTON MUNICIPAL CODE

RECOMMENDATION

It is recommended the City Council approve Introduction and First Reading of Ordinance No. 433 for the purpose of approving suggested amendments to modify the Temporary Use Permit (TUP) regulations in the Clayton Municipal Code.

BACKGROUND

On April 26, 2011, the Planning Commission reviewed and recommended City Council approval of Ordinance No. 433, amending Sections 17.70.040 and 17.70.050 of the Clayton Municipal Code, which recommends the following modifications:

- Allowing temporary uses lasting up to a combined total of 45 days in length to occur no more than once per calendar year, avoiding potential detrimental impacts to the community caused by excessive time durations of lengthy temporary uses;
- Increasing the time prior to an event that a TUP application can be submitted for the event from 48 hours to 45 days, providing adequate time for and improved processing, including proper noticing, of TUPs by City staff;
- Increasing the number of temporary events per calendar year that the same applicant may submit a TUP application from three to four in order to encourage a business-friendly and community event-supportive atmosphere in the City;
- Including the Maintenance Supervisor in the list of City personnel that review and approve TUPs, accurately codifying City staff involved with the processing of TUPs and ensuring that proper routing and review of TUP applications occur; and
- Authorizing the Community Development Director to refer proposed temporary uses to the Planning Commission in order to enable City staff to appropriately notice and review temporary uses that may exceed the purpose and intent of the TUP entitlement.

The current TUP regulations allow for an event to be forty-five days in length. Although it may be appropriate to allow forty-five-day temporary events such as Christmas tree lots and other seasonal uses, the Planning Commission indicated concerns that the same applicant applying for additional TUPs above and beyond the initial forty-five-day event would be excessive. As a result, the Planning Commission supported amending Section 17.70.040 to clarify that the combined total days for temporary events should not exceed 45 days in a calendar year per individual applicant.

Also, concerns were expressed that allowing applicants to apply for a TUP only forty-eight hours prior to an event is counterproductive to the TUP approval process. When an applicant submits a TUP application, staff must review the application for completeness, ensuring that all the necessary materials have been submitted; distribute the application to various departments throughout the City; notice the request to the public; and then submit to the City Manager for final approval. Based on the complexity of certain temporary events (Art and Wine Festival, Fourth of July parade, Oktoberfest, etc.), this approval process takes several weeks, thereby making submittal of a TUP application forty-eight hours prior to an event infeasible. Given the necessity of allowing adequate processing time, the Planning Commission supported requiring applicants to submit a TUP application a minimum of forty-five days prior to the event.

In addition, the Planning Commission reviewed increasing the number of TUPs allowed per applicant per calendar year from three to four. In order to encourage a business-friendly and community-event-supportive atmosphere within the City, the Planning Commission supported increasing the maximum allowable temporary events per applicant to four per calendar year. This aspect of the proposed action was initiated by a letter from Steve Barton, owner of the Clayton Club Saloon (see **Attachment 4**). The Commission supported the increase to four temporary events that could be considered at a staff level per calendar year not just to have consistency with the ABC permitting process as proposed by Mr. Barton, but based on a broader rationale as described immediately above.

Furthermore, in order for the Clayton Municipal Code to accurately identify the City departments involved with reviewing TUPs, the Planning Commission supported amending the codified list of City personnel to include the Maintenance Supervisor to ensure that proper routing and processing of TUP applications occur.

Lastly, in cases where a temporary use may be proposed that exceeds the purpose and intent of the TUP entitlement, the Planning Commission supported inclusion of allowing the Community Development Director to refer a proposed temporary event application to the Planning Commission for its review and action at a noticed public hearing.

FISCAL IMPACT

There would be reduced costs for the applicant as the application fee for an administrative TUP is $150.00, while the minimum deposit amount for a Planning Commission TUP is $500.00. Currently, four or more TUPs by an individual applicant in a calendar year require Planning Commission review.

Attachments:

1. Ordinance No. 433
2. Minutes Excerpt from the April 26, 2011 Planning Commission Meeting
3. Planning Commission Resolution No. 01-11
4. Letter dated January 19, 2011 from Steve Barton

ORDINANCE NO. 433

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLAYTON AMENDING SECTION 17.70.040 (TEMPORARY USE PERMITS PERIOD OF TIME) AND SECTION 17.70.050 (TEMPORARY USE PERMITS APPROVAL PROCESS) FOR THE PURPOSE OF CLARIFYING THE NUMBER OF COMBINED DAYS FOR ADMINISTRATIVELY ALLOWING A TEMPORARY EVENT(S) IN A CALENDAR YEAR FOR A SINGLE APPLICANT, MODIFYING THE NUMBER OF TIMES PER YEAR THAT A TEMPORARY EVENT CAN OCCUR, INCREASING THE TIME PRIOR TO A TEMPORARY EVENT THAT A TEMPORARY USE PERMIT APPLICATION SHALL BE SUBMITTED TO THE CITY, SPECIFYING THE CITY PERSONNEL THAT REVIEW A TEMPORARY USE PERMIT APPLICATION PRIOR TO CITY APPROVAL, AND ALLOWING THE COMMUNITY DEVELOPMENT DIRECTOR AUTHORITY TO REFER A PROPOSED TEMPORARY EVENT TO THE PLANNING COMMISSION
(ZOA 02-11)**

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

THE CITY COUNCIL OF THE CITY OF CLAYTON FINDS AS FOLLOWS:

WHEREAS, Section 17.70.040 of the Municipal Code allows for temporary uses to be forty-five (45) days in length; and

WHEREAS, Section 17.70.040 of the Municipal Code allows for one applicant to have a maximum of three (3) individual events per year; and

WHEREAS, Section 17.70.040 of the Municipal Code allows for a temporary use permit to be applied for a minimum of forty-eight (48) hours prior to the actual event; and

WHEREAS, Section 17.70.050 of the Municipal Code does not include the Maintenance Supervisor in the list of City personnel that review the temporary use permit application prior to approval by the City; and

WHEREAS, Section 17.70.050 of the Municipal Code does not allow the Community Development Director authority to refer a proposed temporary event to the Planning Commission; and

WHEREAS, it is determined to be beneficial to amend Section 17.70.040 of the Municipal Code to better clarify the number of times per year temporary uses lasting in combination up to forty-five (45) days can occur to avoid potential detrimental impacts to the community caused by excessive time durations of lengthy temporary uses; and

WHEREAS, it is determined to be beneficial to amend Section 17.70.040 of the Municipal Code to allow for one applicant to have a maximum of four (4) individual events per year to encourage a business-friendly and community event-supportive atmosphere in the City; and

WHEREAS, it is determined to be beneficial to amend Section 17.70.040 of the Municipal Code to increase the time prior to a temporary event that a temporary use permit can be submitted from forty-eight (48) hours to forty-five (45) days to allow City staff adequate time to process, including providing adequate noticing of, temporary use permit applications; and

WHEREAS, it is determined to be beneficial to amend Section 17.70.050 of the Municipal Code to include the Maintenance Supervisor in the codified list of City personnel that review and approve the temporary use permit application to ensure that proper routing and review of temporary use permit applications occur; and

WHEREAS, it is determined to be beneficial to amend Section 17.70.050 of the Municipal Code to authorize the Community Development Director to refer a proposed temporary event to the Planning Commission to enable the City to appropriately notice and review temporary uses that exceed the purpose and intent of this entitlement; and

WHEREAS, the Planning Commission held duly-noticed public hearings on March 22, 2011 and April 26, 2011 to address the matters described herein of amending Sections 17.70.040 and 17.70.050 and recommended City Council approval of the amendments; and

WHEREAS, on May 17, 2011 and [month] [day], 2011 the City Council held duly-noticed public hearings and gave due consideration to all testimony, comments, and documents received; and

WHEREAS, the City Council determined that the amendments of the Municipal Code involve minor alterations of land use limitations which would not result in any changes in land use or density and would qualify for categorical exemptions from the California Environmental Quality Act (CEQA) in accordance with Section 15305 of the CEQA Guidelines; and

WHEREAS, the City Council determined that the following amendments would be in general conformance with the General Plan and Zoning Ordinance; and

WHEREAS, the City Council determined that the public necessity, convenience, and general welfare would require adoption of the amendments; and

WHEREAS, there is no evidence that the amendments will have the potential for any individual or cumulative adverse effects on fish and wildlife resources or their habitat, as defined in Section 711.2 of the Fish and Game Code.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CLAYTON DOES ORDAIN AS FOLLOWS:

SECTION 1. Section 17.70.040 of the Municipal Code is amended to read as follows:

"17.70.040 Period of time. The maximum time period for any of these temporary uses shall not exceed a combined total of forty-five (45) days, or more than ~~three~~ four (4) individual events per calendar year for any individual applicant. ~~;or a use permit application before the Planning Commission shall be required~~ If any temporary event exceeds these thresholds, Planning Commission approval of a Use Permit for the event shall be required.

The permit shall be applied for at least ~~forty-eight hours~~ forty-five (45) days prior to the actual event."

SECTION 2. Section 17.70.050 of the Municipal Code is amended to read as follows:

"17.70.050 Approval process. The applicant shall submit ~~his~~ an application on the prescribed city form and ~~will be accompanied by~~ a fee in such amount as may be fixed from time to time by resolution of the City Council. The matter shall be reviewed by the City Manager upon review and recommendation from ~~both~~ the Chief of Police, Maintenance Supervisor, and ~~the Planning~~ Community Development Director~~, or Secretary to the Planning Commission~~. If the use is deemed to be a safe and appropriate temporary use of the land, at the discretion of the City Manager, it may be approved subject to conditions as described in Section 17.70.030.

If a Temporary Use Permit application is submitted for an event that, in the judgment of the Director, does not comply with the purpose of this Chapter as stated above and violates the intent of this entitlement, the Director may refer the matter to the Planning Commission."

SECTION 3. Any action or proceeding to attack, review, set aside, void or annul this ordinance must be commenced and the service made on the City no later than ninety (90) days after its effective date.

SECTION 4. If any provision of this Ordinance, or the application thereof to any person or circumstances, is held to be unconstitutional or to be otherwise invalid by any court competent jurisdiction, such invalidity shall not affect other provisions or clauses of this Ordinance or application thereof which can be implemented without the invalid provisions, clause, or application, and to this end such provisions and clauses of the Ordinance are declared to be severable.

SECTION 5. This Ordinance shall become effective thirty (30) days from and after its passage. 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 by the City Council for the posting of ordinance and public notices.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Clayton held on May 17, 2011.

Passed, adopted, and ordered posted by the City Council of the City of Clayton at a regular meeting thereof held on [month] [day], 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON

____
David T. Shuey, Mayor

ATTEST

____
Laci J. Jackson, City Clerk

APPROVED AS TO FORM	APPROVED BY ADMINISTRATION
________________________	________________________
Dan Adams, City Attorney	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 May 17, 2011, and was duly adopted, passed, and ordered posted at a regular meeting of the City Council held on [month] [day], 2011.

____
Laci J. Jackson, City Clerk

ZOA\2011\02-11.ordinance.cc.mtg-5.17.11

Excerpt
Minutes
Clayton Planning Commission Meeting
Tuesday, April 26, 2011

Call to Order

Chair Sandra Johnson called the meeting to order at 7:00 p.m. at Hoyer Hall, 6125 Clayton Road, Clayton.

Present:	Chair Sandra Johnson, Vice Chair Dan Richardson, Commissioner Bob Armstrong, Commissioner Tuija Catalano, Commissioner Ted Meriam
Absent:	None
Staff:	Community Development Director David Woltering Assistant Planner Milan Sikela, Jr.

Public Hearing

3A. **ZOA 02-11, City of Clayton.** Amendments of Chapter 17.70 of the Clayton Municipal Code, Temporary Use Permits (TUPs), including, but not limited to, addressing the number of days before an event a TUP application must be submitted, the number of administratively-approved TUPs allowed in a calendar year, and the number of days an individual temporary event can be held in a calendar year.

Assistant Planner Sikela presented the staff report.

Commission comments and questions included:

- What is the difference in cost between and temporary use permit and a use permit? Assistant Planner Sikela indicated that a temporary use permit fee is $150 and the deposit amount for a use permit is $1,000 for residential and $5,000 for non-residential.
- Commissioner Catalano suggested, which was supported by the other Commissioners, to add "at the discretion of the City" in Section 2 of the draft ordinance, which addresses Section 17.70.050 of the Clayton Municipal Code. With this addition, the modified sentence would read as follows: "If the use is deemed to be a safe and appropriate temporary use of the land, at the discretion of the City, it may be approved subject to conditions as described in Section 17.70.030."
- If a proposed temporary use was brought before the Planning Commission, would it be as a temporary use permit or a use permit? Assistant Planner Sikela indicated that it would be brought before the Planning Commission as a use permit.

There was no public comment.

Commissioner Armstrong moved and Commissioner Meriam seconded a motion to recommend City Council approval of Ordinance No. 433, as amended with the language suggested by Commissioner Catalano in Section 2. The motion passed 5-0.

Attachment 3

CITY OF CLAYTON PLANNING COMMISSION
RESOLUTION NO. 01-11

RECOMMENDING CITY COUNCIL APPROVAL OF ORDINANCE NO. 433 AMENDING SECTION 17.70.040 (TEMPORARY USE PERMITS PERIOD OF TIME) AND SECTION 17.70.050 (TEMPORARY USE PERMITS APPROVAL PROCESS) OF THE CLAYTON MUNICIPAL CODE FOR THE PURPOSE OF MODIFYING THE NUMBER OF TIMES PER YEAR THAT A TEMPORARY EVENT CAN OCCUR, INCREASING THE TIME PRIOR TO A TEMPORARY EVENT THAT A TEMPORARY USE PERMIT APPLICATION SHALL BE SUBMITTED TO THE CITY, SPECIFYING THE CITY PERSONNEL THAT REVIEW A TEMPORARY USE PERMIT APPLICATION PRIOR TO APPROVAL BY THE CITY, AND ALLOWING THE COMMUNITY DEVELOPMENT DIRECTOR AUTHORITY TO REFER A PROPOSED TEMPORARY EVENT TO THE PLANNING COMMISSION
(ZOA 02-11)

Whereas, the Planning Commission held duly-noticed meetings on March 22, 2011 and April 26, 2011 to review the subject of amending Sections 17.70.040 and 17.70.050 of the Clayton Municipal Code (Ordinance No. 433) to modify the number of times per year that a temporary event can occur, increasing the time prior to a temporary event that a temporary use permit application shall be submitted to the City, specifying the City personnel that review a temporary use permit application prior to approval by the City, and allowing the Community Development Director the authority to refer a proposed temporary use to the Planning Commission; and

Whereas, the Planning Commission considered the public testimony and staff reports regarding Ordinance No. 433 at the March 22, 2011 and April 26, 2011 meetings; and

Whereas, the Planning Commission determined the following pertaining to California Environmental Quality Act (CEQA) in accordance with Section 15305 of the CEQA Guidelines; would be in conformance with the Clayton General Plan; and that the public necessity, convenience, and general welfare would require adoption of Ordinance No. 433.

Now, Therefore, Be it Resolved That:

Section 1. The Planning Commission, based on the previously stated citations, recommends City Council approval of Ordinance No. 433, amending Sections 17.70.040 and 17.70.050 of the Clayton Municipal Code to modify the number of times per year that a temporary event can occur, increasing the time prior to a temporary event that a temporary use permit application shall be submitted to the City, specifying the City personnel that review a temporary use permit prior to approval by the City, and allowing the Community Development Director the authority to refer a proposed temporary use to the Planning Commission.

Adopted by the Planning Commission on April 26, 2011.

APPROVED

Sandra Johnson
Sandra Johnson
Chair

ATTEST

David Woltering
David Woltering, AICP
Community Development Director

Attachment: Ordinance No. 433

comdev\plng comm\resolutions\2011\01-11.temp.use.permits

CLAYTON CLUB
1873
SALOON

6096 Main Street, Clayton, CA 94517
(925) 673-0440

TO: Clayton City Council January 19th, 2011

Re: Number of allowable Temporary Use Permits per year

This letter is to request an increase to the number of Temporary Use Permits local business may obtain per year from three to four.

The Clayton Club has used the TUP process to enable us to use a portion of our parking lot as licensed premises for events which were expected to receive more attendees than could comfortably be accommodated in our outdoor patio area. We obtained 3 such permits last year to accommodate events such as engagement parties, the CBCA Rib Cook-off, etc. Each of these events also requires us to obtain an event permit from the Department of Alcoholic Beverage Control.

ABC regulations currently allow us to obtain four event permits per year for serving alcohol on adjacent property. Current TUP guidelines allow for up to three events each year, after which a variance must be approved to apply for additional permits.

This letter is to request that the city's TUP guidelines be increased to four events to coincide with the ABC permitting process enabling us to plan the maximum number of events allowed by our ABC event license without seeking a variance from city policy.

Your consideration of this request is appreciated. I look forward to your reply.

Steve Barton
Steve@claytonclubsaloon.com
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CITY OF CLAYTON
Founded 1857 ... Incorporated 1964

Agenda Date: 5-17-11

Agenda Item: 8b

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: DAVID WOLTERING, COMMUNITY DEVELOPMENT DIRECTOR

DATE: MAY 17, 2011

SUBJECT: CONSIDERATION OF SUGGESTED AMENDMENTS TO MODIFY THE MINIMUM SETBACK REQUIREMENTS FOR ACCESSORY BUILDINGS AND STRUCTURES

RECOMMENDATION

It is recommended the City Council approve Introduction and First Reading of Ordinance No. 434 to increase the minimum setback requirement for accessory buildings and structures in the Clayton Municipal Code from three feet to five feet.

BACKGROUND

On April 26, 2011, the Planning Commission reviewed and recommended City Council approval of Ordinance No. 434, amending Section 17.36.055 of the Clayton Municipal Code to increase the minimum interior side and rear yard setbacks for accessory buildings and structures from three feet to five feet.

Currently, Section 17.36.055 of the Clayton Municipal Code allows for accessory buildings and structures to be located a minimum of three feet from the rear and interior side property lines. Conversely, the Contra Costa County Building Inspection Department (CCCBID) requires that accessory buildings and structures be a minimum of five feet from the property line for purposes of fire safety. The majority of accessory buildings and structures approved by the City are subject to CCCBID's five-foot minimum setback requirement because the buildings and structures involved are proposed to be constructed of materials that are combustible and, therefore, may be more susceptible to fire hazards. Even though projects involving accessory buildings and structures can currently be approved by the City with a three-foot setback per existing Clayton Municipal Code regulations, accessory buildings and structures would still have to comply with the five-foot minimum setback requirement mandated by CCCBID.

By amending the City's Code to increase the minimum interior and side yard setbacks from three feet to five feet, various benefits would be provided. Fire safety would be improved through increased dimensional safety buffers between accessory buildings/structures and property lines. In addition, consistency and accuracy between applicable intra-jurisdictional development standards would be established. This would prevent situations where a project is initially designed and approved with a three-foot setback and then, at the final stages of the development approval process (building permit issuance phase), has to be re-designed to comply with the CCCBID's five-foot setback requirement. While codification of regulations that improve fire safety justify the proposed amendment, staff notes that, additionally, inconsistencies between jurisdictional regulations unnecessarily burdens applicants with increased time and money expenditures involved with re-designing a project that the applicant already received City approval.

APPLICABILITY AND ENFORCEMENT

It should be noted that Section 17.36.055.4.a-d of the Clayton Municipal Code exempts certain small buildings and structures from separation and setback requirements if they satisfy all of the following criteria: the floor area does not exceed 120 square feet; the height does not exceed 8'6"; the building or structure is located at least ten (10) feet behind the nearest front corner of the main building; and the building or structure is substantially concealed from the public view by a legally-constructed fence or structure with a minimum height of six (6) feet. If a building or structure satisfies the above-stated criteria, there is no minimum setback required.

For structures that do not satisfy the above-stated criteria, the provisions of this ordinance amendment would be applicable. Applicable structures or buildings that were legally constructed with proof of required permits and approvals prior to the effective date of this ordinance will become legal non-conforming and grandfathered in. Upon the effective date of this proposed ordinance, however, applicable structures and buildings will need to comply with the provisions of the ordinance. The City's general approach to enforcement on these matters is in response to a complaint.

FISCAL IMPACT

None.

Attachments:

1. Ordinance No. 434
2. Minutes Excerpt from the April 26, 2011 Planning Commission Meeting
3. Planning Commission Resolution No. 02-11

ZOA\2011\04-11.cc.sr.for.modification.of.setbacks.for.accessory.structures.5.17.11-introduction.and.first.reading

ORDINANCE NO. 434

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLAYTON AMENDING SECTION 17.36.055 (ACCESSORY BUILDINGS AND STRUCTURES) OF THE CLAYTON MUNICIPAL CODE FOR THE PURPOSE OF INCREASING THE MINIMUM INTERIOR SIDE AND REAR YARD SETBACK REQUIREMENTS FOR DETACHED ACCESSORY BUILDINGS AND DETACHED ACCESSORY STRUCTURES FROM THREE FEET TO FIVE FEET (ZOA 04-11)

THE CITY COUNCIL
City of Clayton, California

THE CITY COUNCIL OF THE CITY OF CLAYTON FINDS AS FOLLOWS:

WHEREAS, Section 17.36.055 of the Clayton Municipal Code requires a minimum setback requirement for detached accessory buildings and detached accessory structures of three (3) feet; and

WHEREAS, the California Residential Code, as mandated by the Contra Costa County Building Inspection Department, requires a minimum interior side and rear yard setbacks of detached accessory buildings and detached accessory structures of five (5) feet for purposes of fire safety and fire prevention; and

WHEREAS, it is determined to be beneficial to amend Section 17.36.055 of the Clayton Municipal Code to increase the minimum setback requirement for detached accessory buildings and detached accessory structures from three (3) feet to five (5) feet to provide consistent development standards for purposes of fire safety and fire prevention; and

WHEREAS, the Planning Commission held a duly-noticed public hearing on April 26, 2011 to address the matters of amending Section 17.36.055 of the Clayton Municipal Code and recommended City Council approval of the amendments; and

WHEREAS, on May 17, 2011 and [month] [day], 2011 the City Council held duly-noticed public hearings and gave due consideration to all testimony, comments, and documents received; and

WHEREAS, the City Council determined that the amendments of the Municipal Code involve minor alterations of land use limitations which would not result in any changes in land use or density and would qualify for categorical exemptions from the California Environmental Quality Act (CEQA) in accordance with Section 15305 of the CEQA Guidelines; and

WHEREAS, the City Council determined that the following amendment would be in general conformance with the General Plan and Zoning Ordinance; and

WHEREAS, the City Council determined that the public necessity, convenience, and general welfare would require adoption of the amendments; and

WHEREAS, there is no evidence that the amendments will have the potential for any individual or cumulative adverse effects on fish and wildlife resources or their habitat, as defined in Section 711.2 of the Fish and Game Code.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CLAYTON DOES ORDAIN AS FOLLOWS:

SECTION 1. Section 17.36.055.D.1 of the Municipal Code is amended to read as follows:

"Interior Side Setback and Rear Setback. If an accessory building is at least twelve (12) feet from the main building (and all other accessory buildings) and at least sixty-five (65) feet from the front lot line, the interior side setback and rear setback for accessory structures are reduced to ~~three (3)~~ five (5) feet. These reduced setbacks must be clear of all structural protrusions, including roof overhangs."

SECTION 2. Section 17.36.055.E.1 of the Municipal Code is amended to read as follows:

"Interior Side Setback and Rear Setback. The interior side setback and rear setback for an accessory structure are reduced to ~~three (3)~~ five (5) feet. These reduced setbacks must be clear of all structural protrusions, including overhangs."

SECTION 3. Any action or proceeding to attack, review, set aside, void or annul this ordinance must be commenced and the service made on the City no later than ninety (90) days after its effective date.

SECTION 4. If any provision of this Ordinance, or the application thereof to any person or circumstances, is held to be unconstitutional or to be otherwise invalid by any court competent jurisdiction, such invalidity shall not affect other provisions or clauses of this Ordinance or application thereof which can be implemented without the invalid provisions, clause, or application, and to this end such provisions and clauses of the Ordinance are declared to be severable.

SECTION 5. This Ordinance shall become effective thirty (30) days from and after its passage. 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 by the City Council for the posting of ordinance and public notices.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Clayton held on May 17, 2011.

Passed, adopted, and ordered posted by the City Council of the City of Clayton at a regular meeting thereof held on [month] [day], 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON

David T. Shuey, 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 May 17, 2011, and was duly adopted, passed, and ordered posted at a regular meeting of the City Council held on [month] [day], 2011.

Laci J. Jackson, City Clerk

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Excerpt
Minutes
Clayton Planning Commission Meeting
Tuesday, April 26, 2011

Call to Order
Chair Sandra Johnson called the meeting to order at 7:00 p.m. at Hoyer Hall, 6125 Clayton Road, Clayton.

Present:	Chair Sandra Johnson, Vice Chair Dan Richardson, Commissioner Bob Armstrong, Commissioner Tuija Catalano, Commissioner Ted Meriam
Absent:	None
Staff:	Community Development Director David Woltering Assistant Planner Milan Sikela, Jr.

Public Hearing

3B. **ZOA 04-11, City of Clayton.** Amendments of Section 17.36.055 of the Clayton Municipal Code, Accessory Buildings and Structures, to increase the minimum setback allowed for detached accessory buildings and detached accessory structures from three feet to five feet.

Assistant Planner Sikela presented the staff report.

Commission questions included:

- Can residences be a minimum of three feet or five feet from the property line? Assistant Planner Sikela explained that, in standard residential districts zoned R-10, R-12, R-15, R-20, or R-40, the minimum distance to a property line can be no less than ten feet (greater minimums in certain residential districts) but that residences in Planned Development districts can, in some cases, have lesser setback requirements (due to the flexible development pattern that can be allowed by Planned Development zoning [mixed densities, combinations of commercial with residential, etc.]) but would still be subject to the County fire resistance rating requirements, making lesser setbacks possible.
- Vice Chair Richardson indicated some concern about the need for the adjustment but agreed that a consistent standard between the City and County would be useful. He also acknowledged that the County standard better supports the Fire Code requirements for separation.

There was no public comment.

Commissioner Catalano moved and Vice Chair Richardson seconded a motion to recommend City Council approval of Ordinance No. 434. The motion passed 5-0.

CITY OF CLAYTON PLANNING COMMISSION
RESOLUTION NO. 02-11

RECOMMENDING CITY COUNCIL APPROVAL OF ORDINANCE NO. 434 AMENDING SECTION 17.36.055 (ACESSORY BUILDINGS AND STRUCTURES) OF THE CLAYTON MUNICIPAL CODE FOR THE PURPOSE OF INCREASING THE MINIMUM SETBACK REQUIREMENT FOR DETACHED ACCESSORY BUILDINGS AND DETACHED ACCESSORY STRUCTURES FROM THREE FEET TO FIVE FEET
(ZOA 04-11)

Whereas, the Planning Commission held a duly-noticed meeting on April 26, 2011 to review the subject of amending Section 17.36.055 of the Clayton Municipal Code (Ordinance No. 434) to increase the minimum setback requirement for detached accessory buildings and detached accessory structures from three feet to five feet; and

Whereas, the Planning Commission considered the public testimony and staff report regarding Ordinance No. 434 at the April 26, 2011 meeting; and

Whereas, the Planning Commission determined that Ordinance No. 434 is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15305 of the CEQA Guidelines; would be in conformance with the Clayton General Plan; and that the public necessity, convenience, and general welfare would require adoption of Ordinance No. 434.

Now, Therefore, Be it Resolved That:

Section 1. The Planning Commission, based on the previously stated citations, recommends City Council approval of Ordinance No. 434, amending Section 17.36.055 of the Clayton Municipal Code to increase the minimum setback requirement for detached accessory buildings and detached accessory structures from three feet to five feet.

Adopted by the Planning Commission on April 26, 2011.

APPROVED	ATTEST
Sandra Johnson	David Woltering
Sandra Johnson Chair	David Woltering, AICP Community Development Director

Attachment: Ordinance No. 434

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CITY OF CLAYTON
Founded 1857 .. Incorporated 1964

Agenda Date: 5-17-11

Agenda Item: 8c

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: DAVID WOLTERING, COMMUNITY DEVELOPMENT DIRECTOR

DATE: MAY 17, 2011

SUBJECT: CITY OF CLAYTON GROWTH MANAGEMENT ELEMENT UPDATE (GPA 01-11)

RECOMMENDATION

Staff recommends the City Council adopt the attached City Council Resolution, thereby approving the attached City of Clayton General Plan Growth Management Element (GME) Update.

BACKGROUND

Cities and counties within California are mandated to have General Plans by the State for the purpose of guiding the physical growth of these jurisdictions. There are seven mandatory elements of a General Plan: Land Use; Circulation; Housing; Conservation; Open Space; Noise; and Safety. Jurisdictions may adopt optional elements to include in their General Plans. Here in Contra Costa County and the City of Clayton a GME is a standard optional element.

The purpose of the GME in the Clayton General Plan is to establish goals, standards, and policies for traffic services, public facilities and services, and general growth management. By adopting and implementing this GME, the City of Clayton intends to establish a comprehensive, long-range program which will match the demands for multi-modal transportation facilities and services generated by new development with plans, capital improvement programs, and development mitigation programs. In addition, the City of Clayton intends to promote compact urban development patterns and restrict the extension of infrastructure into areas where urban development is not planned.

A GME is adopted pursuant to Section 65303 of the California Government Code. This code section states that "the general plan may include any other elements or address any other subjects which, in the judgment of the legislative body, relate to the physical development of the City." This GME is also consistent with the requirements of the Measure J Growth Management Program which was approved by the Contra Costa County voters in 2004 and became effective on April 1, 2009.

The Measure J Growth Management Program requires each local jurisdiction to meet the six following requirements:

- Adopt Development Mitigation Program;
- Address Housing Options;
- Participate in an Ongoing Cooperative, Multi-Jurisdictional Planning Process;
- Adopt an Urban Limit Line (ULL);
- Develop a Five-Year Capital Improvement Program; and
- Adopt a Transportation System Management Ordinance or Resolution.

Measure J is a 2004 voter-approved, 25-year extension of the previous Measure C Contra Costa Transportation Improvement and Growth Management Program initially approved by voters in 1988. The Growth Management component is intended to assure that future residential business and commercial growth pays for the facilities required to meet the demands resulting from that growth. Compliance with the Growth Management Program is linked to receipt of Local Street Maintenance and Improvement Funds and Transportation for Livable Community Funds from the Contra Costa Transportation Authority (CCTA).

Measure J eliminates the previous Measure C requirements for local performance standards and Level of Service (LOS) standards for non-regional routes; however, the City of Clayton will carry forward the LOS standards for non-regional routes, and performance standards for fire, police, parks, sanitary, water, and flood control as each could continue to play a decisive role in assessing the impacts of proposed new development. Measure J also adds the requirement for adoption of a voter-approved ULL.

DISCUSSION

This update to the City's GME was initiated at this time because it was a requirement of the current biennial checklist of the CCTA to receive the City's share of transportation funding under Measures C and J. The City's Planning Commission reviewed and recommended City Council approval of the update at its April 26, 2011 meeting (see **Attachments 2 and 3**).

The City of Clayton GME was originally adopted in 1992, and last updated by the City in 2000. This update focused on assuring compliance with the Measure J requirements listed above and to generally bring current the background and supporting information contained within the Element. Staff has worked with Raney Planning & Management and the staff at CCTA on this update. Staff believes, based on the review and comments from Martin Engelmann, Deputy Executive Director, Planning, CCTA, that this update will satisfy the CCTA's reporting requirements. As noted above, staff has retained the local performance standards and LOS standards pertaining to City of Clayton in this document as they are useful for the review of proposed local development projects, although Measure J does not require that these standards be maintained. Staff will summarize additional key components of the document at the City Council meeting on May 17, 2011.

FISCAL IMPACT

Completion of this update to the City's Growth Management Element satisfies a key requirement to collect the City's share of the Measure C/J Local Street Maintenance & Improvement (LSM) Funds for the current FY 09-10 allocation period. The City's allocation is estimated to be $206,839.

Attachments:
1. City Council Resolution/GME Update
2. Excerpt from April 26, 2011 Clayton Planning Commission Minutes
3. Planning Commission Resolution No. 03-11

GPA\2011\01-11.sr.cc-5.17.11

RESOLUTION NO. XX-2011

A RESOLUTION UPDATING THE GROWTH MANAGEMENT ELEMENT OF THE CLAYTON GENERAL PLAN (GPA 01-11)

THE CITY COUNCIL
City of Clayton, California

THE CITY COUNCIL OF THE CITY OF CLAYTON FINDS AS FOLLOWS:

WHEREAS, for the purpose of complying with adopted Contra Costa Ballot Measures C and J and related biennial checklist requirements of the Contra Costa Transportation Authority (CCTA) to receive the City's share of transportation funding related to those ballot measures, the City of Clayton was required to update its General Plan Growth Management Element (GME); and

WHEREAS, staff worked with Raney Planning & Management and the staff of CCTA to prepare the update to the GME in accordance with the requirements of applicable Measures C and J and CCTA; and

WHEREAS, the Planning Commission held a duly-noticed meeting on April 26, 2011 to review the updated GME; and

WHEREAS, the Planning Commission considered the public testimony and staff reports regarding the GME at the April 26, 2011 meeting; and

WHEREAS, the Planning Commission determined recommending City Council approval of the GME is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15061 (b) (3); would be in conformance with the Clayton General Plan; and that the public necessity, convenience, and general welfare would require approval of the GME update; and

WHEREAS, there is no evidence that the proposed GME update would have the potential for any individual or cumulative adverse impacts on fish and wildlife resources or their habitat, as defined in Section 711.2 of the Fish and Game Code.

WHEREAS, at a duly-noticed public hearing on May 17, 2011, the City Council considered the staff report and related background documents as well as the testimony of all persons speaking of providing information on this matter.

NOW, THEREFORE BE IT RESOLVED, that the City Council of Clayton, California, does hereby approve the update to the Growth Management Element of the Clayton General Plan (see **Attachment A),** based on the following determinations:

SECTION 1. The above citations are true and correct; and,

SECTION 2. This GME update is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15061 (b) (3) of the CEQA Guidelines; and

SECTION 3. This GME update is consistent with applicable provisions of State law; and

SECTION 4. This GME update is consistent with the requirements of applicable provisions of Contra Costa County Ballot Measures C and J; and

SECTION 5. This GME is in conformance with the Clayton General Plan, and that the public necessity, convenience, and general welfare would require approval of the GME update.

PASSED, APPROVED and ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 17th day of May, 2011 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON

____

David T. Shuey, Mayor

ATTEST

____

Laci J. Jackson, City Clerk

Attachment A: Section XI Growth Management Element

GPA\2011\01-11.resolution.cc.mtg.5.17.11

Attachment A

Section XI

GROWTH MANAGEMENT ELEMENT

INTRODUCTION

TRAFFIC SERVICES

PUBLIC FACILITIES AND SERVICES

GENERAL GROWTH MANAGEMENT

BACKGROUND INFORMATION AND ANALYSIS

INTRODUCTION

The City of Clayton

Clayton is situated in Central Contra Costa County southeast of the City of Concord. The City is bounded on the west by the City of Concord. Clayton's northern boundary is also defined by the City of Concord and by ridge lines separating Clayton from unincorporated portions of Contra Costa County. To the east, Clayton is separated from unincorporated areas by ridge lines and by the legal line of the City Limits itself. Clayton is defined on the south by the boundary of Mt. Diablo State Park.

The U.S. Census Bureau estimated that Clayton had a population of 10,897 in 2010, and according to the Association of Bay Area Governments (ABAG) projections, the population will increase to 12,600 by 2030 with an average annual growth rate of 0.7%. According to the U.S. Census Bureau, Clayton's housing stock in 2010 consisted of 4,086 total housing units. While Clayton's housing stock increased between 1990 and 2010 (based on Census counts), the composition of the housing stock remained generally unchanged. The U.S. Census documents that Clayton's population was 79.3% white in 2010, compared to 87.9% in 2000. Clayton is a primarily owner-occupied community with few multi-family units in the City. Clayton's housing units had a 2009 median sales price of $417,000.

Major traffic corridors within the Clayton area include Clayton Road which is the main access into the City from the west and Oakhurst Drive and Pine Hollow Road which are also significant access routes to the west. Marsh Creek Road terminates at Clayton Road and is the main access into the City from the east. To the west of the City is Ygnacio Valley Road/Kirker Pass Road corridor which is a main north/south road in the area which runs southwest to Walnut Creek and northeast to Pittsburg.

Purpose and Authority

The purpose of the Growth Management Element to the Clayton General Plan is to establish goals, standards, and policies for traffic services, public facilities and services, and general growth management. By adopting and implementing this Element, Clayton intends to establish a comprehensive, long-range program which will match the demands for multi-modal transportation facilities and services generated by new development with plans, capital improvement programs and development mitigation programs. In addition, Clayton intends to promote compact urban development patterns and restrict the extension of infrastructure into areas where urban development is not planned.

A Growth Management Element is adopted pursuant to Section 65303 of the California Government Code. This code section states "the general plan may include any other elements or address any other subjects which, in the judgment of the legislative body, relate to the physical development of the City." The Growth Management Element is also consistent with the requirements of the Measure J Growth Management Program, approved by the Contra Costa County voters in 2004, effective April 1, 2009.

The Measure J Growth Management Program requires each local jurisdiction to meet the six following requirements:

- Adopt Development Mitigation Program;
- Address Housing Options;
- Participate in an Ongoing Cooperative, Multi-Jurisdictional Planning Process;
- Adopt an Urban Limit Line (ULL);
- Develop a Five-Year Capital Improvement Program; and
- Adopt a Transportation System Management (TSM) Ordinance or Resolution; and

Measure J is a 2004 voter-approved, 25-year extension of the previous Measure C Contra Costa Transportation Improvement and Growth Management Program initially approved by voters in 1988. The Growth Management component is intended to assure that future residential business and commercial growth pays for the facilities required to meet the demands resulting from that growth. Compliance with the Growth Management Program is linked to receipt of Local Street Maintenance and Improvement Funds and Transportation for Livable Community Funds from the Transportation Authority.

Measure J eliminates the previous Measure C requirements for local performance standards and Level of Service (LOS) standards for non-regional routes; however, the City of Clayton will carry forward the LOS standards for non-regional routes, and performance standards for fire, police, parks, sanitary, water, and flood control as each could continue to play a decisive role in assessing the impacts of proposed new development. Measure J also adds the requirement for adoption of a voter-approved ULL.

Organization

This Growth Management Element is organized into six sections: INTRODUCTION, TRAFFIC SERVICES, PUBLIC FACILITIES and SERVICES, GENERAL GROWTH MANAGEMENT, and BACKGROUND INFORMATION and ANALYSIS. The INTRODUCTION provides a broad overview of the City; the purpose of the Element; the relationship to other Elements of the General Plan; and finally, defines key terms. The TRAFFIC SERVICES section establishes traffic goals and standards, and proposes traffic policies and implementation measures. The PUBLIC FACILITIES and SERVICES section addresses the areas of police, parks, fire protection, sanitary sewer, water supply, and flood control. Goals and standards regarding these areas are presented, and policies and implementation measures are proposed. The GENERAL GROWTH MANAGEMENT section addresses additional goals and standards as well as policies and implementation measures regarding such areas as housing options, adoption of an Urban Limit Line, and a City-wide Capital Improvement Program. The BACKGROUND INFORMATION and ANALYSIS section addresses the areas of traffic, police, parks, fire protection, sanitary sewer, water supply, flood control services, and general growth management such as housing options.

Relation to Other Elements of the General Plan

Each Element of Clayton's General Plan, including the Growth Management Element, must be internally consistent as well as consistent with each other. In other words, data, goals, policies and maps and diagrams should not conflict with each other, rather they must be compatible and mutually supportive. The Elements of Clayton's General Plan overlap and intertwine. The Growth Management Element's traffic service information relates to the Circulation Element. For example, the Circulation Element's goal includes the statement to "assure adequate traffic capacity on major thoroughfares." This statement is addressed in the Growth Management Element's LOS standards and development mitigation implementation actions. Also, Objective 8 of the Circulation Element calls for cooperation with Concord and the County. This objective is implemented, in part, by the Growth Management Element's implementation policy regarding multi-jurisdictional transportation planning.

The Growth Management Element's public facilities and services information relates to the Community Facilities Element. The Community Facilities Element has several policies which address sanitary sewer, water supply, flood control, fire protection, and parks. These topics are directly addressed in the Growth Management Element. In addition, inter-relationships between other Elements and the Growth Management Element exist. The Housing Element has an implementation measure (1C) which raises the issue of development review for infrastructure. This issue is also addressed in the implementation policies of the public facilities and services section of the Growth Management Element. The Community Design Element contains a policy (4b) seeking to minimize traffic congestion at intersections; the Open Space and Conservation Element includes an objective (2) and policies relating to parks; the Safety Element has objectives and policies concerning flood hazards and fire protection (8-11); all these topics are also addressed in the Growth Management Element. Finally, the Land Use Element guides the physical representation of the standards and policies of the Growth Management Element.

Definitions:

Basic Route. All local roads not designated as Routes of Regional Significance; Level of Service Standards apply to all signalized intersections on Basic Routes.

Findings of Special Circumstances. Findings made by the Contra Costa Transportation Authority, following a request by a City, that override the requirement to amend the General Plan, Zoning Ordinance, Capital Improvement Plan or other relevant plan or policy, when a basic route (non-regional route) does not meet its adopted standard.

LOS. Level of Service, a standard comparing traffic volume to capacity at intersections (v/c), in terms of percent. LOS runs from A to F, with A having the lowest volume to capacity (no congestion, free flowing conditions).

Regional Route Action Plan. Plans for Regional Routes which are developed by local jurisdictions in cooperation as a Regional Transportation Planning Committee. Plans include:

1. Overall policy goals established by the Transportation Authority.
2. Traffic service objectives.
3. Actions to be implemented by participating jurisdictions.

Route of Regional Significance (also Regional Routes). Road designated by the Contra Costa Transportation Authority, consistent with procedures described in the: "Implementation Guide: Traffic Level of Service Standards and Programs for Routes of Regional Significance." These roads are subject to objectives and programs in adopted Action Plans.

TRAFFIC SERVICES

Due to its geographic location, most of the residents of Clayton rely on the automobile for transportation. Clayton's system of streets is the major component of the City's transportation system. This system reflects a large investment in and commitment to the automobile. The use of the automobile for single occupant trips must, however, be reduced. Clayton's residents need to increase the use of alternate modes of transportation, such as public transit, car/van pools, bicycling, walking, etc.

Goals

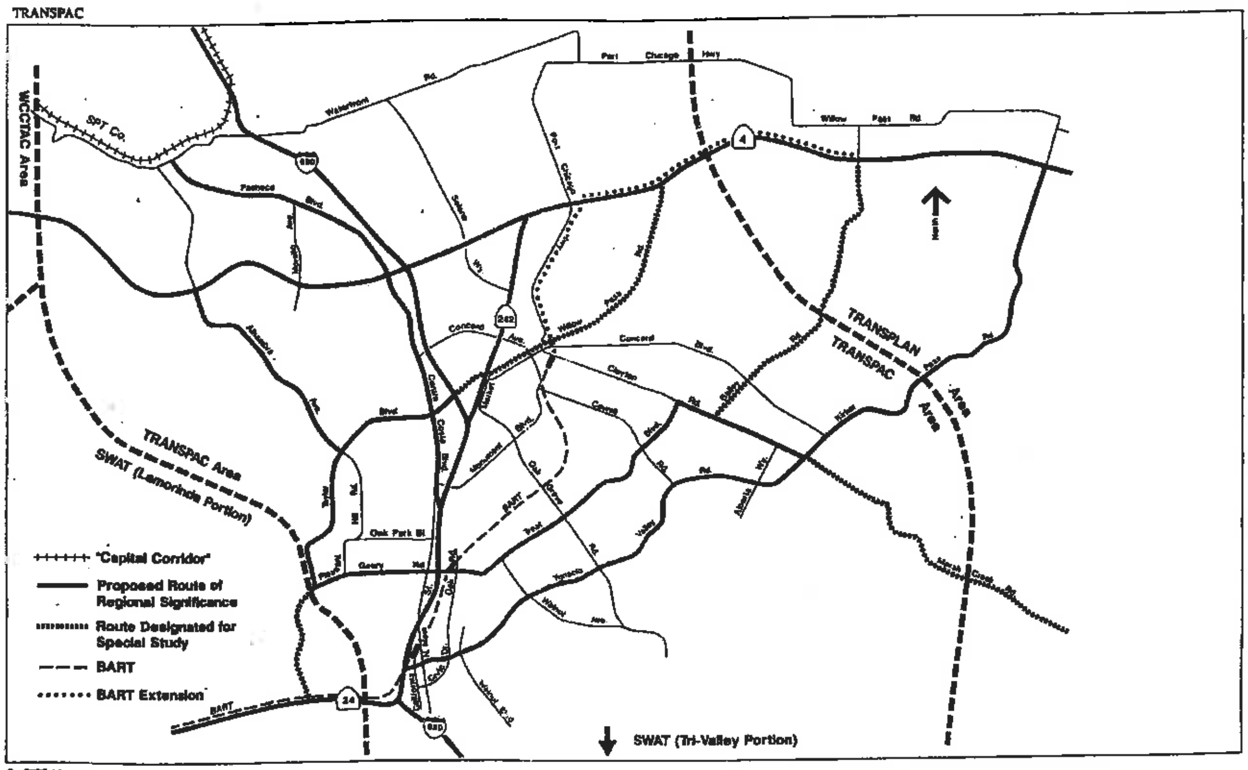
1. Promote the development of a street system that minimizes adverse impacts on the environment and surrounding land uses.
2. Design a street system that while accommodating urban development is consistent with orderly growth.
3. Promote more efficient, less environmentally harmful modes of transportation (transit, car/van pools, bicycling, walking, etc.) and consider non-capacity increasing solutions to decrease dependence on the automobile (transit information, flex-schedules, preferential treatment for high occupancy vehicles, etc.)
4. Assure that new residential, business, and commercial growth pays for the facilities required to meet the demands resulting from that growth.

Performance Standards

1. **Routes of Regional Significance:** The City of Clayton, in cooperation with the TRANSPAC Regional Transportation Planning Committee, has acknowledged designated Routes of Regional Significance for the Central Contra Costa County area. These designated Routes are shown on Figure 1. A Route of Regional Significance does not exist within Clayton's City Limits. However, immediately to the west of the City, the Ygnacio Valley Road/Kirker Pass Road corridor is a designated Route of Regional Significance.

2. **Reporting Intersection Traffic Level of Service (LOS) Standards**: There are eight signalized intersections within Clayton. Four of these intersections are key in determining whether or not the City's basic route system is operating efficiently and meeting Level of Service standards. These four reporting intersections along with their related Level of Service standards are as follows:

Intersection	Adjacent Land Use	Poorest Acceptable LOS
Clayton Rd/Washington Blvd.	Urban	LOS high D
Clayton Rd/Mitchell Canyon Rd.	Suburban	LOS low D
Marsh Creek Rd./Regency Drive	Suburban	LOS low D
Oakhurst Dr./Eagle Peak Ave. (south)	Suburban	LOS low D



Korve Engineering

FIGURE 1 ROUTES OF REGIONAL SIGNIFICANCE

Objective 1
Development Mitigation: The City shall adopt and maintain a development mitigation program to ensure that new growth pays its fair share of the costs associated with that growth.

Policies/Implementation Measures

1a Clayton will continue to implement its adopted development fees to require developers to pay the costs necessary to mitigate the impacts of their development on the local street system.

1b Clayton will participate in TRANSPAC's regional development mitigation program and establish fees, exactions, assessments, or other mitigation measures to fund regional or subregional transportation improvements needed to mitigate the impacts of planned development on the regional transportation system.

1c Clayton will periodically review the existing adopted development fees to determine if the fees accurately reflect the needed traffic mitigation associated with development.

1d As part of the development review process for projects estimated to generate over 100 peak-hour vehicle trips, Clayton will require the developer/applicant to provide the City with a traffic impact study consistent with the Technical Guidelines published by the Contra Costa Transportation Authority.

1e Development projects expected to generate over 100 peak-hour vehicle trips in the peak direction will not be approved by the City unless a finding of consistency can be made with the Reporting Intersection Traffic Level of Service Standards.

1f The City will not use Local Street Improvement and Maintenance funds allocated to Clayton, pursuant to Measure J by the Contra Costa Transportation Authority, to replace developer funding for transportation projects determined to be required for growth to comply with standards.

Objective 2

Multi-Jurisdictional Transportation Planning: The City shall participate in an on-going multi-jurisdictional planning process with other jurisdictions and agencies, the RTPC, and the Contra Costa Transportation Authority to create a balanced, safe, and efficient transportation system and to manage the impacts of growth.

Policies/Implementation Measures

2a Clayton has and will continue to participate in multi-jurisdictional transportation planning by participating in the activities of the TRANSPAC Regional Transportation Planning Committee including the development of a Regional Route Action Plan and cooperating in planning for intersections subject to Findings of Special Circumstances.

2b Clayton will participate in the Contra Costa Transportation Authority's conflict resolution process, as needed, to resolve transportation related disputes.

2c Clayton will report its progress regarding the Growth Management Program to the Contra Costa Transportation Authority by submitting a compliance checklist and maintaining other necessary information.

2d Clayton will assist the Contra Costa Transportation Authority in maintaining its travel demand modeling system by providing information on proposed transportation improvements, including those adopted as part of the City's Capital Improvement Program, planned and approved development within the City, and long-range plans relative to ABAG's projections for household and jobs within the City.

Objective 3

Transportation Systems Management (TSM): To promote maximum efficiency in the existing transportation system and to further the transportation goals of the Contra Costa Transportation Authority's Measure J Growth Management Program, Contra Costa's Congestion Management Program, and the Bay Area Clean Air Plan; to reflect an ongoing commitment to TSM efforts, in order to achieve traffic congestion management and air quality goals; and to comply with applicable state and federal laws.

Policies/Implementation Measures

3a As part of its program to ensure the continuation of a proactive TSM program effort, aimed at reducing vehicle trips, vehicle emissions, and traffic congestion in the most efficient and cost-effective manner, the City will continue to implement its Transportation Demand Management Ordinance.

3b The City will require design features that facilitate pedestrian access, bicycle use, ride sharing, and transit use to be incorporated within subdivision and development proposals, as appropriate. Design features may include bus turnouts and shelters, park and ride lots, preferential parking for car/van pools, and effective pedestrian, equestrian, and bicycle access features.

3c The City will require that all developments (residential as well as non-residential) generating more than 100 peak hour trips, implement a TSM information program. The program shall seek to provide information to residents and employers on RIDES and other ride matching agencies, transit schedules, bicycle facilities, and locations of nearby Park and Ride lots.

Objective 4

Achieving LOS Standards: The City shall maintain and improve traffic operations compliant with LOS standards.

Policies/Implementation Measures

4a In the event that any of Clayton's four reporting intersections identified above fail to meet its LOS standard, Clayton will consider amendments to the General Plan, Zoning Ordinance, Capital Improvement Program and/or other relevant plans and policies in order to attain the standard.

4b Capital projects necessary to maintain and improve traffic operations to comply with LOS standards will be included in Clayton's 5-year Capital Improvement Program.

Objective 5

Environmentally Sensitive Transportation Routes: The City shall limit improvements to Marsh Creek Road in order to maintain the significance of the environmental resources present.

Policies/Implementation Measures

5a Marsh Creek Road shall not be widened beyond the existing 2 lanes east of Pine Lane due to the significant environmental resources present. Marsh Creek Road may be improved by measures including but not limited to: repaving, improved shoulders, turn lanes, and acceleration/deceleration lanes.

PUBLIC FACILITIES AND SERVICES

City growth and development is dependent upon a complicated network of public facilities and services. Each type of service has a unique set of constraints and must adapt to growth differently. The City of Clayton provides police and park services and with the advice of the Contra Costa Flood Control and Water Conservation District, flood control and drainage services. Fire protection, sanitary sewer, and water supply are not provided by the City, but by special purpose districts. These special purpose districts are: the Contra Costa County Fire Protection District for fire prevention, fire suppression, and first responder emergency medical services; the Central Contra Costa Sanitation District and City of Concord for the treatment and transport, respectively, of sewage; and the Contra Costa Water District for water supply services. The Contra Costa County Flood Control and Water Conservation District does provide recommendations to the City but such advice is only upon the request of the City.

Goals

1. Provide police protection to the public and its property through effective law enforcement and the incorporation of crime prevention features into new development.
2. Develop and maintain a system of active open spaces and trails along creek channels and within developed parks as well as the maintenance of passive open spaces along hillsides as a means of preserving the rural character of the City.
3. Incorporate fire safety precautions in existing developed areas and in planning for new development.
4. Provide for an efficient sanitary sewer collection system and for an efficient water distribution system to serve existing development (allowing for the eventual connection of non-sewer areas) and in the planning for new development.
5. Protect the community from the risk of flood damage.
6. Assure that new residential, business, and commercial growth pays for the facilities required to meet the demands resulting from that growth.

Performance Standards

1. **Police:** Capital facilities should be provided at a level sufficient to maintain a 5 minute response time for 90% of all emergency calls for police assistance.

2. **Parks:** Standards for active open spaces within Clayton are as follows:

Developed Parks (athletic fields, picnic areas, tot lots, etc.)	3 Acres per 1,000
Maintained Open Spaces (greenbelt and trails, etc.)	7 Acres per 1,000
Total Active Open Spaces	10 Acres per 1,000

3. **Fire Protection:** Ideally, all development should be within 1.5 miles or a 3 minute response time from a fire station. All development shall satisfy current adopted Fire Code requirements and, at a minimum, all development (including residential) more than 1.5 miles or 3 minutes from a fire station shall provide built-in fire protection system (e.g.,

fire sprinklers). All development adjacent to open space areas shall provide Class "A" fire retardant roof coverings.

4. **Sanitary Sewer:** All development shall comply with the standards of the Central Contra Costa Sanitary District and the City of Concord for sanitary sewer treatment and collection, respectively. Septic systems shall be allowed in transitional areas on large lots subject to the approval of Contra Costa County Health Services Department.

5. **Water:** All development shall comply with the standards of the Contra Costa Water District.

6. **Flood Control:** All development shall provide protection from the 100-year flood event as determined by the Federal Emergency Management Agency and as amended by more current information and studies. This protection shall also include the downstream effects of development on adjacent jurisdictions.

Objective 1
Development Mitigation: The City shall adopt and maintain a development mitigation program to ensure that new growth pays its fair share of the costs associated with that growth.

Policies/Implementation Measures
1a The City will continue to implement its adopted development fees to require developers to pay the costs necessary to mitigate the impacts of development on public facilities and services.

1b The City will review the existing adopted development fees and adopt additional development fees, as necessary, to insure that new growth is paying its fair share of the costs associated with the provision of facilities for police, parks, fire protection, sanitary sewer, water and flood control.

1c All new development shall contribute to or participate in the improvement of the police, parks, fire protection, sanitary sewer, water and flood control systems in proportion to the demand generated by the project occupants and users.

Objective 2
Achieving Performance Standards: The City shall maintain the public facilities and services performance standards.

Policies/Implementation Measures
2a Clayton will approve development projects only after making findings that: (1) after participation in the adopted development mitigation programs, performance standards will be maintained; or (2) project-specific mitigation measures will be required of the project to insure maintenance of standards.

2b Capital projects necessary to maintain and improve public facilities and services to comply with the performance standards will be included in Clayton's 5-year CIP.

2c Clayton will monitor and periodically review the adopted performance standards to determine if they accurately reflect the desires of the City.

GENERAL GROWTH MANAGEMENT

Goals

1. Support cooperative land use planning in Contra Costa County.
2. Support land use patterns consistent with the General Plans of local jurisdictions.
3. Support infill and redevelopment in existing urban and brownfield areas.

Objective 1

Address Housing Options: The City shall demonstrate reasonable progress in providing housing opportunities for all income levels and meeting housing goals.

Policies/Implementation Measures

1a The City will prepare a biennial report on the implementation of actions outlined in the Housing Element of its General Plan to the Contra Costa Transportation Authority in order to demonstrate reasonable progress in providing housing opportunities for all income levels. The report will demonstrate reasonable progress by one of the following:

- A comparison of the number of housing units approved, constructed, or occupied within Clayton over the preceding five years with the number of unites needed on average each year to meet the housing objectives established in the Housing Element;
- Illustrating how the City has adequately planned to meet the existing and projected housing needs through the adoption of land use plans and regulatory systems which provide opportunities for, and do not unduly constrain, housing development; or
- Illustrating how the City's General Plan and zoning regulations facilitate the improvement and development of sufficient housing to meet the objectives established in the Housing Element.

1b The City will consider the impacts all new developments would have on the local, regional, and county-wide transportation system, including the level of transportation capacity that can reasonable be provided.

1c The City will incorporate policies and standards into the development approval process that support the accommodation of transit, bicycle, and pedestrian access for new developments.

Objective 2

Adopt an Urban Limit Line (ULL): Clayton shall adopt an ULL (MAC-ULL, County ULL, or a Local Voter ULL as defined in the Principles of Agreement to the Measure J GMP) that has been approved by the majority of the voters within the City.

Policies/Implementation Measures

2a Clayton will implement and comply with the voter-approved ULL (adopted by the City in November 2007). Urban development will be restricted to within the line, subject to the policies and standards of the Land Use Element of the General Plan. Amendments to the City's ULL could only be made by first amending the County ULL, using adopted County procedures, and then adopting the amended ULL. Amendments to the City's ULL could also be made by adopting an entirely new voter-approved Local ULL. Any proposed amendments to the established ULL would need to be processed in accordance with applicable City of Clayton, Contra Costa County, and Contra Costa Local Agency Formation Commission (LAFCO) procedures.

Objective 3

Develop a Five-Year Capital Improvement Program (CIP): The City shall prepare and maintain annually or biennially a CIP that outlines the capital projects needed to implement the goals, policies, and programs of this General Plan for a minimum of the next five years. The CIP shall include approved projects and an analysis of the costs of the proposed projects as well as a financial plan for providing the improvements.

Policies/Implementation Measures

3a Capital projects sponsored by Clayton and necessary to maintain standards and improve traffic operations will be included in the 5-Year CIP. Funding sources for the capital projects as well as project phasing will be generally identified in the CIP.

BACKGROUND INFORMATION AND ANALYSIS

Traffic

The City of Clayton's Neighborhood Traffic Management Program (NTMP) was adopted on July 15, 2003. The program is a method of putting into practice some of the goals and direction of the City Council. Such goals include: implementation of a circulation system that will preserve the atmosphere and unity of the area and will ensure adequate traffic capacity on roads; providing for safe and efficient vehicular movement; minimizing the intrusion of through traffic on residential streets; implementation of physical and operational improvements to improve roadway and intersection capacity; and providing a safe environment for pedestrian movement. The program focuses on education and providing neighborhoods with tools for documentation and resolution of traffic problems.

Clayton is not located along a major highway or Interstate. Instead, major traffic is carried via Kirker Pass Road and Clayton Road/Marsh Creek Road. These two roads provide access to Interstate 680 and State Route 24 through Concord. The City jurisdiction includes 20.6 center-lane miles of paved streets, 14 consisting of arterials (both major and minor), collectors, and local streets. Most arterials provide northwest to southeast movement, with the exception of Kirker Pass Road, which runs southwest to northeast. Collectors run north-south and provide access to neighborhoods. Clayton experiences heavy commuter traffic originating from outside of the City.

All intersections within the City currently operate at a level of service (LOS) A, according to the City Engineer. Future development in the Marsh Creek Road Specific Plan area may cause an

LOS decline at one or two intersections within the City to LOS C. The City's minimum intersection LOS is LOS D for arterial streets. Although Measure J does not require minimum LOS thresholds, the City of Clayton General Plan still maintains this requirement.

Public transportation is provided by the Central Contra Costa Transit Authority, which offers bus and paratransit service. The General Plan shows 19 bus stops within the City, primarily along the arterials. Clayton would like to see a Bay Area Rapid Transit (BART) shuttle serve the City, and would also like to explore creating a formally improved Park and Ride facility within the City. An underutilized public Park and Ride lot does exist at the southeastern portion of the intersection of Clayton Road and Peacock Creek Drive.

The City has conducted a pavement survey to determine expected life remaining in its dedicated roadways. The condition of roads is based on a PCI—a numerical index used to indicate the condition of a roadway, which is widely used in transportation and civil engineering. The PCI looks at the overall conditions of the roadways, including engineering design, base and paving thickness, crown and drainage, and wear and aging condition. The pavement survey allows the City to plan repairs or perform preventive maintenance to extend the service life of the roadways. The PCI shows that, overall, the existing roadways receive an index rating of 77. The 77 PCI rating shows that the City of Clayton's roadways are in good condition; the City's PCI ratings typically rank in the top five best in the County.

Maintenance Department

The Maintenance Department has five full-time employees and uses seasonal part-time employees to help maintain the City streets, sidewalks, and storm drains. The Department maintains 1,000 streetlights, over 1,000 street signs, and 84 miles of streets and markings.

Police

The City's Police Department has personnel of 14; eleven are sworn officers, including the Chief. Approximately 980 citizens per sworn officer exist. In addition, the Department has Police Explorers, two paid Police Service Aides, Volunteers in Police Services, and one Reserve Officer. The Department has a neighborhood watch program, a vacation watch program, and an active CERT (Citizen Emergency Response Training) program. Clayton contracts with the City of Concord for dispatch and jail booking services.

According to the U.S. Federal Bureau of Investigation crime statistics for 2009, Clayton had seven violent crimes and 179 property crimes, with a rate of 1,711 crimes per 100,000 population. Crime rates are affected by a number of factors and reflect a city's population, concentration of youth, degree of urbanization, cultural and educational characteristics, geographic location, and modes of transportation, among others. Therefore, crime rates are a good measure of changed conditions within a city over time but should not be considered as a direct evaluation of the adequacy of police services between cities.

In 2010, the Department had 7,350 calls for service, self-initiated and via dispatch. The Department had 7,793 calls for service in 2007, and 6,430 calls for service in 2008, and 5,529 calls for service in 2009. Concord's new dispatch system, in addition to providing digital computerized dispatch services, could also provide useful information for the police manager, such as a system-generated management report that details response times. The report is broken out into three areas: response times to priority one calls for service (serious issues), response times to category two and three crimes, or non-emergency calls for service. Priority one calls are emergency crimes or incidents that require an immediate response by an officer. Due to the small area of the City, response times to Code 3 emergencies are short. The latest report indicates that Clayton officers have an average response time of 3 minutes, 34 seconds for all priority one calls. A response time under 5 minutes for emergency calls is considered an excellent response. Clayton officers have an average response time of 5 minutes, 26 seconds to non-emergency calls for service.

Parks and Open Space

Clayton is rich in park and open space resources. The City is located at the base of the north slope of Mt. Diablo. Mt. Diablo State Park, which forms much of the southern City boundary, includes approximately 18,000 acres. To the northeast of the City is the Black Diamond Mines Regional Preserve operated by the East Bay Regional Park District (EBRPD). This Preserve encompasses about 3,500 acres of rugged hill land generally covered with grasses. Within the City Limits, approximately 530 acres of the hillside area of the Oakhurst Country Club are preserved as passive open space. Finally, the 160-acre Oakhurst Golf Course is an open space resource in and of itself.

Clayton has seven parks (Clayton Community, Lydia Lane, North Valley, Equestrian Staging, Dog, Westwood, and The Grove) and over 500 acres of open space. Clayton's largest park is the 20-acre Clayton Community and Sportsfield Complex, at the intersection of Marsh Creek Road and Regency Drive, which provides three combination baseball/soccer fields, a fourth soccer field, and a community gym (under joint use with the Mount Diablo School District). Other amenities of the Clayton Community and Sportsfield Complex include sports-related facilities (parking, restrooms, and concessions) and active play areas (picnic areas, play structures, tot lots). The City's Maintenance Department performs regular maintenance at the City's parks and extensive open space and trail system. Consequently, the City's parks and open space areas, including trails, are well-maintained. The City's seven parks comprise more than 25 acres of improved land, with connecting trail systems. Additionally, the City's extensive trail system offers over 20 miles of improved trails that connect most neighborhoods directly to open space areas. Major trails within the City include the Mitchell Creek Trail, the Mt. Diablo Creek Trail, the Cardinet Trail, and the Donner Creek Trail. The trails generally are improved with decomposed rock or asphalt, and feature rest benches and trail markers. Finally, Planned Development residential areas offer additional recreational opportunities, including swimming pools, barbeque areas, sport courts, and lawn areas. Collectively, the City of Clayton is in general conformance with its standards for parks and open space.

Fire Protection

The Contra Costa County Fire Protection District provides fire protection, suppression, and emergency medical services to the City of Clayton. The Contra Costa County Fire Protection District staff comprises 406 personnel, including 344 uniformed personnel, with 12 battalion chiefs and approximately 62 civilian personnel. Each three-person fire-fighting crew includes a paramedic. In addition to fire protection, suppression and emergency medical services, overall capabilities and resources of the Fire District include vehicle extraction ("jaws of life"), trench rescue, water rescue, high-angle rescue, building collapse, confined space rescue, fire and arson investigation, code enforcement, building plan review, and public education, such as Community

Emergency Response Training. The Contra Costa County Fire Protection District participates in a Cooperative Interagency Agreement with other local and regional fire departments and agencies.

The District has 30 fire stations. Fire Station 11 services the City of Clayton, which is located at the intersection of Clayton Road and Oakhurst Drive, within the Clayton Town Center, near a neighborhood of single-family homes and open space. Three shifts of three personnel are assigned to the station, which is equipped with one Type I engine and one Type III engine. The station provides services which include fire prevention, fire fighting, emergency medical aid, as well as public information related to these topics.

The National Fire Protection Association (NFPA) 1710 Standard establishes a goal of a five-minute response time from the time of dispatch to arrival on the scene, whenever possible. Currently, Contra Costa County Fire Protection District also has a goal of five minutes to be on-scene or less for all calls for service. The Fire District requires all development to conform to the National Fire Code which includes: provisions for access road width, slope and strength; fire suppression system design; water supply; and structural design and materials.

In addition to urban fire control issues, wildfire is a concern in the Clayton areas where non-native plant materials, steep slopes, high winds and other conditions make fire fighting challenging and increases the risks of fast-spreading wild land fires. The California Department of Forestry and Fire Prevention has jurisdiction throughout the State. Their primary responsibility is to prevent and fight wild land fires. The Sunshine Forest station, with two engines, is located approximately 6 miles east of the City on Marsh Creek Road. The station is staffed year-round, with primary emphasis during the burn period from March to October. State Responsibility Areas currently cover approximately 200,000 acres in eastern Contra Costa County, including Mt. Diablo State Park. Fire prevention measures include requiring full compliance with Public Resources Code sections 4290 and 4291, which specify firebreaks, chimney screens, debris clearing and controlled burns. (Controlled burns are becoming less common due to their regional air quality impacts). The Forestry Department has the full backing of the resources of the State, including ground and aerial equipment and personnel in cases where local fire fighting capabilities are inadequate. The Forestry Department is funded through the State, and local impact fees are not collected.

The Mt. Diablo State Park General Plan calls for fire breaks around the perimeter of the Park and within the Park to form 'compartments' for fire containment. Typical fire breaks are 20 to 30 foot wide strips along the edge of a developed area, such as mowed, disked or plowed land. Single-loaded streets, which are residential streets with houses on only one side, can also serve as fire breaks. Fuel modification is another measure used to control possible wildfires by minimizing the amount of fast burning plant materials. The State Park does not consider grazing an adequate means of fuel modification, due to the irregular areas covered and intervals of herd movement, the types of vegetation encouraged as feed, impacts on soils and habitat, and nuisance associated with proximity to developed areas. However, the East Bay Regional Park District has implemented effective fire control programs using grazing on lands under its jurisdiction. In regard to landscaping, native grasses and shrubs are generally more effective for wildfire safety than are exotic annuals, due to natives' relatively low production of biomass which serves as fuel for fires.

Sanitary Sewer
The City of Concord provides the maintenance and operations of the sewage collection and conveyance services for the City of Clayton's sewer main lines (42 miles). The wastewater from Clayton is conveyed by gravity flow through the Concord system to the Concord Sewage Pump Station, and ultimately to the Central Contra Costa Sanitary District (CCCSD) system. CCCSD provides treatment and disposal services for Clayton's effluent.

<u>Collection</u>
Although the collection lines are actually owned by the City of Clayton, the City of Concord Public Works Department operates and maintains Clayton's public sanitary sewer collection system. The City of Concord's wastewater collection system consists of approximately 383 miles gravity pipeline and one pumping station. Approximately 80 percent of the sewage flows by gravity to the Concord Sewage Pump Station that has four pumps and a capacity of 48 million gallons per day (mgd). The average daily dry weather flow is 10.6 mgd, with a peak wet weather flow of 23 mgd. Approximately 50 percent of Concord's sewer collection system is comprised of 6-inch diameter pipes. Current standards require all new sewer mains to be at least 8-inches in diameter. Concord transports Clayton's sewage to the CCCSD treatment plant located northeast of the Highway 4/I-680 interchange in Martinez.

Because the City of Clayton has sewer mains available to all properties and deficiencies are not anticipated upon full build out, a City-wide "Master Plan" does not exist. However, in 2008, a sanitary sewer study and master plan was prepared for the properties east of the City Limits, within the City's Sphere of Influence (SOI) and which were anticipated to be annexed at some time in the foreseeable future. The study, entitled the "Marsh Creek Road Specific Plan Area Sanitary Sewer Master Plan," found that portions of the trunk line would be surcharged (over free flow capacity) upon anticipated build-out of the study area. The impacted portion of the trunk line is the stretch along Donner Creek, just south of Marsh Creek Road. The Master Plan includes cost estimates, proposed sequencing of mitigations, and proposed financing for the mitigation work upon annexation and development in the Area.

Due to disagreements between the City of Clayton and the City of Concord regarding design flow criteria, the report was not presented to or approved by the City Council. The disagreement has been resolved (Dec. 2009) and the City of Concord has accepted the design flow criteria used in the Master Plan. Due to the failing economy, all of the anticipated projects within the study area have ground to a halt and further work has not been undertaken to complete and adopt the Master Plan.

<u>Treatment and Disposal</u>
Public sanitary sewer treatment for the City of Clayton is provided by the CCCSD. Sewage is conveyed through gravity sewer lines and pumping stations to the District's treatment plant located at the intersection of Highway 4 and I-680. The majority of the treated effluent is discharged to Suisun Bay, but with the remainder, the District produces approximately 1.5 mgd of tertiary treated recycled water used for landscape irrigation, industrial process cooling, or other recycled water uses.

CCCSD's wastewater treatment plant provides secondary level treatment for an average dry weather flow of approximately 45 mgd of domestic, commercial, and industrial wastewater; the plant has a permitted capacity of 54 mgd. The plant's maximum capacity of 54 mgd is projected to accommodate build out until the year 2040. The District's infrastructure is in good condition, and the need to renovate or replace aging infrastructure is addressed through the District's CIP.

Water

Water service (i.e., supply, treatment, storage, and distribution) is provided to Clayton by a special district, the Contra Costa Water District (CCWD). The District's water system infrastructure includes untreated water conveyance and reservoirs, and water treatment and conveyance facilities. The District has a catastrophic supply interruption plan and an Emergency Operations Plan.

CCWD's primary source of water supply is the United States Bureau of Reclamation's (USBR) Central Valley Project (CVP). Water is diverted from the Delta and conveyed through the 48-mile Contra Costa Canal. CCWD has four untreated water storage reservoirs, including the 100,000 acre foot (af) Los Vaqueros Reservoir in southeastern Contra Costa County. CCWD is currently increasing the size of its Los Vaqueros Reservoir on Kellogg Creek, in the eastern foothills of Mount Diablo, from 100,000 af to 160,000 af. Construction is expected to be complete by 2012. Water distributed by CCWD in the Clayton area is treated at the CCWD's 75 mgd Bollman Water Treatment Plant north of Concord, on Highway 4. The plant has sufficient capacity for current levels of demand within the service area. CCWD officials report that the Bollman treatment plant, in present configuration, could be expanded to a maximum capacity of 95 mgd.

Current water conditions within the State are unprecedented, with historic dry year conditions and environmental issues within the Bay-Delta system that may impact how the Delta is managed in the future. Dry year conditions reduce Delta outflow causing poorer water quality in the Delta. This requires additional releases from Los Vaqueros to ensure water quality for CCWD deliveries. Ultimately this condition may affect how CCWD manages its water supplies for the long-term, and the District's wholesale customers would be subject to those terms and conditions. Increasingly stringent drinking water regulations and pressures on the Delta that trend in the direction of worsening Delta water quality will continue to be a challenge in the future. CCWD has plans and projects in planning stages, such as the Alternative Intake Project, to overcome these water quality challenges. The District intends to continue to advocate at regional, state, and federal levels for policies and programs that improve Delta water quality such as guaranteed fresh water flows into and through the Delta.

CCWD's Future Water Supply Study (2002), 2005 Urban Water Management Plan, Treated Water Master Plan Update (2002), and other master planning documents provide guidance on infrastructure needs. The District's infrastructure and facilities are generally in good condition. The District has a ten-year CIP that includes projects for both the untreated water system and treated water system to ensure that the District's water supply and services meet Board adopted criteria for water quality and reliability, among others. CCWD also has ongoing programs to evaluate and develop other water resources, such as water transfers, conservation, desalination, and expanding the use of recycled water. CCWD has planned for projected growth within its treated and untreated water service areas to ensure that water supplies remain reliable.

Provision of Additional Water Capacity

If development occurs east of the City of Clayton, additional water supply and distribution facilities are likely to be required, including reservoirs, pumping stations and distribution lines. The CCWD designs all water system expansions, prepares the construction plans, supplies the materials, and supervises construction, at the developer's expense. Installation is generally the responsibility of a developer. Upon completion, the new pipelines and appurtenances become CCWD property.

Additional Reservoirs

The volume of additional storage reservoir capacity needed is determined by fire flow requirements, as dictated by the Contra Costa County Fire Protection District, the maximum day water demand within the immediate service area, and an emergency storage allocation. Each component is described in further detail below:

Fire District design criteria call for a 1,000 gallon per minute (gpm) flow from any one fire hydrant for a duration of 2 hours, which equals 120,000 gallons of storage. Because the eastern area of the City is located more than five minutes from the Fire Station 11, all homes are required to have sprinkler systems supplied by a one-inch water meter.

- CCWD estimates maximum day water use equals two times the average day demand of 700 gallons per single-family home. 700 gpd is used by the District for design purposes, even though the number is far higher than the actual usage currently being experienced.

  Reservoir storage must be provided for 25 percent of the maximum day demand:

  2 x 700 gpd x 25 percent = 350 gallons per home.

- Emergency storage capacity must provide water in the event of a main break or other system failure. The capacity is equal to 1.5 times the average day demand of 700 gallons per single-family home, or 1,050 gallons per home.

- Total storage requirement for either a new or expanded reservoir is calculated from the three numbers above:

  Storage = [(120,000 gallons fire storage) + (350+1,050) gallons x number of homes served]

  Or

  Storage = 120,000 gallons + [(1,400 galllons per home) x (number of homes)]

  CCWD uses $1.50 per gallon to estimate the total cost of small reservoir construction, which must be fully funded by developers. For larger reservoirs, the unit cost per gallon is somewhat lower.

Additional Pumping Stations

A pumping station must be installed to supply each new pressure zone. Existing stations can often be used to fill multiple reservoirs, at more than one location, but only if the zone's topography supports a widespread distribution system. CCWD estimates the total cost of a new pumping station with 350 gpm pumps to be approximately $350,000.

Additional Distribution Lines
Distribution system upgrades and expansions must be constructed within each new pressure zone to provide the capacity needed to deliver water to new developments. Both on-site (within a proposed development) and off-site improvements must be funded and installed by the developer. In many cases, excess flow capacity must be designed into off-site water mains to allow for future development of neighboring areas within the same pressure zone. The District will only reimburse a developer who installs these facilities for the additional cost of the pipe materials (i.e., for the difference between an eight- inch and twelve-inch diameter pipe). The District estimates that the design and construction of new water mains costs between $80 and $100 per lineal foot, depending on the size, which includes all pipe, valves, and fittings, complete and in place. Fire hydrants costs approximately $3,000 each.

Distribution mains must be sized to carry fire flow plus peak hour demand flow for the services expected to be on each line. For between 50 and 100 homes, CCWD estimates peak hour demand as three times the maximum day, or six times the average day:

$$6 \times 700 \text{ gpd} = 4{,}200 \text{ gpd per home}$$

$$4{,}200 \text{ gpd per home} = 2.92 \text{ gallons per minute per home}$$

$$\text{Total flow requirement} = 1{,}000 \text{ gpm} + (2.92 \times \text{number of homes})$$

The District permits a maximum fire flow velocity in delivery mains of 12 feet per second (fps), which is used to size each main based on the total flow as calculated above.

Wherever possible, CCWD encourages developers to install looped water systems, so that water can always reach each fire hydrant from two directions. Looped water systems provide back-up capability in the event of a main failure, as well as splits the required 1,000 gpm fire flow capacity between two sections of pipe on either side of the hydrant, which lowers the maximum design flow that must be carried within each line.

Hydropneumatic Pressure Systems
In areas only marginally higher than adjacent developed pressure zones, CCWD sometimes approves the installation of small, hydropneumatic pressure systems including a pumping station, two service pumps, one fire pump, and a pneumatic storage tank to supply a maximum of 100 homes or equivalent 5/8-inch services. Hydropneumatic pressure systems draw water from the storage tank in the next lower pressure zone and increase the pressure for delivery at a higher elevation. However, the maximum fixture elevation that can be served by such a system cannot be higher than ten feet below the operating level of the lower zone's storage tank.

Alternative Water Supplies
Private wells currently supply many of the homes east of Clayton with drinking water. County Environmental Health Department officials report that this area is generally not a good location

for wells. Clayey soils have caused a number of reported well failures in the past. Due to the conditions, extensive development is not likely to be supported by local groundwater resources.

Flood Control

The principal stream running through Clayton is Mt. Diablo Creek, which originates on the steep north slopes of Mt. Diablo. Mt. Diablo Creek drains a watershed of approximately 30 square miles and flows northerly and westerly through the cities of Clayton and Concord, the Concord Naval Weapons Station and eventually empties into Suisun Bay. In the City of Clayton, Mt. Diablo Creek is joined by Donner and Mitchell creeks, both of which originate on the slopes of Mt. Diablo and by Peacock Creek, which flows from the Keller Ridge.

Flooding has occurred from Mt. Diablo Creek in the Town Center area of Clayton and in the flood plain between Clayton Road and Kirker Pass Road. The major floods affecting this area occurred in 1938, 1952, 1955 and 1963. The 1955 and 1963 floods both were estimated as 25-year floods. Despite these occurrences, Mt. Diablo Creek is not considered a creek with a high flood history. Part of the reason for this is due to the long flood plain between Mt. Diablo slopes and the City Limits that serves to slow down velocity and delay peak flows. However, during a 100-year storm, severe flooding could be expected.

The original FEMA study and flood mapping occurred in 1979. After many years of expressing concerns regarding the basic assumptions of the flood study, FEMA prepared a new study beginning in 2001 and issued updated flood maps in 2006. The flood maps were then updated to a digital format and reissued with an effective date of June 16, 2009.

The updated flood maps incorporate new rainfall and stream gauge data as well as updated FEMA rules regarding flood protection, provided by raised berms or dikes. The FEMA rules state that in order to be considered as providing adequate flood protection, berms must be: (1) three feet higher than the anticipated flood elevation (formerly one foot); and (2) maintained perpetually by some legal entity.

The latest mapping indicates areas of potential flooding from a 100-year storm that are 100 to 200 feet wide within the City, as well as upstream in portions of the eastern area between Pine Lane to Russellmann Road. However, the FEMA rules regarding berms has virtually eliminated flood protection for houses along portions of Mt. Diablo Creek north of Clayton Road. This rule change has placed an additional approximate 200 homes within the 100-year floodplain. Flood zones for the 100-year storm are more extensive downstream of Kirker Pass Road and in the City of Concord. FEMA flood zones in the area are shown in Figure 2.

Housing Options

The Housing Element of this General Plan, recently updated in April 2010, is in compliance with State law, has been adopted by the City of Clayton, and certified by the State Department of Housing and Community Development (HCD). City goals for housing include supporting and participating in the development of extremely low-, very low-, low-, and moderate-income housing to meet Clayton's fair share housing allocation and the Clayton's Redevelopment Agency (RDA) housing requirements.

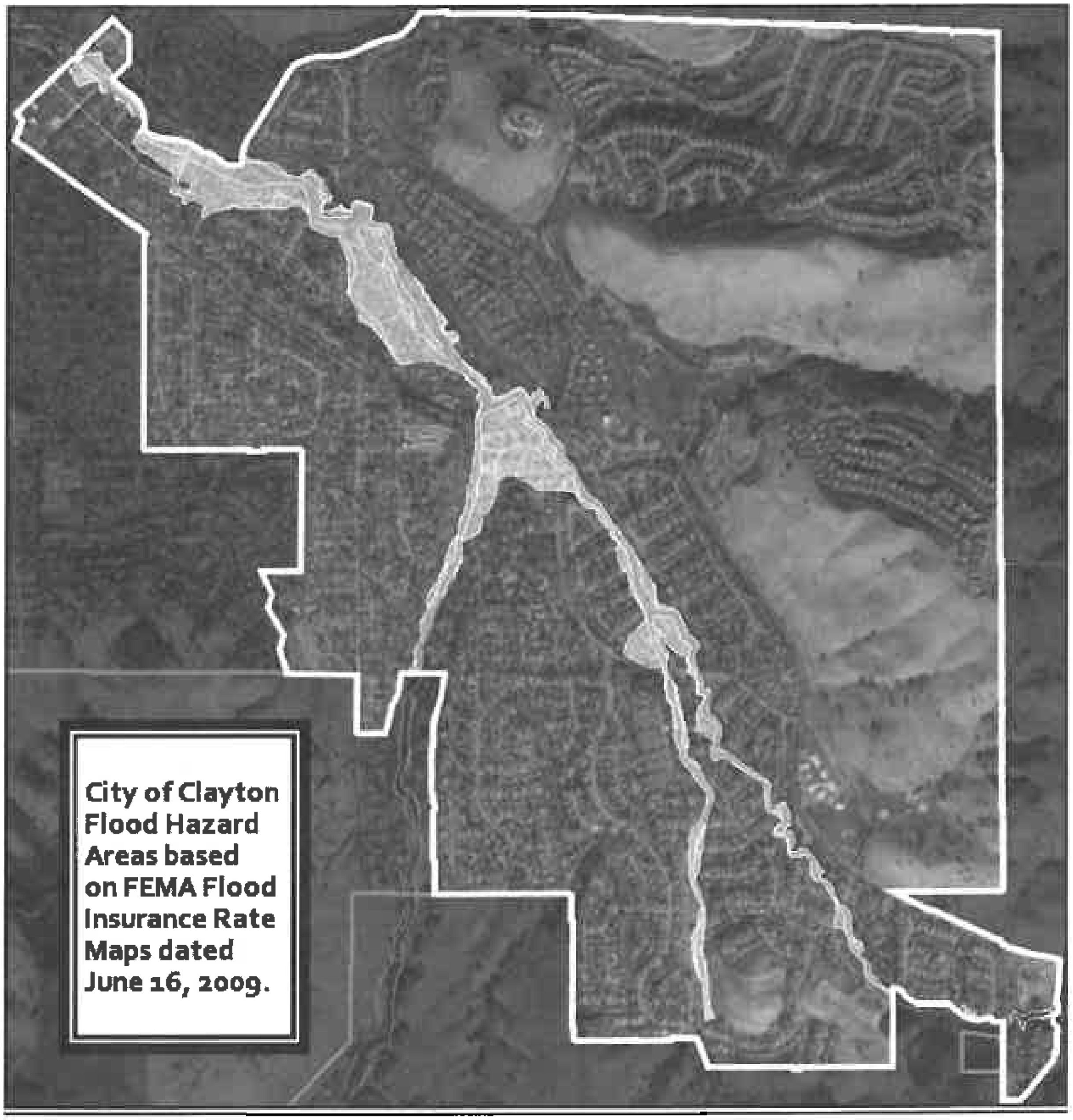

City of Clayton
Flood Hazard
Areas based
on FEMA Flood
Insurance Rate
Maps dated
June 16, 2009.

FIGURE 2

In addition, the City shall continue to implement City housing programs, which ensure that low- and moderate-income units remain available to qualified applicants upon sale of units, and work with the Association of Bay Area Governments (ABAG) on their FOCUS program implementation, which is a regional development and conservation strategy that promotes a more compact land use pattern for the Bay Area.

Clayton is a primarily owner-occupied community. Few multi-family units exist within the City, which contributes to a very low proportion of renter-occupied households. Affordable housing projects in the City include Kirker Court Apartments, a portion of the homes within the Stranahan single-family residential subdivision, and the Diamond Terrace senior housing development. The Kirker Court Apartments, a project for persons with disabilities managed by Eden Housing, currently provide 20 units to extremely low-income households at a rental rate based on 30 percent of monthly household income. The Stranahan residential subdivision was built in 1995 and consisted of 54 single-family detached homes. Eighteen of the homes were sold at a level affordable to moderate-income households. Since the initial sale, three of the eighteen homes have been repurchased by the RDA and resold to low-income households, and an additional six of the houses have been repurchased by the RDA and resold to moderate-income households. Diamond Terrace, an assisted living project for seniors, was completed in 2003 and provides 65 units for very low-income seniors, 10 units for low-income seniors, and 10 units for moderate-income seniors.

The City has a shortfall of land available to extremely low-, very low-, and low-income households. According to ABAG allocations, the City needs enough land to accommodate an additional 50 affordable housing units. To address this shortfall, the City proposes to create a new multiple family high density residential General Plan designation and Zoning District, which will have an allowable density of 20 units per acre. Due to an increase in allowable densities, potential affordable housing sites within the City would increase capacity adequate for the 50-unit shortfall identified and the total 84-unit ABAG allocation in the lower–income categories. In addition, Implementation Measure I.2.1 of the Housing Element commits the City to the development of a written Affordable Housing Plan requirement, which would mandate developers of residential projects of two or more units to draft an Affordable Housing Plan. The Affordable Housing Plan is intended to ensure that new developments include a certain percentage of affordable housing units.

Clayton currently utilizes local, state, and federal funds to implement the City's housing strategy. Because of the high cost of new construction, more than one source of public funds is required to construct an affordable housing development. For example, The Kirker Court Apartments were made affordable through a combination of U.S. Department of Housing and Urban Development (HUD) funding programs, Community Development Block Grant (CDBG) funding, and Clayton RDA) funding sources. The City does not act as a developer in the production of affordable units, but relies upon the private sector to develop new units with the assistance of various funding sources.

The Clayton RDA is the primary source of housing funds for the City's housing programs. The RDA receives tax increment revenue from real property taxes collected each year. The Agency provided the Diamond Terrace project with funding assistance for development as well as annual supplemental rental income until 2014 (the Diamond Terrace project also received a low-income tax credit allocation). According to the RDA's Five-Year Implementation Plan (2008-2013), the RDA plans to provide seed money for the development of 15 affordable rental units and allocate funds toward affordable home ownership development through the remainder of the Implementation Plan period. In addition, RDA funding is expected to be used for the preservation of existing affordable housing units and affordability restrictions throughout the City. Funds provided by the RDA for affordable rental development and affordable home ownership development would include 55-year deed restrictions and 45-year deed restrictions, respectively.

The Clayton Community Development Department administers the CDBG and the HUD HOME funding programs, as available. All projects funded with HOME funds must be targeted to very low- and low-income households and must have permanent matching funds from non-federal resources equal to 25 percent of the requested funds. In addition, the County Board of Supervisors has established a priority for the allocation of HOME and CDBG funds to projects that include a portion of the units affordable to extremely low-income households (incomes at or below 30 percent of the area median income). Another available housing funding program is the HUD Section 8 Voucher Program, which provides rental assistance administered by the Housing Authority of Contra Costa County. As of August 2001, only one Clayton household was receiving rental assistance from the Section 8 program. Due to the limited number of rental housing units currently within the City and the relatively higher land costs, the possibility of Section 8 participants finding units to rent in Clayton is unlikely.

Urban Limit Line

Contra Costa County voters approved the current Contra Costa County ULL in 2006. The county-wide ULL was adopted by the Clayton City Council in November 2007. The ULL generally follows the boundaries of the City Limits, with the exception of the southeast corner of the City, which extends beyond the City Limits into the Sphere of Influence (SOI) (See Figure 3). However, the ULL is not contiguous with the SOI; instead, some land within the SOI lies outside of the ULL.

Capital Improvement Program (CIP)

Clayton's Engineering Department is responsible for developing the CIP, which includes the following: coordination with the City Manager; evaluation and prioritization of Capital Improvement Projects; procurement of funds; right-of-way and land acquisition; administration of the public bidding process; and supervision of the design and construction inspection for all private development and improvements thereto.

The Clayton City Council adopted the 2010/11 to 2014/15 CIP on June 29, 2010. The CIP includes proposed funding sources and expenditures categorized by year and scheduled projects. The City has continued, and will continue, to complete several significant capital improvement projects that enhanced and maintained the public's investment in its infrastructures and overall quality of life.

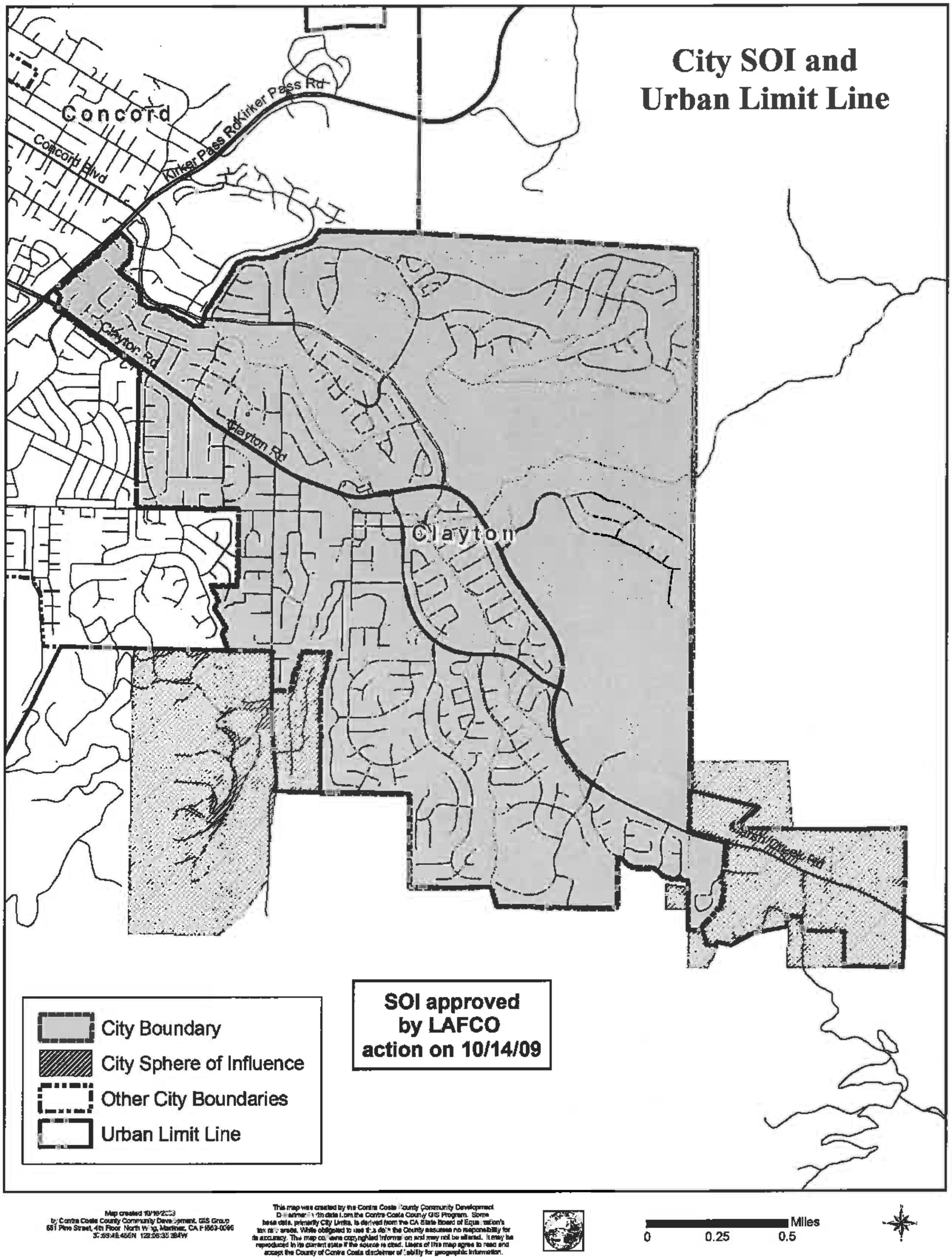

City SOI and Urban Limit Line
Concord
Kirker Pass Rd
Concord Blvd
Clayton Rd
Clayton
SOI approved by LAFCO action on 10/14/09
City Boundary
City Sphere of Influence
Other City Boundaries
Urban Limit Line
Miles
0
0.25
0.5

FIGURE 3

Excerpt
Minutes
Clayton Planning Commission Meeting
Tuesday, April 26, 2011

Call to Order

Chair Sandra Johnson called the meeting to order at 7:00 p.m. at Hoyer Hall, 6125 Clayton Road, Clayton.

Present:	Chair Sandra Johnson, Vice Chair Dan Richardson, Commissioner Bob Armstrong, Commissioner Tuija Catalano, Commissioner Ted Meriam
Absent:	None
Staff:	Community Development Director David Woltering Assistant Planner Milan Sikela, Jr.

3C. **GPA 01-11, City of Clayton.** Update of the Growth Management Element (Section XI) of the Clayton General Plan.

Director Woltering presented the staff report. He indicated the update was being prepared to satisfy a Measure C and Measure J biennial checklist requirement to receive street maintenance funds.

Commission comments and questions included:

- Is there a way to impose a fee on communities that impact our streets when vehicular travel generated by other communities uses our roads? Director Woltering indicated that, yes, we address these impact issues through regional impact fees.
- What times do peak hour vehicle trips occur? Director Woltering indicated 7:00 a.m. to 9:00 a.m. and 4:00 p.m. to 6:00 p.m. are the time frames typically identified.
- Where is Washington Boulevard located? Assistant Planner Sikela indicated that it is the street that travels north from the Concord side of Clayton Road and travels northward across Clayton road into Clayton and is the main southern access point to Clayton Station.
- We are fortunate to have all of our street intersections operate at LOS "A".

There were no public comments.

Commissioner Armstrong moved and Vice Chair Richardson seconded a motion to recommend City Council approval of an update to the Clayton General Plan Growth Management Element. The motion passed 5-0.

Plng Comm\Minutes\2011\0426-excerpt-GME

CITY OF CLAYTON PLANNING COMMISSION
RESOLUTION NO. 03-11

RECOMMENDING CITY COUNCIL APPROVAL OF AN UPDATE TO THE CITY OF CLAYTON'S GENERAL PLAN GROWTH MANAGEMENT ELEMENT (GPA 01-11)

Whereas, for the purpose of complying with adopted Contra Costa Ballot Measures C and J and the related biennial checklist requirements of the Contra Costa Transportation Authority (CCTA) to receive the City's share of transportation funding related to those ballot measures, the City of Clayton was required to update its General Plan Growth Management Element (GME); and

Whereas, staff worked with Raney Planning & Management and the staff of CCTA to prepare the update to the GME in accordance with the requirements of applicable Measures C and J and CCTA; and

Whereas, the Planning Commission held a duly-noticed meeting on April 26, 2011 to review the updated GME; and

Whereas, the Planning Commission considered the public testimony and staff reports regarding the GME at the April 26, 2011 meeting; and

Whereas, the Planning Commission determined recommending City Council approval of the GME is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15061 (b) (3); would be in conformance with the Clayton General Plan; and that the public necessity, convenience, and general welfare would require approval of the GME update; and

Whereas, there is no evidence that the proposed GME update would have the potential for any individual or cumulative adverse impacts on fish and wildlife resources or their habitat, as defined in Section 711.2 of the Fish and Game Code.

Now, Therefore, Be it Resolved That:

Section 1. The Planning Commission, based on the previously stated citations, recommends City Council approval of the General Plan Growth Management Element.

Adopted by the Planning Commission on April 26, 2011.

APPROVED

Sandra Johnson
Sandra Johnson
Chair

ATTEST

David Woltering
David Woltering, AICP
Community Development Director

Attachment: Section XI Growth Management Element

Agenda Date: 5-17-11

Agenda Item: 9a

MYM

LAW OFFICES OF MIDDLETON, YOUNG & MINNEY, LLP

May 10, 2011

VIA E-MAIL
pm258@aol.com

Pat Middendorf
Clayton Valley Charter High School
1101 Alberta Way
Concord, CA 94521

Re: Legal Services Agreement

Dear Ms. Middendorf:

It was a pleasure speaking with you. In order to engage our firm's services, the Business and Professions Code requires the execution of a Legal Services Agreement. This agreement does not commit you to use our services, however, should the need arise it allows us to respond quickly to your needs. Please make two copies of the attached Legal Service Agreement, sign both copies, and retain one original for your records. In order to expedite this process, please forward the second original, along with the retainer in the amount of $2,500.00, in a Federal Express overnight letter using our account number which is 1044-4654-0.

Please visit our website at www.mymcharterlaw.com. We appreciate this opportunity and look forward to working with you.

Very truly yours,
LAW OFFICES OF MIDDLETON, YOUNG & MINNEY, LLP

Paul C. Minney
ATTORNEY AT LAW

Enclosure

MYM

LAW OFFICES OF MIDDLETON, YOUNG & MINNEY, LLP

AGREEMENT FOR THE PROVISION OF

LEGAL SERVICES

BY

MIDDLETON, YOUNG & MINNEY, LLP

1. **IDENTIFICATION OF PARTIES.** This Agreement, executed in duplicate with each party receiving an executed original, is made between the law office of MIDDLETON, YOUNG & MINNEY, LLP, hereinafter referred to as "Attorney," and CLAYTON VALLEY CHARTER HIGH SCHOOL, hereinafter referred to as "Client." This agreement is required by Business and Professions Code Section 6148 and is intended to fulfill the requirements of that section.

2. **LEGAL SERVICES TO BE PROVIDED.** ATTORNEYS agree to provide the following professional services upon request:

   a. Represent and advise CLIENT on those aspects of law as directed by the CLIENT;

   b. Prepare legal opinions regarding statutes, court decisions, legislation, and other legal issues;

   c. Represent the CLIENT before the courts, and other legal and administrative agencies;

   d. Assist CLIENT in legal matters relating to administration of the CLIENT;

   e. Perform such other duties as may be assigned by CLIENT in meeting its obligations under the law; and

   f. Other duties as assigned by CLIENT and acceptable to ATTORNEYS.

3. **RESPONSIBILITIES OF ATTORNEY AND CLIENT.** Attorney will perform the legal services called for under this Agreement, keep Client informed of progress and developments, and respond promptly to Client's inquiries and communications. Client will be truthful and cooperative with Attorney and keep Attorney reasonably informed of developments and of Client's address, telephone number, and whereabouts.

4. **DEPOSIT.** Client will forward a deposit of $2,500.00 to Attorney. Upon receipt of said monies, the deposit will be placed in a trust account, to be used to pay costs, expenses and fees incurred for legal services upon the commencement of this Legal Services Agreement up to the deposited amount. Client hereby authorizes Attorney to withdraw sums from the trust account to pay the costs and/or fees Client incurs upon commencement of this Legal Services Agreement. Any unused deposit at the conclusion of Attorney's services will be refunded to Client. Attorney has agreed to begin work for

701 UNIVERSITY AVENUE, SUITE 150 • SACRAMENTO, CA 95825 • T 916.646.1400 • F 916.646.1300

no more than three (3) hours on the incorporation of the Client prior to receipt of the deposit.

5. **ATTORNEY'S FEES.** Client agrees to pay Attorney fees of $195.00 an hour and $80.00 an hour for law clerks for the services provided under this Agreement. Attorney will charge in increments of 1/10th of an hour, rounded off for each particular activity to the nearest 1/10th of an hour. Attorney time will be itemized and billed on a monthly basis or sooner if a discernable project has been completed. The bills are due and owing upon receipt. Attorney rates may increase at any time and Client will be informed of any increase in writing. Any rate increase during this agreement will take effect 30 days after written notification to the Client.

   The minimum charge for any particular activity will be 1/10th of an hour. Attorney will charge for all activities undertaken in providing legal services to Client under this Agreement, including, but not limited to, the following: correspondence, attendance at meetings, review, revision and preparation of legal documents; legal research; telephone conversations; settlement discussions; and all other phases of administrative and judicial representation. This Agreement does not address fees for litigation, which may be determined on a case-by-case basis to be at a higher rate.

6. **COSTS.** Client further agrees to reimburse Attorney for all cost and expenses incurred by Attorney, for actual and necessary expenses and costs with respect to providing legal services including but not limited to costs of serving pleadings, filing fees and other charges assessed by courts and other public agencies, arbitrator's fees, court reporters' process server fees, fees fixed by law or assessed by courts or other agencies, postage, copies (@ .20 ¢ per page), facsimile transmissions (@ $1.00 per page) mailing, parking, mileage (@ .45 ¢ per mile), consultant fees, investigation expenses, lodging and reasonable travel expenses, consultants' fees and expert witness fees. Process server fees twenty cents (20¢) per page for copying and a dollar ($1) per page for facsimile transmissions. All fees and costs will be billed to the CLIENT as incurred by ATTORNEY on a monthly basis. When legal representation as provided for under this Agreement includes litigation, Client will bear costs for court filing fees, deposition costs, expert fees and expenses, investigation costs and process server fees, travel, photocopying, and facsimile charges. Client will be billed on a monthly basis for these costs. The bills are due and owing upon receipt. Attorney rates may increase at any time and Client will be informed of any increase in writing. Any rate increase during this agreement will take effect 30 days after written notification to the Client.

7. **REPRESENTATION OF ADVERSE INTERESTS.** Client is informed that the Rules of Professional Conduct of the State Bar of California require the Client's informed written consent before an attorney may begin or continue to represent the Client when the Attorney has or had a relationship with another party interested in the subject matter of the Attorney's proposed representation of the Client. Attorney is not aware of any relationship with any other party interested in the subject matter of Attorney's services for Client under this agreement. As long as Attorney's services for Client continue under this agreement, Attorney will not agree to provide legal services for any such party without Client's prior written consent.

8. **SETTLEMENT.** Attorney will not settle Client's claim without the approval of Client, who will have the absolute right to accept or reject any settlement. Attorney will notify Client promptly of the terms of any settlement offer received by Attorney.

9. **ATTORNEY'S LIEN.** Attorney will have a lien for attorney's fees and costs advanced on all claims and causes of action that are the subject of their representation of Client under this agreement and on all proceeds of any recovery obtained (whether by settlement, arbitration award, or court judgment).

10. **DISCHARGE OF ATTORNEY.** Client may discharge Attorney at any time by written notice effective when received by Attorney. Unless specifically agreed by Attorney and Client, Attorney will provide no further services and advance no further costs on Client's behalf after receipt of the notice. If Attorney is Client's attorney of record in any proceeding, Client will execute and return a substitution-of-attorney form immediately on its receipt from Attorney. Notwithstanding the discharge, Client will be obligated to pay attorney's fee for all services provided and to reimburse attorney out of the recovery for all costs advanced.

11. **WITHDRAWAL OF ATTORNEY.** Attorney may withdraw at any time as permitted under the Rules of Professional Conduct of the State Bar of California. The circumstances under which the Rules permit such withdrawal include, but are not limited to, the following: (a) The client consents; and (b) the client's conduct renders it unreasonably difficult for the attorney to carry out the employment effectively. Notwithstanding Attorney's withdrawal, Client will be obligated to pay attorney's fees for all services provided.

12. **RELEASE OF CLIENT'S PAPERS AND PROPERTY.** At the termination of services under this agreement, Attorney will release promptly to Client on request all of Client's papers and property. "Client's papers and property" include correspondence, deposition transcripts, exhibits, experts reports, legal documents, physical evidence, and other items reasonably necessary to Client's representation, whether Client has paid for them or not.

13. **DISCLAIMER OF GUARANTY.** Although Attorney may offer an opinion about possible results regarding the subject matter of this agreement, Attorney cannot guarantee any particular result. Client acknowledges that Attorney has made no promises about the outcome and that any opinion offered by Attorney in the future will not constitute a guaranty.

14. **ENTIRE AGREEMENT.** This agreement contains the entire agreement of the parties. No other agreement, statement, or promise made on or before the effective date of this agreement will be binding on the parties.

15. **SEVERABILITY.** If any provision of this agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and of the entire agreement will be severable and remain in effect.

16. **MODIFICATION.** This agreement may be modified by subsequent agreement of the parties only by an instrument in writing signed by both of them or an oral agreement to the extent that the parties carry it out.

17. **ARBITRATION OF FEE DISPUTE.** If a dispute arises between Attorney and Client regarding attorney's fees under this agreement and Attorney files suit in any court other than small claims court, Client will have the right to stay that suit by timely electing to arbitrate the dispute under Business and Professions Code sections 6200-6206, in which event Attorney must submit the matter to such arbitration.

18. **ATTORNEY'S FEES.** The prevailing party in any action or proceeding to enforce any provision of this agreement will be awarded reasonable attorney's fees and costs incurred in that action or proceeding or in efforts to negotiate the matter.

19. **EFFECTIVE DATE.** The effective date of this agreement is **May 10, 2011** or the date first signed below by Client and will automatically renew annually on the effective date.

20. **ERRORS AND OMISSIONS POLICY.** Client is informed that Attorney has errors and omissions insurance which covers the professional services that are to be rendered pursuant to this agreement.

21. **AUTHORIZATION**. By signing below Client certifies it has taken all actions necessary for approval of this Agreement by the governing body of Client.

22. **INDEPENDENT CONTRACTOR**. It is expressly understood and agreed to by both parties that ATTORNEYS, while carrying out and complying with any of the terms and conditions of this Agreement, is an independent contractor and is not an employee of the CLIENT.

The foregoing is agreed to by: **PAT MIDDENDORF**

DATE ____________________

____
Signature

MIDDLETON, YOUNG & MINNEY LLP

DATE 05/10/11

____
Paul C. Minney, Partner

CITY OF CLAYTON
Founded 1857 .. Incorporated 1964

Agenda Date: 5-17-11
Agenda Item: 9b

STAFF REPORT

Approved:

Gary A. Napper
City Manager/Executive Director

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: RICK ANGRISANI, CITY ENGINEER

DATE: MAY 17, 2011

SUBJECT: CONSIDERATION OF A RESOLUTION AWARDING A CONTRACT TO GHILOTTI BROS. INC. IN THE AMOUNT OF $658,027.15 FOR THE CONSTRUCTION OF THE COMMUNITY PARK PARKING LOT EXPANSION, CIP PROJECT NO. 10413.

RECOMMENDATION

Adopt a Resolution awarding contract to Ghilotti Bros., Inc. and allocating additional City funds as needed.

BACKGROUND

On May 4th, staff opened bids for the above project. We received a total of five bids as follows:

#	Bidder	Bid
1	Ghilotti Bros., Inc.	$658,027.15
2	Grade Tech, Inc.	$662,512.90
3	Ghilotti Construction Co., Inc	$688,569.00*
4	Carone & Company	$693,540.00
5	Hess Concrete Const.	$710,019.00

Note: Ghilotti Construction intended to bid $662,919.00. However, an error on their bid sheet caused the bid to be much higher.

The Engineer's Estimate for the work was $640,000.

In addition to the actual parking lot construction, NPDES mandates require the installation of storm water treatment facilities (filtration planters) which necessitate the construction of below-grade retaining walls along the playfields and fencing to protect the users of the playfields. The project also includes new LED parking lot lighting fixtures and replaces the light fixtures in the existing parking lot with LED fixtures. Finally, the project includes the installation of a lighted monument entry sign at the Gym Court driveway and construction of a new larger picnic area adjacent to the existing parking lot.

Total Project Costs and Funding

To date, the City has expended approximately $99,000 for project design, environmental studies, soils investigation and staff time dealing with Mt. Diablo School District to obtain an access easement to the joint use Gym Court driveway.

The total anticipated project costs (rounded) are as follows:

Cost to Date	$99,000
Construction Contract	658,000
5% Construction Contingency	33,000
Construction Staking	15,000
Soils & Materials Testing	5,000
Inspection/Administration	40,000
Total Project Cost	**$850,000**

The City submitted a timely application to the East Bay Regional Parks District for our $492,883 in Measure WW per capita grant funds. Final approval of the grant is expected around the first of June. In order to complete the project, the City will need to provide an additional $358,000 in funds.

Assuming the Council will wish to proceed with the Project, Staff recommends the supplemental funds be allocated from the CIP Budget interest earnings account.

Construction Cost Analysis

Staff reviewed the various construction items and costs in an attempt to reduce the total project costs. The costs for various items of work are approximated in the following table:

Item	Description	Cost
1) Pre-demolition	Installing new irrigation mains to serve lower fields	$56,000
2) Demolition	Includes salvaging various facilities (arbor, tables, etc.)	34,000
3) Earthwork	Includes disposal of excess material	52,000
4) Storm water Treatment	Includes planters, retaining walls, drainage and fencing	91,000
5) Concrete Work	Includes new picnic pad ($20,700)	42,000
6) Paving	Includes parking area and pathway	132,000
7) Signing and striping		14,000

8) Lighting		50,000
9) Irrigation		61,000
10) Planting		60,000
11) Miscellaneous	Split rail fence	17,000
	Monument sign	5,000
	Concrete Pavers	15,000
	Rock trail along Marsh Creek Rd. SW	14,000
	Reinstall Salvaged Items	8,000

Staff found that aside from the actual parking lot construction itself, most of the items listed above are elements required by the State (stormwater treatment) or as environmental mitigations (split rail fencing, landscaping, etc.). The only "optional" items are the lighting ($50,000), monument sign ($5,000), and the new picnic area with re-installed items ($29,000).

Staff does not recommend the removal of any of these items.

FISCAL IMPACT

With the Measure WW grant of approximately $492,000, the City must allocate $358,000 in order for this project to be awarded and constructed.

Therefore, Staff recommends the City Council allocate $358,000 from the CIP Budget interest earnings account in order to not impact the City's General Fund. The Finance Manager indicates sufficient funds exist for this capital improvement project purpose.

CONCLUSION

Based upon the above, Staff recommends the City Council approve the attached Resolution awarding a contract in the amount of $658,027.15 for the Community Park Parking Lot Expansion Project to Ghilotti Bros., Inc. It is further recommended the Council order the transfer of additional funding in the amount of $358,000 from the CIP Budget interest earnings account.

Attachments: Bid Item Breakdown
Council Resolution
Contract

CITY OF CLAYTON				Ghilotti Bros., Inc.		GradeTech, Inc.		Ghilotti Construction Co., Inc.		Carone & Company, Inc.		Hess Concrete Construction Co.	
Community Park Parking Lot Expansion (CIP 10413)				525 Jacoby Street		P.O. Box 1728		246 Ghilotti Avenue		5009 Forni Drive, Suite A		4401 Hess Drive	
CONTRACTORS BID TOTALS				San Rafael, CA 94901		San Ramon, CA 94583		Santa Rosa, CA 95407		Concord, CA 94520		American Canyon, CA 94503	
No.	**Item Description**	**Quantity**	**Unit**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**
	Pre-Demolition Work												
1	Temporary Chain Link Fencing	1,900	LF	$ 6.50	$ 12,350.00	$ 1.50	$ 2,850.00	$ 2.00	$ 3,800.00	$ 2.00	$ 3,800.00	$ 4.00	$ 7,600.00
2	Install Irrigation Controller	1	EA	$ 2,000.00	$ 2,000.00	$ 11,750.00	$ 11,750.00	$ 2,000.00	$ 2,000.00	$ 2,200.00	$ 2,200.00	$ 2,400.00	$ 2,400.00
3	Install Wireway	1	EA	$ 6,400.00	$ 6,400.00	$ 11,700.00	$ 11,700.00	$ 900.00	$ 900.00	$ 7,000.00	$ 7,000.00	$ 1,000.00	$ 1,000.00
4	Install 4" PVC Irrigation Main	516	LF	$ 14.40	$ 7,430.40	$ 3.50	$ 1,806.00	$ 14.00	$ 7,224.00	$ 15.00	$ 7,740.00	$ 11.00	$ 5,676.00
5	Install 1-1/2" PVC Irrigation Lateral	14	LF	$ 9.85	$ 137.90	$ 1.40	$ 19.60	$ 10.00	$ 140.00	$ 10.00	$ 140.00	$ 5.00	$ 70.00
6	Install 1-1/4" PVC Irrigation Lateral	180	LF	$ 8.15	$ 1,457.00	$ 0.80	$ 144.00	$ 10.00	$ 1,800.00	$ 8.00	$ 1,440.00	$ 5.00	$ 900.00
7	Install 1" Irrigation Lateral	54	LF	$ 6.40	$ 345.60	$ 0.75	$ 40.50	$ 10.00	$ 540.00	$ 6.00	$ 324.00	$ 5.00	$ 270.00
8	Install Remote Control Valve & Box	2	EA	$ 750.00	$ 1,500.00	$ 550.00	$ 1,100.00	$ 360.00	$ 720.00	$ 800.00	$ 1,600.00	$ 400.00	$ 800.00
9	Install 3" Gate Valve (NIBCO) & Box	3	EA	$ 680.00	$ 2,040.00	$ 300.00	$ 900.00	$ 600.00	$ 1,800.00	$ 700.00	$ 2,100.00	$ 600.00	$ 1,800.00
10	Install 4" Gate Valve (NIBCO) & Box	1	EA	$ 930.00	$ 930.00	$ 400.00	$ 400.00	$ 700.00	$ 700.00	$ 40.00	$ 40.00	$ 700.00	$ 700.00
11	Install 4" Gate Valve (MATCO) & Box	3	EA	$ 650.00	$ 1,950.00	$ 400.00	$ 1,200.00	$ 600.00	$ 1,800.00	$ 700.00	$ 2,100.00	$ 600.00	$ 1,800.00
12	Install 4" PVC Sleeve	40	LF	$ 40.00	$ 1,600.00	$ 8.00	$ 320.00	$ 22.00	$ 880.00	$ 40.00	$ 1,600.00	$ 8.00	$ 320.00
13	Install 6" PVC Sleeve	40	LF	$ 47.00	$ 1,880.00	$ 15.00	$ 600.00	$ 22.00	$ 880.00	$ 50.00	$ 2,000.00	$ 15.00	$ 600.00
14	Install Rectangular Wire Splice Box	2	EA	$ 125.00	$ 250.00	$ 50.00	$ 100.00	$ 75.00	$ 150.00	$ 125.00	$ 250.00	$ 80.00	$ 160.00
15	Install Hunter I-40 Rotor Head	10	EA	$ 130.00	$ 1,300.00	$ 35.00	$ 350.00	$ 75.00	$ 750.00	$ 130.00	$ 1,300.00	$ 70.00	$ 700.00
16	Install Quick Coupler	2	EA	$ 265.00	$ 530.00	$ 25.00	$ 50.00	$ 120.00	$ 240.00	$ 275.00	$ 550.00	$ 120.00	$ 240.00
17	Other Pre-Demolition Work	1	LS	$ 13,500.00	$ 13,500.00	$ 500.00	$ 500.00	$ 2,000.00	$ 2,000.00	$ 2,500.00	$ 2,500.00	$ 7,000.00	$ 7,000.00
SUBTOTAL PRE-DEMOLITION WORK >>>>>					$ 55,610.90		$ 33,830.10		$ 26,324.00		$ 36,684.00		$ 32,036.00
No.	**Item Description**	**Quantity**	**Unit**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**
	Miscellaneous												
18	Demolition	1	LS	$ 34,000.00	$ 34,000.00	$ 35,000.00	$ 35,000.00	$ 30,000.00	$ 30,000.00	$ 45,000.00	$ 45,000.00	$ 60,000.00	$ 60,000.00
19	Earthwork	1	LS	$ 51,600.00	$ 51,600.00	$ 132,000.00	$ 132,000.00	$ 120,000.00	$ 120,000.00	$ 136,800.00	$ 136,800.00	$ 164,000.00	$ 164,000.00
20	Construct Retaining Walls	801	SF	$ 48.00	$ 38,448.00	$ 125.00	$ 100,125.00	$ 50.00	$ 40,050.00	$ 25.00	$ 20,025.00	$ 60.00	$ 48,060.00
21	Construct Filtration Planters	1,540	SF	$ 13.25	$ 20,405.00	$ 10.00	$ 15,400.00	$ 23.00	$ 35,420.00	$ 12.50	$ 19,250.00	$ 17.00	$ 26,180.00
22	Construct 42" High Chain Link Fence	88	LF	$ 41.00	$ 3,608.00	$ 39.00	$ 3,432.00	$ 39.00	$ 3,432.00	$ 42.50	$ 3,740.00	$ 39.00	$ 3,432.00
23	Construct 72" High Chain Link Fence	420	LF	$ 22.00	$ 9,240.00	$ 20.00	$ 8,400.00	$ 20.00	$ 8,400.00	$ 41.50	$ 17,430.00	$ 21.00	$ 8,820.00
24	Construct Split Rail Fence	560	LF	$ 31.00	$ 17,360.00	$ 30.00	$ 16,800.00	$ 30.00	$ 16,800.00	$ 46.00	$ 25,760.00	$ 30.00	$ 16,800.00
25	Construct Monument Sign	1	LS	$ 5,250.00	$ 5,250.00	$ 10,000.00	$ 10,000.00	$ 9,000.00	$ 9,000.00	$ 3,050.00	$ 3,050.00	$ 9,000.00	$ 9,000.00
26	Reinstall Salvaged and Relocated Items (Arbor, Picnic Tables, BBQ, Bike Rack, Signs, etc.)	1	LS	$ 8,000.00	$ 8,000.00	$ 16,000.00	$ 16,000.00	$ 7,000.00	$ 7,000.00	$ 5,450.00	$ 5,450.00	$ 14,000.00	$ 14,000.00
27	Construct Concrete Pavers	1,500	SF	$ 10.00	$ 15,000.00	$ 18.00	$ 27,000.00	$ 13.00	$ 19,500.00	$ 20.00	$ 30,000.00	$ 12.00	$ 18,000.00
28	Construct Rock Trail	2,560	SF	$ 5.50	$ 14,080.00	$ 5.00	$ 12,800.00	$ 10.00	$ 25,600.00	$ 4.00	$ 10,240.00	$ 4.00	$ 10,240.00
SUBTOTAL MISCELLANEOUS >>>>>					$ 216,991.00		$ 376,957.00		$ 315,202.00		$ 316,745.00		$ 378,532.00
No.	**Item Description**	**Quantity**	**Unit**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**
	Storm Drainage												
29	Install Filtration Planter Overflow Catch Basin (Christy U21)	3	EA	$ 1,400.00	$ 4,200.00	$ 1,000.00	$ 3,000.00	$ 400.00	$ 1,200.00	$ 500.00	$ 1,500.00	$ 1,400.00	$ 4,200.00
30	Install Christy V64 Drain Box	5	EA	$ 1,200.00	$ 6,000.00	$ 5,000.00	$ 25,000.00	$ 300.00	$ 1,500.00	$ 500.00	$ 2,500.00	$ 1,200.00	$ 6,000.00
31	Install 8" PVC Storm Drain	211	LF	$ 28.50	$ 6,013.50	$ 20.00	$ 4,220.00	$ 35.00	$ 7,385.00	$ 30.00	$ 6,330.00	$ 25.00	$ 5,275.00
32	Install 3" x 5" Rectangular Steel Pipe	14	LF	$ 150.00	$ 2,100.00	$ 100.00	$ 1,400.00	$ 100.00	$ 1,400.00	$ 150.00	$ 2,100.00	$ 100.00	$ 1,400.00
33	Install Curb-o-let Thru Curb Drain	2	EA	$ 310.00	$ 620.00	$ 200.00	$ 400.00	$ 150.00	$ 300.00	$ 150.00	$ 300.00	$ 140.00	$ 280.00
34	Reconstruct Existing Catch Basin Top	1	EA	$ 1,550.00	$ 1,550.00	$ 2,000.00	$ 2,000.00	$ 1,500.00	$ 1,500.00	$ 1,500.00	$ 1,500.00	$ 2,000.00	$ 2,000.00
35	Install 4" PVC Sleeve	40	LF	$ 19.00	$ 760.00	$ 20.00	$ 800.00	$ 25.00	$ 1,000.00	$ 50.00	$ 2,000.00	$ 8.00	$ 320.00
SUBTOTAL STORM DRAINAGE >>>>>					$ 21,243.50		$ 36,820.00		$ 14,285.00		$ 16,330.00		$ 19,475.00
No.	**Item Description**	**Quantity**	**Unit**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**
	Concrete Work												
36	Construct Curb	126	LF	$ 29.00	$ 3,654.00	$ 20.00	$ 2,520.00	$ 25.00	$ 3,150.00	$ 21.00	$ 2,646.00	$ 19.00	$ 2,394.00
37	Construct Curb & Gutter	52	LF	$ 39.00	$ 2,028.00	$ 20.00	$ 1,040.00	$ 35.00	$ 1,820.00	$ 23.00	$ 1,196.00	$ 30.00	$ 1,560.00
38	Construct Valley Gutter	683	SF	$ 17.25	$ 11,781.75	$ 8.00	$ 5,464.00	$ 10.00	$ 6,830.00	$ 8.00	$ 5,464.00	$ 7.00	$ 4,781.00
39	Construct Handicap Ramp	1	EA	$ 1,950.00	$ 1,950.00	$ 1,800.00	$ 1,800.00	$ 2,000.00	$ 2,000.00	$ 1,050.00	$ 1,050.00	$ 1,365.00	$ 1,365.00
40	Construct Alternate Handicap Ramp	1	EA	$ 1,950.00	$ 1,950.00	$ 1,800.00	$ 1,800.00	$ 2,000.00	$ 2,000.00	$ 1,600.00	$ 1,600.00	$ 1,435.00	$ 1,435.00
41	Construct Concrete Pad	1	LS	$ 20,700.00	$ 20,700.00	$ 13,000.00	$ 13,000.00	$ 18,000.00	$ 18,000.00	$ 15,000.00	$ 15,000.00	$ 11,650.00	$ 11,650.00
SUBTOTAL CONCRETE WORK >>>>>					$ 42,063.75		$ 25,624.00		$ 33,000.00		$ 26,956.00		$ 23,185.00
No.	**Item Description**	**Quantity**	**Unit**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**
	Asphalt Paving												
42	Construct 3" A.C. on 8" A.B.	16,120	SF	$ 3.60	$ 58,032.00	$ 2.80	$ 45,136.00	$ 3.50	$ 56,420.00	$ 2.75	$ 44,330.00	$ 3.20	$ 51,584.00
43	Construct 2" A.C. on 6" A.B.	16,120	SF	$ 3.30	$ 53,196.00	$ 1.80	$ 29,016.00	$ 3.00	$ 48,360.00	$ 2.50	$ 40,300.00	$ 2.80	$ 45,136.00
44	Construct 2" A.C. on 4" A.B.	3,452	SF	$ 6.00	$ 20,712.00	$ 1.60	$ 5,523.20	$ 4.50	$ 15,534.00	$ 3.50	$ 12,082.00	$ 4.00	$ 13,808.00
SUBTOTAL ASPHALT PAVING >>>>>					$ 131,940.00		$ 79,675.20		$ 120,314.00		$ 96,712.00		$ 110,528.00
No.	**Item Description**	**Quantity**	**Unit**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**
	Lighting												
45	Install Parking Area Light	4	EA	$ 8,400.00	$ 33,600.00	$ 5,800.00	$ 23,200.00	$ 7,000.00	$ 28,000.00	$ 9,000.00	$ 36,000.00	$ 8,500.00	$ 34,000.00
46	Install Sign Light	2	EA	$ 3,000.00	$ 6,000.00	$ 2,000.00	$ 4,000.00	$ 2,000.00	$ 4,000.00	$ 2,000.00	$ 4,000.00	$ 1,100.00	$ 2,200.00
47	Install LED Fixture	8	EA	$ 1,300.00	$ 10,400.00	$ 1,250.00	$ 10,000.00	$ 1,250.00	$ 10,000.00	$ 1,100.00	$ 8,800.00	$ 1,200.00	$ 9,600.00
SUBTOTAL LIGHTING >>>>>					$ 50,000.00		$ 37,200.00		$ 42,000.00		$ 48,800.00		$ 45,800.00
No.	**Item Description**	**Quantity**	**Unit**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**
	Striping and Signing												
48	Parking Stall Stripes	1,620	LF	$ 3.00	$ 4,860.00	$ 0.95	$ 1,539.00	$ 3.00	$ 4,860.00	$ 2.00	$ 3,240.00	$ 0.95	$ 1,539.00
49	"No Parking" Striping and Wording	3	EA	$ 125.00	$ 375.00	$ 280.00	$ 840.00	$ 125.00	$ 375.00	$ 275.00	$ 825.00	$ 280.00	$ 840.00
50	Handicap Symbol Pavement Marking	6	EA	$ 300.00	$ 1,800.00	$ 360.00	$ 2,160.00	$ 300.00	$ 1,800.00	$ 5.00	$ 30.00	$ 360.00	$ 2,160.00
51	Paint Red Curb	24	EA	$ 3.00	$ 72.00	$ 2.00	$ 48.00	$ 3.00	$ 72.00	$ 1.00	$ 24.00	$ 2.00	$ 48.00
52	Arrow Pavement Marking	5	EA	$ 45.00	$ 225.00	$ 75.00	$ 375.00	$ 45.00	$ 225.00	$ 50.00	$ 250.00	$ 75.00	$ 375.00
53	No Parking Sign (Detail 3/12)	8	EA	$ 210.00	$ 1,680.00	$ 210.00	$ 1,680.00	$ 200.00	$ 1,600.00	$ 300.00	$ 2,400.00	$ 210.00	$ 1,680.00
54	Disabled Parking ID Sign (Detail 4/12)	4	EA	$ 190.00	$ 760.00	$ 240.00	$ 960.00	$ 200.00	$ 800.00	$ 300.00	$ 1,200.00	$ 240.00	$ 960.00
55	Disabled Access Authorization Sign (Detail 2/12)	1	EA	$ 200.00	$ 200.00	$ 250.00	$ 250.00	$ 200.00	$ 200.00	$ 300.00	$ 300.00	$ 250.00	$ 250.00
56	Van Accessible Sign (Detail 5/12)	3	EA	$ 125.00	$ 375.00	$ 250.00	$ 750.00	$ 125.00	$ 375.00	$ 300.00	$ 900.00	$ 250.00	$ 750.00
57	Do Not Climb Sign (Detail 10/12)	2	EA	$ 125.00	$ 250.00	$ 250.00	$ 500.00	$ 125.00	$ 250.00	$ 300.00	$ 600.00	$ 250.00	$ 500.00
58	Install Funding Sign	1	EA	$ 500.00	$ 500.00	$ 500.00	$ 500.00	$ 750.00	$ 750.00	$ 500.00	$ 500.00	$ 245.00	$ 245.00
59	Precast Concrete Parking Bumper	95	EA	$ 30.00	$ 2,850.00	$ 30.00	$ 2,850.00	$ 300.00	$ 28,500.00	$ 20.00	$ 1,900.00	$ 30.00	$ 2,850.00
SUBTOTAL STRIPING AND SIGNING >>>>>					$ 13,947.00		$ 12,452.00		$ 39,807.00		$ 12,169.00		$ 12,197.00
No.	**Item Description**	**Quantity**	**Unit**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**
	Planting												
60	Install 24" Box Tree	18	EA	$ 440.00	$ 7,920.00	$ 260.00	$ 4,680.00	$ 225.00	$ 4,050.00	$ 500.00	$ 9,000.00	$ 225.00	$ 4,050.00
61	Install 15 Gallon Shrub	41	EA	$ 173.00	$ 7,093.00	$ 88.00	$ 3,608.00	$ 125.00	$ 5,125.00	$ 200.00	$ 8,200.00	$ 125.00	$ 5,125.00
62	Install 5 Gallon Shrub	1,144	EA	$ 27.00	$ 30,888.00	$ 21.00	$ 24,024.00	$ 27.00	$ 30,888.00	$ 30.00	$ 34,320.00	$ 27.00	$ 30,888.00
63	Install 1 Gallon Groundcover - 3' O.C. Spacing	2,252	SF	$ 3.00	$ 6,756.00	$ 0.70	$ 1,576.40	$ 3.00	$ 6,756.00	$ 3.00	$ 6,756.00	$ 1.50	$ 3,378.00
64	Install 1 Gallon Groundcover - 2' O.C. Spacing	872	SF	$ 6.60	$ 5,755.20	$ 2.20	$ 1,918.40	$ 7.00	$ 6,104.00	$ 7.00	$ 6,104.00	$ 3.00	$ 2,616.00
65	Plant Establishment Period	1	LS	$ 1,500.00	$ 1,500.00	$ 6,000.00	$ 6,000.00	$ 1,200.00	$ 1,200.00	$ 3,500.00	$ 3,500.00	$ 1,200.00	$ 1,200.00
SUBTOTAL PLANTING >>>>>					$ 59,912.20		$ 41,806.80		$ 54,123.00		$ 67,880.00		$ 47,257.00
No.	**Item Description**	**Quantity**	**Unit**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**	**Unit Cost**	**Amount**
	Irrigation												
66	Install 4" PVC Irrigation Main	190	LF	$ 14.00	$ 2,660.00	$ 3.40	$ 646.00	$ 6.00	$ 1,140.00	$ 15.00	$ 2,850.00	$ 6.00	$ 1,140.00
67	Install 3" PVC Irrigation Main	327	LF	$ 11.40	$ 3,727.80	$ 2.30	$ 752.10	$ 6.00	$ 1,962.00	$ 12.00	$ 3,924.00	$ 5.00	$ 1,635.00
68	Install 2" PVC Irrigation Lateral	246	LF	$ 11.00	$ 2,706.00	$ 1.40	$ 344.40	$ 6.00	$ 1,476.00	$ 12.00	$ 2,952.00	$ 4.50	$ 1,107.00
69	Install 1-1/2" PVC Irrigation Lateral	506	LF	$ 9.50	$ 4,807.00	$ 1.00	$ 506.00	$ 6.00	$ 3,036.00	$ 10.00	$ 5,060.00	$ 4.50	$ 2,277.00
70	Install 1-1/4" PVC Irrigation Lateral	744	LF	$ 7.80	$ 5,803.20	$ 0.80	$ 595.20	$ 4.00	$ 2,976.00	$ 8.00	$ 5,952.00	$ 4.50	$ 3,348.00
71	Install 1" Irrigation Lateral	1,828	LF	$ 6.10	$ 11,150.80	$ 0.70	$ 1,279.60	$ 4.00	$ 7,312.00	$ 7.00	$ 12,796.00	$ 4.00	$ 7,312.00
72	Install 3/4" Irrigation Lateral	1,853	LF	$ 6.00	$ 11,118.00	$ 0.50	$ 926.50	$ 4.00	$ 7,412.00	$ 6.00	$ 11,118.00	$ 4.00	$ 7,412.00
73	Install Remote Control Valve & Box	11	EA	$ 720.00	$ 7,920.00	$ 145.00	$ 1,595.00	$ 370.00	$ 4,070.00	$ 800.00	$ 8,800.00	$ 400.00	$ 4,400.00
74	Install 3" Gate Valve (NIBCO) & Box	1	EA	$ 650.00	$ 650.00	$ 600.00	$ 600.00	$ 600.00	$ 600.00	$ 700.00	$ 700.00	$ 600.00	$ 600.00
75	Install Rainbird Nozzle with 6" Body	107	EA	$ 39.00	$ 4,173.00	$ 36.00	$ 3,852.00	$ 30.00	$ 3,210.00	$ 42.00	$ 4,494.00	$ 27.00	$ 2,889.00
76	Install Rainbird Nozzle with 12" Body	37	EA	$ 41.00	$ 1,517.00	$ 23.00	$ 851.00	$ 30.00	$ 1,110.00	$ 44.00	$ 1,628.00	$ 27.00	$ 999.00
77	Install Hunter MP1000 Nozzle with 12" Body	132	EA	$ 45.00	$ 5,940.00	$ 29.00	$ 3,828.00	$ 40.00	$ 5,280.00	$ 50.00	$ 6,600.00	$ 38.00	$ 5,016.00
78	Install Hunter MP2000 Nozzle with 12" Body	32	EA	$ 45.00	$ 1,440.00	$ 30.00	$ 960.00	$ 40.00	$ 1,280.00	$ 50.00	$ 1,600.00	$ 38.00	$ 1,216.00
79	Install Rainbird Bubbler	59	EA	$ 33.00	$ 1,947.00	$ 13.00	$ 767.00	$ 25.00	$ 1,475.00	$ 35.00	$ 2,065.00	$ 22.00	$ 1,298.00
80	Install Quick Coupler	3	EA	$ 253.00	$ 759.00	$ 215.00	$ 645.00	$ 125.00	$ 375.00	$ 275.00	$ 825.00	$ 120.00	$ 360.00
SUBTOTAL IRRIGATION >>>>>					$ 66,318.80		$ 18,147.80		$ 42,714.00		$ 71,364.00		$ 41,009.00
BASE BID GRAND TOTAL >>>>>					$ 658,027.15		$ 662,512.90		$ 688,569.00		$ 693,540.00		$ 710,019.00

RESOLUTION NO.

A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A CONTRACT IN THE AMOUNT OF $658,027.15 WITH GHILOTTI BROS., INC. FOR THE COMMUNITY PARK PARKING LOT EXPANSION PROJECT AND ALLOCATING ADDITIONAL CIP BUDGET FUNDS TO AUGMENT PROJECT FUNDING CIP PROJECT NO. 10413

THE CITY COUNCIL
City of Clayton, California

WHEREAS, the City Council approved a Capital Improvement Program Budget for FY 2010/11 which included a Community Park Parking Lot Expansion Project (No. 10413); and

WHEREAS, the City Engineer prepared plans and specifications and advertised an invitation for bids as required by the Public Contract Code; and

WHEREAS, sealed bids were publicly opened on May 4, 2011; and

WHEREAS, Ghilotti Bros., Inc. submitted a low bid of $658,027.15; and

WHEREAS, the City Engineer has reviewed Ghilotti Bros., Inc.'s bid, found it to be responsive in all respects, and has recommended awarding the contract to Ghilotti Bros., Inc.; and

WHEREAS, further project funds are necessary beyond per capita grant funds for project award.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Clayton, California does hereby name Ghilotti Bros., Inc. as responsible low bidder on CIP No. 10413 and does herein authorize its Mayor to execute the contract for the Community Park Parking Lot Expansion Project on behalf of the City; and

BE IT FURTHER RESOLVED the City Council does hereby appropriate and allocate $358,000 in interest earnings from its Capital Improvement Project Budget to CIP No. 10413.

PASSED, APPROVED and ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 17th day of May 2011 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

____
David T. Shuey, Mayor

ATTEST:

____
Laci J. Jackson, City Clerk

I hereby certify that the foregoing resolution was duly and regularly passed by the City Council of the City of Clayton at a regular meeting held on May 17, 2011.

____
Laci J. Jackson, City Clerk

EXHIBIT A

CITY OF CLAYTON
CALIFORNIA

CITY CONTRACT NO. E 11-1

COMMUNITY PARK PARKING LOT EXPANSION PROJECT (CIP #10413)

THIS CONTRACT, made and entered, into this ____day of __________, 2011, between the **CITY OF CLAYTON** (hereinafter called "City"), and **GHILOTTI BROS., INC.** (hereinafter called "Contractor").

WITNESSETH

WHEREAS, the City has awarded a contract to Contractor for performing the work hereinafter mentioned in accordance with the Contractor's sealed proposal therefore;

NOW, THEREFORE, IT IS AGREED, as follows:

1. **Scope of Work:** The Contractor shall perform all the work, and furnish all the labor, materials, equipment, and all the utility and transportation services required to complete all of the public improvements portion of the improvements more particularly described in those certain specification and proposal forms, **"COMMUNITY PARK PARKING LOT EXPANSION PROJECT (CIP #10413)"**, dated March, 2011.

2. **Time of Performance and Liquidated Damages:** The Contractor shall begin work as stated in Section G-3 of these specifications and shall diligently prosecute the same to completion before the expiration of the working days as stated in the specifications.

The City has determined, that in the event the Contractor does not complete the work within the time limit so specified or within such further time as said City shall have authorized, the Contractor shall pay to the City liquidated damages in the amount of NINETEEN HUNDRED DOLLARS ($1,900.00) per day for each and every calendar day's delay in finishing the work beyond the completion and liquidated damages are set forth in the specification and contract documents, which provisions are hereby referred to and incorporated herein by this reference.

3. **Payments:** Payments under this Contract shall be for those public improvements set forth in the project plans, these special provisions and all the Standard Specifications and Standard Plans. Based upon the unit prices set forth in the Contractor's proposal, and Exhibit A attached hereto, the estimated price of this Contract is **$658,027.15**. Payments will be made by the City to the Contractor for the work performed, including all labor, material, equipment, and utility and transportation services, to complete said public improvements, at the times and in a manner provided in the specifications, and at the unit prices stated in Contractor's proposal. For all moneys to be withheld by the City, the Contractor may, at his request and expense, substitute securities, equivalent to the amount to be withheld, in the form and manner and subject to the conditions provided in Section 22300 of the Public Contract Code.

4. **Component Parts:** This Contract shall consist of the following documents, each of which is on file in the office of the City Clerk and all of which are incorporated herein and made a part hereof by this reference thereto;

a. This Contract
b. Notice Inviting Sealed Proposals
c. Contractor's Proposal
d. Faithful Performance Bond
e. Labor and Material (Payment) Bond
f. General Conditions
g. Special Provisions
h. Standard Specifications
i. Standard Plans
j. Plans and Detailed Drawings

5. **Wage Scale:** The City has obtained from the Director of Department of Industrial Relations the general prevailing rate of per diem wages and the general prevailing rate for holidays and overtime work for each craft, classification or type of workman required to execute this Contract. A copy of said prevailing rate of per diem wages is on file in the office of the City Engineer, to which reference is hereby made for further particulars. The prevailing rate of per diem wages will be made available to any interested party upon request, and a copy thereof shall be posted by the Contractor at the job site. The Contractor shall comply with the provisions of Article 2, Chapter 1, Part 7, Division 2 (commencing with Section 1770) of the California Labor Code, and particularly Sections 1775 and 1776 thereof.

6. **Hours of Labor:** The Contractor shall forfeit, as penalty to the City, Fifty dollars ($50.00) for each worker employed in the execution of the Contract by him or by any subcontractor, for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, if the Contractor is in violation of the provisions of Article 3, Chapter 1, Part 7, Division 2 (commencing with Section 1810) of Labor Code.

7. **Apprentices:** The Contractor shall be responsible for compliance with provisions of Labor Code Section 1777.5 for all apprenticeable occupations. In accordance with the provisions of said Section 1777.5, and in accordance with the rules and procedures of the California Apprenticeship Council, properly indentured apprentices shall be employed in the prosecution of the work. The ratio of apprentices to journeymen who shall be employed in the respective crafts or trades may be the ratio stipulated in the contract under which the apprenticeship committee operates, but in no event shall the ratio be less than one apprentice for each five journeymen, except as otherwise provided pursuant to said Section 1777.5. Willful failure by the Contractor to comply with said Section 1777.5 shall result in his being denied the right to bid on a public works contract for a period of one year from the date the determination of noncompliance is made by the Administrator of Apprenticeship and the imposition of civil penalties, as more particularly set forth in Section 1777.7 of said Labor Code.

Information relative to the number of apprentice standards, wage schedules, and other requirements shall be obtained from the Director of the Department of Industrial Relations, ex officio the

Administrator of Apprenticeship, San Francisco, California, or from the division of Apprenticeship Standards and its branch offices.

8. **<u>Labor Discrimination:</u>** Attention is directed to Section 1735 of said Labor Code, which reads as follows:

> "No discrimination shall be made in the employment of persons upon public works because of the race, religious creed, color, national origin or ancestry, physical handicap, medical condition, marital status or sex of each persons, except as provided in Section 12940 of the Government Code, and section is subject to all the penalties imposed for a violation of this chapter."

9. **<u>Worker's Compensation Insurance:</u>** In accordance with the provisions of Article 5, Chapter 1, Part 7, Division 2 (commencing with Section 1860) and Chapter 4, Part 1, Division 4 (commencing with Section 3700 of said Labor Code), the Contractor is required to secure the payment of compensation to his employees and shall for that purpose obtain and keep in effect adequate Worker's Compensation Insurance.

By execution hereof, the undersigned Contractor certifies that he is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and performance of the work of this contract.

10.**<u>Ineligible Contractors:</u>** Contractor is expressly prohibited from employing any "ineligible subcontractors" (as defined in Labor Code Section 1777.1) on the project described herein.

11.**<u>Attorneys' Fees</u>**: In the event that the City is required to bring legal action against Contractor related to this agreement, the City, if determined to be the prevailing party, shall be entitled to recover its attorney's fees from Contractor.

IN WITNESS WHEREOF, the parties have caused these presents to be executed by their respective officers, thereunto duly authorized, all as of the day and year first above written.

CITY OF CLAYTON	**GHILOTTI BROS., INC.**
By: ______________________ **Mayor**	**By:** ______________________
	By: ______________________ **"Contractor"**
Attest: ______________________ **By: City Clerk**	______________________ **Street Address**
	______________________ **City**
Approved as to Form & Procedure	______________________ **Mailing Address (if different)**
______________________ **City Attorney**	______________________ **P.O. Box**
	______________________ **City**
	______________________ **Contact Person**
	______________________ **Telephone Number**
	______________________ **Federal Tax I.D. Number**

EXHIBIT A

CLAYTON COMMUNITY PARK PARKING LOT EXPANSION PROJECT					
Item #	**Description**	**Quantity**	**Unit**	**Unit Price**	**Total**
	PRE-DEMOLITION WORK				
1	Temporary Chain Link Fencing	1,900	LF	$6.50	
2	Install Irrigation Controller	1	EA	2,000.00	
3	Install Wireway	1	EA	6,400.00	
4	Install 4" PVC Irrigation Main	516	LF	14.40	
5	Install 1-1/2" PVC Irrigation Lateral	14	LF	9.85	
6	Install 1-1/4" PVC Irrigation Lateral	180	LF	8.15	
7	Install 1" PVC Irrigation Lateral	54	LF	6.40	
8	Install Remote Control Valve & Box	2	EA	750.00	
9	Install 3" Gate Valve (NIBCO) & Box	3	EA	680.00	
10	Install 4" Gate Valve (NIBCO) & Box	1	EA	930.00	
11	Install 4" Gate Valve (MATCO) & Box	3	EA	650.00	
12	Install 4" PVC Sleeve	40	LF	40.00	
13	Install 6" PVC Sleeve	40	LF	47.00	
14	Install Rectangular Wire Splice Box	2	EA	125.00	
15	Install Hunter I-40 Rotor Head	10	EA	130.00	
16	Install Quick Coupler	2	EA	265.00	
17	Other Pre-Demolition Work	1	LS	13,500.00	
	SUBTOTAL PRE-DEMOLITION WORK:				
	MISCELLANEOUS				
18	Demolition	1	LS	34,000.00	
19	Earthwork	1	LS	51,600.00	
20	Construct Retaining Walls	801	SF	48.00	
21	Construct Filtration Planters	1,540	SF	13.25	

22	Construct 42" High Chain Link Fence	88	LF	41.00	
23	Construct 72" High Chain Link Fence	420	LF	22.00	
24	Construct Split Rail Fence	560	LF	31.00	
25	Construct Monument Sign	1	LS	5,250.00	
26	Reinstall Salvaged and Relocated Items (Arbor, Picnic Tables, BBQ, Bike Rack, Signs, etc.)	1	LS	8,000.00	
27	Construct Concrete Pavers	1,500	SF	10.00	
28	Construct Rock Trail	2,560	SF	5.50	
	SUBTOTAL MISCELLANEOUS:				
	STORM DRAINAGE				
29	Install Filtration Planter Overflow Catch Basin (Christy U21)	3	EA	1,400.00	
30	Install Christy V64 Drain Box	5	EA	1,200.00	
31	Install 8" PVC Storm Drain	211	LF	28.50	
32	Install 3" x 5" Rectangular Steel Pipe	14	LF	150.00	
33	Install Curb-o-let Thru Curb Drain	2	EA	310.00	
34	Reconstruct Existing Catch Basin Top	1	EA	1,550.00	
35	Install 4" PVC Sleeve	40	LF	19.00	
	SUBTOTAL STORM DRAINAGE:				
	CONCRETE WORK				
36	Construct Curb	126	LF	29.00	
37	Construct Curb & Gutter	52	LF	39.00	
38	Construct Valley Gutter	683	SF	17.25	
39	Construct Handicap Ramp	1	EA	1,950.00	
40	Construct Alternate Handicap Ramp	1	EA	1,950.00	
41	Construct Concrete Pad	1	LS	20,700.00	
	SUBTOTAL CONCRETE WORK:				

	ASPHALT PAVING				
42	Construct 3" A.C. on 8" A.B.	16,120	SF	3.60	
43	Construct 2" A.C. on 6" A.B.	16,120	SF	3.30	
44	Construct 2" A.C. on 4" A.B.	3,452	SF	6.00	
	SUBTOTAL ASPHALT PAVING:				
	LIGHTING				
45	Install Parking Area Light	4	EA	8,400.00	
46	Install Sign Light	2	EA	3,000.00	
47	Install LED Fixture	8	EA	1,300.00	
	SUBTOTAL LIGHTING:				
	STRIPING AND SIGNING				
48	Parking Stall Stripes	1,620	LF	3.00	
49	"No Parking" Striping and Wording	3	EA	125.00	
50	Handicap Symbol Pavement Marking	6	EA	300.00	
51	Paint Red Curb	24	LF	3.00	
52	Arrow Pavement Marking	5	EA	45.00	
53	No Parking Sign (Detail 8/12)	8	EA	210.00	
54	Disabled Parking ID Sign (Detail 4/12)	4	EA	190.00	
55	Disabled Access Authorization Sign (Detail 2/12)	1	EA	200.00	
56	Van Accessible Sign (Detail 5/12)	3	EA	125.00	
57	Do Not Climb Sign (Detail 10/12)	2	EA	125.00	
58	Install Funding Sign	1	EA	500.00	
59	Precast Concrete Parking Bumper	95	EA	30.00	
	SUBTOTAL STRIPING AND SIGNING:				

	PLANTING				
60	Install 24" Box Tree	18	EA	440.00	
61	Install 15 Gallon Tree	41	EA	173.00	
62	Install 5 Gallon Shrub	1,144	EA	27.00	
63	Install 1 Gallon Groundcover – 3' o.c. Spacing	2,252	SF	3.00	
64	Install 1 Gallon Groundcover – 2' o.c. Spacing	872	SF	6.60	
65	Plant Establishment Period	1	LS	1,500.00	
	SUBTOTAL PLANTING:				
	IRRIGATION				
66	Install 4" PVC Irrigation Main	190	LF	14.00	
67	Install 3" PVC Irrigation Main	327	LF	11.40	
68	Install 2" PVC Irrigation Lateral	246	LF	11.00	
69	Install 1-1/2" PVC Irrigation Lateral	506	LF	9.50	
70	Install 1-1/4" PVC Irrigation Lateral	744	LF	7.80	
71	Install 1" PVC Irrigation Lateral	1,828	LF	6.10	
72	Install ¾" PVC Irrigation Lateral	1,853	LF	6.00	
73	Install Remote Control Valve & Box	11	EA	720.00	
74	Install 3" Gate Valve (NIBCO) & Box	1	EA	650.00	
75	Install Rainbird Nozzle w/6" Body	107	EA	39.00	
76	Install Rainbird Nozzle w/12" Body	37	EA	41.00	
77	Install Hunter MP1000 Nozzle w/12" Body	132	EA	45.00	
78	Install Hunter MP2000 Nozzle w/12" Body	32	EA	45.00	
79	Install Rainbird Bubbler	59	EA	33.00	
80	Install Quick Coupler	3	EA	253.00	
	SUBTOTAL IRRIGATION:				
	BASE BID GRAND TOTAL:				$658,027.15

LEGAL RELATIONS AND RESPONSIBILITIES

Nothing in the provisions of this agreement is intended to create duties or obligations to or rights in third parties not parties to this contract or affect the legal liability of either party to the contract by imposing any standard of care different from the standard of care imposed by law.

It is understood and agreed that neither the City of Clayton ("City") nor any officer or employee is responsible for any damage or liability occurring by reason of anything done or omitted to be done by Ghilotti Bros., Inc. (Contractor") under or in connection with any work, authority or jurisdiction delegated to the Contractor under this agreement. It is understood and agreed that pursuant to Government Code Section 895.4 Contractor shall defend, indemnify and save harmless the City, its officers and employees from all claims, suits or actions of every name, kind and description brought for or in account of injuries to or death of any person or damage to property resulting from anything done or omitted to be done by the Contractor under or in connection with any work, authority or jurisdiction delegated to the Contractor under this agreement.

The Contractor waives any and all rights to any type of express and implied indemnity and defense against the City, its officers and employees arising from any work, authority or jurisdiction delegated to the Contractor under this agreement.

Executed on ______________________________, 2011

GHILOTTI BROS., INC.

By ____

____

TITLE

CITY OF CLAYTON
Founded 1857 . . Incorporated 1964

Agenda Date: 5-17-11

Agenda Item: 9c

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CITY MANAGER

DATE: 17 MAY 2011

SUBJECT: CONSIDERATION OF CITY POSITIONS ON TWO LEGISLATIVE BILLS AB 506 AND SB 286

RECOMMENDATION

It is recommended the City Council, by motion, take an "Opposed" position on Assembly Bill 506 – Municipal Bankruptcy, and a similar "Opposed" position on Senate Bill 286 – Comprehensive Redevelopment Reform, each bill under consideration by the California State Legislature.

BACKGROUND

In addition to the omnipresent state budget wrangling that occurs each year in our State Capitol, two (2) legislative bills have been introduced that pose particular problems to local control and authority principles of municipalities. The League of CA Cities, the statewide legislative advocacy organization serving cities in California, has requested city councils send letters to the bills' authors and respective state legislators regarding opposition or support of the bills. The League of CA Cities recommends cities "Oppose" AB 506 and "Support" SB 286.

This matter has been placed on the City Council's agenda for its review and determination of its official position regarding these bills. Staff's recommendations are outlined below.

RECOMMENDATIONS ON CITY POSITIONS

A. Opposed to AB 506 – Municipal Bankruptcy

This bill is a bad replication of last year's AB 155 (DeSaulnier) aimed at thwarting a city's last desperate move to correct its poor financial position by filing bankruptcy. When all else has failed, filing bankruptcy causes existing contracts to become void and a city can then seek to alter existing packages of compensation and benefits for its public employees. As service providers, city and local government budgets typically spend upwards of 60%-80% of their operational budgets on the providers of public services, namely one's employees. It is natural, therefore, for public unions to feel threatened by what they perceive to be a cavalier and clever move by its employers [cities] to file bankruptcy in the face of severe financial crisis, while in reality that city is logically trying to resolve its financial difficulties by addressing the largest piece of its expenditure pie.

AB 506 is once again co-sponsored by the California Professional Firefighters Association – is that intent clear? AB 506 will require local agencies seeking bankruptcy protection to first be reviewed by a newly-established State commission comprised of elected officials, and then be subjected to "mediation" to determine whether bankruptcy is the appropriate course of action. Neither mandate is acceptable to the "local home rule" principles of governing one's own municipality by its duly elected local officials.

Last year, the City of Clayton opposed AB 155 sponsored by our very own state senator, Mark DeSaulnier. This year, state public unions have enticed Assembly Member Bob Wieckowski (Fremont) to carry its fire hose for them. As Clayton did last year, it is the recommendation of staff for the City Council to clearly oppose AB 506 for the variety of reasons outlined more fully in the attachments to this Staff Report. Included in the attachments is the draft of a letter of opposition on City letterhead for the Mayor to sign, should opposition to AB 506 be its determinate vote.

B. <u>Opposed to SB 286 – Comprehensive Redevelopment Reform</u>

Truly understanding the purpose behind SB 286 is essential to comprehending its disguise of necessity for the call of "reform" in California redevelopment agencies. Against the backdrop of Proposition 1A (2008) that halted the State of California's raids on local property tax shares, and in the wake of Proposition 22 (2010) that blocked further thefts of local tax increment revenues from redevelopment agencies to the State's budget coffers, the Governor of California, the majority of California state legislators and their state bureaucracy are frankly miffed local governments [i.e. voters] have been able to stuff the holes previously seeping *local* revenues to aid *state* fiscal mismanagement. In a pure retaliatory move when this convenient ATM was removed, Governor Brown boldly announced in January 2011 that now absent state authority to steal $2 billion each year from statewide redevelopment agencies to continually balance tipped state budgets, he is forced to introduce legislation to eliminate redevelopment agencies. This action will cause agency annual revenues to funnel back to public agencies reliant on state funds for operation (namely, public schools, higher education, state agencies). Immediately rallying to his cause were state public employee unions and the California Teachers Association (CTA), direct beneficiaries of the Governor's termination order on redevelopment agencies.

Prior to this setting, there was no sustained clamor or call for sweeping reforms to redevelopment agency laws or practices. Yes - as with matters of public policy there were shocking and eyebrow-raising examples of redevelopment agencies or its officials behaving badly. Even then, those cases were few while the overwhelming number of redevelopment agencies conducted their programs, community benefits and affairs in compliance with the law, subjected to annual audits by CPAs, and supported by their local constituents.

However, as Governor Brown's mission to terminate redevelopment agencies this spring fell short on votes in the State Legislature, the internal campaign turned to exposing fraudulent practices of redevelopment agencies in hope to salvage a $1.7 to $2.0 billion funding piece for his State Budget deficit this year. The State Auditor's Office was handed a broomstick to wage a witch hunt on selected redevelopment agencies throughout the state, wickedly expecting to receive ripe fodder for its cauldron to resurrect the extermination of these "wasteful" entities. In our county, agencies in the cities of Richmond and Pittsburg were audited in this attempt to discover headline-making scapegoats of improper expenses. The results fizzled; with minor discrepancies or none at all, redevelopment agencies were generally performing their missions.

Let's be clear – Governor Brown wants redevelopment agency tax increment revenues each and every year to help patch State Budget deficits. If he cannot eliminate them (which objective may still be part of his "May Revise" budget statement on Monday, May 16th), then "reform" their operations to such a degree that local monies can ultimately flow upstream to Sacramento. It is understandable, although disappointing, to observe the California Redevelopment Association (CRA) and the League of CA Cities embrace a "reform" measure in the form of Senate Bill 286 (Wright; D-Inglewood) that will gut funding for future redevelopment agencies and forge audit and oversight pathways for the State's future taking of unused or abused redevelopment agency funds. It is within that context that staff must recommend opposing SB 286 despite the CRA's and League's support.

1. Since 1991 the City of Clayton and its Redevelopment Agency have lost $7.3 million in *local property tax revenues* to the State of California.
2. ERAF I & II, and then the "son of ERAF" known as "SERAF", each sent redevelopment agency revenues to the State to fund (**S**upplemental) ***Education*** **R**evenue **A**ugmentation **F**und. FY 10-11 was a hit of $404,961 to Clayton.
3. The State of California historically receives over 50% of all property tax revenues to fund its obligation to K-12 public schools and higher education. In 1997-98, for example, the state share of property taxes was 52%; when coupled with *local* ERAF revenues, the state's share rose to 57%.

When pressed to choose between extermination or reform, reform seems to be the preference. But why is reform even being offered by CRA, the League and SB 286; and why is it an either-or predicament? The answer is: the State of California wants more money!

The following analysis reviews various elements of SB 286:

1. *Beginning January 2012, any new redevelopment plan or project area would be prohibited from collecting the school share of local property tax or tax increment. Schools would retain their share of existing property taxes and any tax increment, thereby increasing local school funding and providing State General Fund relief* (source: Sen. Wright news release).

Although the Clayton Redevelopment Agency is in its expiring years as it approaches its tax increment cap of $55 million and would not be affected, the summary above makes it obvious that future revenues flowing to new redevelopment agencies will have potential funding for improvement gutted by over 50%. Such limitation will collar an agency's resources to make significant corrections to its blighted conditions. This section also appears to be in probable conflict with recently enacted Prop 22 by the voters.

2. *Cities in which 25% or more of the land area is in redevelopment project areas and counties in which 10% or more of unincorporated land is in project areas cannot add any additional land area to redevelopment.*

As available dollars to a future redevelopment agency become constrained by No. 1 above, a natural alternative for a prospective agency would be to enlarge the Project Area to generate sufficient tax increment to overcome the school share exemption. However, this provision of SB 286 seemingly limits the feasibility of an agency to perform meaningful improvement projects, thereby curtailing the creation of new redevelopment agencies.

3. *Redevelopment agencies will be prohibited from using redevelopment funds for golf courses and/or race tracks.*

OK – someone doesn't like these attractions to create jobs, cure blight and enhance sales taxes. Fine – then merely add those uses to the list of already-prohibited assistance for auto dealerships and casinos, amend SB 286 accordingly, and call it a day.

4. *Redevelopment agencies will be prohibited from providing any direct assistance for development of a parcel of land of 20 acres or more which has not previously been developed for urban uses, unless the land is within the current Project Area <u>and</u> the boundaries of a former military base.*

Why this restriction for all applications? It would seem a vacant parcel of land larger than 20 acres would be ideally suited for a light industrial park (jobs). Should not this determination be made best at the local level, subject to local public review, input and determination?

5. *Redevelopment agencies would be required to adopt specific, performance-based goals to ensure <u>at least</u> 50% of their non-housing set-aside expenditures address the following <u>State priorities</u> during the next five years: job creation, transit-oriented development, remediating contaminated property, military base conversion, basic infrastructure needs, affordable housing.*

The top-down approach from Sacramento has not proven to be a time-honored pattern of success for local governments. Since one-half of the above cited six "State priorities" do not apply to the Project Area for the Clayton Redevelopment Agency, will our resultant inability to spend agency revenues on the remaining 3 State priorities within the time constraint cause us to sign over our funds to the State of California for its purposes? It often requires additional time under local circumstances to finally attract private investment and business opportunities to the Clayton Town Center, and additional time to amass tax increment revenues sufficient in size to entice or support affordable housing projects, new businesses and/or job creations, and infrastructure improvements. This provision of SB 286 is ripe for bill amendment or subsequent state legislation to default local agency funds to State coffers if not expended within the five year time frame or 50% mark.

6. *SB 286 would require agencies to establish a local Project Area Committee or equivalent community advisory board comprised of local property owners, businesses, renters, home owners and community groups. This board shall review the agency's 5-year implementation plan and make a recommendation to the agency. Every 10 years the implementation plan must receive the approval of the community advisory board or the plan must be approved by 2/3rds vote of the agency board.*

Really? We need more funds expended on agency administration? And here we thought the goal was to spend money for the above-noted "State priorities". What transparency or outreach problem is this provision meant to heal? Redevelopment agencies, in their 5-Year Implementation Plan process, hold noticed public hearings, review planned projects each year through planning commissions for findings of consistency with general plans, and one's locally elected officials approve such plans in public meetings and they are ultimately accountable to the electorate. Adding more layers of bureaucracy has rarely enhanced a mission plan.

7. *Beginning in 2013, each agency's annual report must describe the agency's performance against new standards prescribed by the State Controller and the State Department of Housing and Community Development.*

Ah, yes – after hunting for misused agency appropriations and finding very little, other state agencies now get to set new standards to measure the effectiveness of redevelopment agencies. According to the bill's own analysis, the new reporting requirements will be *"… of greatest utility in monitoring the activities of redevelopment agencies and their compliance with Community Redevelopment Law."* It appears this requirement sustains the sniff for local monies; redevelopment agencies already undergo annual audits and reporting requirements for conformance with law. The state wants more information and greater performance standards … and when an agency fails to perform, what are the penalties and future sanctions on current and future agency revenues? Staff is uneasy with performance standards to be set by a state that is gasping for more permanent revenue.

8. *The bill will require the State Auditor to conduct annual performance audits of a select number of redevelopment agencies each year. Agencies statewide will be required to deposit 0.025% of non-housing tax increment revenues to a [new] statewide Redevelopment Agency Accountability Fund to pay for the State audits.*

Redevelopment agencies are already subjected to annual audits by certified public accountants with reports tendered each year to the State Controller's Office, along with the agency's Statement of Indebtedness (SOI) to its respective county. Inherently labeling those annual efforts inadequate, SB 286 seeks to impose further state oversight and actual field audit of expenses and performance of a redevelopment agency by a state searching for performance [revenue]. And, the State Auditor's workload is to be funded by the new diversion of local tax increment from the audited agencies! Perhaps jaded by past state practices, the new audit and oversight mandates are suspicious as to ulterior motive, and is highly questionable in its funding mechanism under Prop 22.

Summation

When examined in totality, SB 286 is not so much about "reform" as it is about the State of California instituting new opportunities to autopsy redevelopment agencies for new revenue streams of *local* funds. For over two decades redevelopment agencies in California have "contributed" generously to a state that invariably cannot find a permanent cure for its chronic deficits. Rather than looking inward to solve its problem, "the cure is out there" and those poorly performing shameful redevelopment agencies must be brought in line. The truth is, redevelopment agencies have been and are the real economic development engines for past and current job creations and the cure for locally-blighted conditions. SB 286 is a reform placebo rummaging around for a problem that does not exist, unless that problem is more state money.

Within the last month, the State Legislative Counsel Bureau recently issued an opinion that concluded the practice of the state reimbursing itself with local property tax dollars violates Section 1 of Article XIII A of the California Constitution because the required apportionment of property tax funds in each county to the [local tax] districts is restricted. Governor Brown's plan to terminate redevelopment agencies in order to send $1.7 billion to the state in 2011-12 as reimbursement for trial court and health care services violates this provision.

FISCAL IMPACT

If passed in its present form, SB 286 will add additional administrative expense to the operation of redevelopment agencies statewide, and potential places redevelopment agencies at risk to lose additional tax increment revenues by discreetly circumventing Prop 22.

Attachments: 1. Information on AB 506 [11 pp.]
2. Information on SB 286 [17 pp.]

AB 506

MUNICIPAL BANKRUPTCY BILL

ATTACHMENTS

1. City Opposition draft letter [2 pp.]

2. Information on Bill Status and League of CA Cities opposition letter [5 pp.]

3. Editorial in Opposition to AB 506, *Contra Costa Times* [2 pp.]

4. Editorial in Opposition to AB 506, *Sacramento Bee* [1 pg.]

-1-

CITY OF CLAYTON

Founded 1857 Incorporated 1964

COMMUNITY DEVELOPMENT (925) 673-7340
ENGINEERING (925) 363-7433

6000 HERITAGE TRAIL • CLAYTON, CALIFORNIA 94517-1250
TELEPHONE (925) 673-7300 FAX (925) 672-4917

City Council
DAVID T. SHUEY, *MAYOR*
HOWARD GELLER, *VICE MAYOR*
JOSEPH A. MEDRANO
JULIE K. PIERCE
HANK STRATFORD

May 18, 2011

Honorable Bob Wieckowski
State Assembly
State Capitol, Room 4162
Sacramento, CA 95814

Re: Opposition to AB 506 – Municipal Bankruptcy

Dear Assembly Member Wieckowski:

At its regular public meeting of May 17th, the City Council of Clayton considered the merits of this year's sequel to last year's AB 155, an ill-advised measure designed by firefighter unions to protect their compensation turf. Identical to last year, our City Council wishes to inform you, as this year's author, that our City once again strongly opposes this latest version (AB 506) to remove our local right to make our own financial decisions. AB 506 wishes to prevent any local government from filing for bankruptcy under Chapter 9 of the federal bankruptcy code <u>without first receiving the permission from what can only be called a State-controlled non-governmental arbitrator</u>.

For the following reasons, the City of Clayton remains opposed to this attempt to usurp local control:

<u>Puts Local Services at Risk.</u> The purpose of filing for Chapter 9 Bankruptcy Protect is to effectively suspend payments by granting an automatic stay of financial obligations in order to formulate a debt readjustment plan. Without this protection, fiscally vulnerable cities with the inability to continue payments may face interruptions to vital services; residents will suffer.

<u>Subverts Effective and Neutral Process for State-Controller Arbitrator.</u> Current bankruptcy proceedings are managed by expert bankruptcy judges who have no stake in the outcome. The proposed State Commission that would manage the new process is comprised of elected officials who will face special interest and politic pressures. Furthermore the use of an outside "mediator" with all the powers of an arbitrator has far larger implications that seriously threaten local control. This process is clearly being stacked against municipalities.

<u>Limits Negotiations.</u> Excluding collective bargaining agreements, and their high price tags, severely limits the options available to cities. It is no small secret that over 60% of a local agency's operational budget goes to employee compensation as service providers. Essentially the only thing left on the table is to reduce payments to bondholders and other debtors. Little wonder this bill is co-sponsored by the California Professional Firefighters Association....

<u>"Good Faith" Gone.</u> As defined in your bill, "good faith" no longer represents a city's sincere efforts to find a solution to disputes unless it is also acting to adjust payments as the "mediator" defines. If the "mediator" decides that a city has not acting in "good faith" they will lose their ability to file for bankruptcy.

<u>Municipal Bankruptcy is a Last Resort.</u> Since the adoption of Chapter 9 of the state Bankruptcy Code in 1949—60 years ago—only two cities (and one county) have petitioned for its use: the City of Desert Hot Springs in 1994, Orange County in 1994, and in 2008 the City of Vallejo. Nationally, *Governing* magazine (May 2011; pg. 30) writes that since 1980 there have been 250 municipal bankruptcies in America; <u>and only 46 of those were a city, village or county – most were utilities or special districts!</u>

Bankruptcy is not an attractive alternative for local communities, nor is it an easy process, and is a last desperate resort. Furthermore, it is the chronic mismanagement of the state's budget and raids on local governments that has left cities in fiscal distress. The state should get its own fiscal house in order before interjecting itself in city affairs. And more often than we would like, cities tottering on the brink of bankruptcy find themselves in their sad situation due to an extraordinary event, such as a devastating court judgment.

For these reasons the City of Clayton must oppose AB 506.

Sincerely,

David T. Shuey
Mayor

cc: Clayton City Council
Honorable Mark DeSaulnier, State Senator
Honorable Susan Bonilla, Assembly Member

Natasha Karl, Legislative Representative, League of CA Cities
Eric Figueroa, East Bay Division, League of CA Cities

AB 506: Municipal Bankruptcy Bill: OPPOSE

A new municipal bankruptcy bill, AB 506, has been introduced, and like last year's AB 155, it is co-sponsored by the California Professional Firefighters Association. The bill will be heard tomorrow, Wednesday, May 4, in the Assembly Local Government Committee.

AB 506 undermines the benefits of federal bankruptcy protection by rendering the automatic stay of financial obligations meaningless by delaying the process of filing a petition with the court. Cities will no longer have the immediate "breathing space" necessary to formulate a debt readjustment plan. Most importantly, without immediate access to the bankruptcy court the state is putting local services at risk.

AB 506 purports to offer assistance to cities by intervening before Chapter 9 Municipal Bankruptcy protection is filed and requiring, what is being called, "mediation." The bill would require local agencies seeking bankruptcy protection to first be reviewed by a State commission comprised of elected officials, and then be subject to "mediation" to determine whether bankruptcy is the appropriate course of action.

In reality, the bill would subvert the existing bankruptcy process, which is neutral, in favor of a new process which is clearly biased against local agencies. The League opposes AB 506 for the following reasons:

- **Impedes local government finance authority.** It creates obstacles to the Municipal Bankruptcy process rather than assistance and only serves to impede a local agency from being able to file Chapter 9 bankruptcy protection.

- **State Commission not neutral party.** The state commission that would administer the program and create mandatory "guidelines" for the "mediation" process is dominated by state elected officials subject to political influence. Furthermore, the delegation of state decision-making authority to a non-governmental entity, the mediator, may be unconstitutional.

- **Larger implications.** It creates broader implications for future state intervention into local financial and labor disputes.

- **The bill misrepresents the role of the "mediator."** A true mediator serves only as a facilitator and has no decision making powers. However, under this bill the "mediator" would make determinations about the adequacy of documents, availability of information, and "good-faith." The "mediator" in this bill has makes determinations like an arbitrator.
- **Collective Bargaining negotiations are off the table.** Excluding collective bargaining agreements-which often comprise the majority of a municipality's expenses-serves to limit the scope of options available to reducing payments to bondholders and other debtors. Furthermore, the definition of "good faith" in the legislation is focused on a specific outcome rather than personal conduct.

- **It seemingly attempts to re-open Vallejo's bankruptcy.** The definition of "creditor" includes "an entity that may have a claim against a municipality arising out of the rejection of an executory contract or unexpired lease in a Chapter 9 case."

This bill has already generated a significant amount of public push back including an editorial in the Contra Costa Times (http://www.contracostatimes.com/opinion/ci_17983590) in the last few days. For your reference, attached are the League's opposition letter and a sample opposition letter.

2011-05-10

Municipal Bankruptcy Bill Moves Out of Committee on Straight Party-Line Vote, Goes to Appropriations

Cities Encouraged to Send Oppositions Letters

This year's municipal bankruptcy bill, AB 506 (Wieckowski), was heard in the Assembly Local Government Committee on Wednesday. The League opposes this bill for a number of reasons including its attempt to prevent any local government from filing Chapter 9 Federal Bankruptcy protection without first receiving permission from a "mediator" who should more accurately be called a "state-controlled non-governmental arbitrator."

While slightly different in approach than previous bills, the goal of protecting labor interests is the same.

On its surface, the bill purports to be about saving costs for local agencies and limiting the risks of bankruptcy by requiring affected local agencies to first seek to resolve issues with the assistance of a mediator. Conceptually, there is nothing wrong with this.

But a careful reading of the 12-page bill reveals something much different. The commission assigned to administer this process is dominated by elected state officials and legislators who can be subject to political influence; labor-related issues are taken off the table beforehand; the so-called "mediator" is empowered as a gatekeeper with the authority to make determinations; and such "mediations" can be convened by the commission or any party concerned about the financial condition of a local agency.

Other language in the bill hints at a broader agenda of sweeping other disputes over local budgets and service delivery into this process.

The League and other opponents to this legislation have raised these and other concerns with the bill's author, Assembly Member Wieckowski (D-Freemont). Assembly Member Wieckowski, a bankruptcy attorney himself, expressed a willingness to work with the League and other opponents to amend the bill to replace the designated mediator with a more neutral body. The League has asked the author to remove the offensive provisions to the legislation, narrow the bill's focus to the rare instance of municipal bankruptcy and work to develop a truly neutral process devoid of bias and political influence. What remains unclear is whether the bill's sponsors will allow the author to craft such a solution.

The committee debate yesterday culminated in a straight party-line vote with Assembly Members Luis Alejo (D-Salinas), Steven Bradford (D-Inglewood), Nora Campos (D-San Jose) and Ben Hueso (D-San Diego) voting for it and Assembly Members Cameron Smyth (R-Santa Clarita), Stephen Knight (R-Lancaster) and Chris Norby (R-Fullerton), voting against it. Assembly Member Rich Gordon (D-Redwood City) did not cast a vote. AB 506 moves to the Assembly Appropriations Committee next.

Just like last year's municipal bankruptcy bill, AB 506 is generating strong editorial opposition.

- *Contra Costa Times*, May 3, 2011: Municipal bankruptcy bill is back and still lousy
- *Sacramento Bee*, May 4, 2011: Yet more union meddling in local finances?

The Assembly Local Government Committee's analysis raised many issues with the bill including pointing out that a true mediator does not have decision making authority as defined in this bill. The Committee's analysis is available online. City officials are encouraged to send letters of opposition if they have not already done so. To access the League's letter of opposition and sample letter, please visit the Leauge's website and type "AB 506" into the search function.

last updated : 5/6/2011

LEAGUE OF CALIFORNIA CITIES

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April 29, 2011

Honorable Bob Wieckowski
State Assembly
State Capitol, Room 4162
Sacramento, CA 95814

AB 506 (Wieckowski): State Intrusion into Local Affairs: Fiscal Emergencies and Employee Relations
Oppose (*As Amended, March 31, 2011)*

Dear Assembly Member Wieckowski:

I regret to inform you that the League of California Cities must oppose your AB 506. We do appreciate the time you recently spent discussing a number of issues, but we have major concerns with the legislation as follows:

Obstacles Rather Than Assistance on Municipal Bankruptcy: As drafted, this legislation creates an obstacle course of criteria and conditions that are replete with bias against local agencies to the benefit of labor interests. With no timelines and multiple opportunities for delay, obstruction and interference, the process only serves to impede a local agency from being able to file for Chapter 9 bankruptcy protection. Should this legislation be enacted, local agencies in fiscal distress will be effectively blocked from seeking the protections of federal bankruptcy court.

State Commission Not a Neutral Forum: The state commission that would administer the proposed program is not, like a bankruptcy court, a neutral forum, but one dominated by state elected officials who can be subject to political influence. Significant authority is delegated to this commission, including being charged with developing mandatory "guidelines" to the "mediation" process.

Legislative Findings Hint a Broader Agenda: The legislation contains extensive findings and declarations that appear to contemplate broader state intervention into local financial and labor disputes. Specifically, the commission's potential ability to *convene* mediations on its own or at the request of a "*stakeholder concerned about the financial condition of the municipality,*" is alarming. The intent language appears to raise issues already settled in *County of Riverside v. Superior Court of Riverside County (Riverside Sheriffs Association), 30 Cal.4th 278, 66 P.3d 718,* where the *California*

Supreme Court rejected a state effort to impose binding interest arbitration on local labor disputes over economic issues. Additionally, the delegation of state decision-making authority to a non-governmental entity (in this case the mediator) may be unconstitutional.

In a recent meeting with local agency representatives, the author stated that this was not his intent, so all provisions unrelated to the narrow issue of Chapter 9 filings should be stricken from the bill.

State-Controlled Arbitrator Rather than Neutral Mediator: While the term "mediator" is used throughout the legislation, it is clear that something different is being proposed. Mediators commonly only serve the role of *facilitators* to parties in dispute and have no decision making powers. Arbitrators serve a quasi-judicial role and are empowered to make binding decisions affecting the parties. Under this legislation, the so-called mediator, would be identified through a process administered by a state politically-dominated commission, and have to adhere to yet-to-be determined mandatory guidelines drafted by that commission.

Under this bill, the mediator must fully enforce and respect the rights of workers to collectively bargain. This will naturally serve to limit labor concessions from the discussion. Further, the mediator is empowered to make numerous *"determinations"* about the adequacy of documents, availability of information, and "good-faith." These actions are identical to rulings of an arbitrator and of severe consequence to a public agency. None of this would be subject to judicial scrutiny or appeal.

"Cram Down" Debt Obligations: With collective bargaining agreements—which often comprise the majority of a municipality's expenses—excluded from discussion, the scope of options available to be negotiated appears to be limited to reducing payments to bondholders and other debtors. The definition of "good faith" in the legislation is focused on a specific outcome rather than personal conduct. The outcome to be achieved is to *"negotiate the readjustment of the municipality's debt."* The mediator also has a "duty" to inform the parties of the "lack of flexibility for judges under Chapter 9 to *"reduce or cram down" debt repayments and similar efforts not available to reorganize the operations ...of a corporate entity."*

Re-Opener on Vallejo? The definition of "creditor" includes *"an entity that may have a claim against a municipality arising out of rejection of an executory contract or unexpired lease in a Chapter 9 case."* Since the only Chapter 9 case that is currently pending involves Vallejo, some parties may view the framework of this legislation as an opportunity to reopen issues from that bankruptcy on more favorable ground.

Complete Redraft Necessary, If "Good Faith" Exists: The current draft of this bill is simply unworkable in its current form. Yet, if it is the intent of the author to craft legislation that is **truly**:

1. Narrowed only to apply to the extremely rare instances of a future municipal bankruptcy.

2. Designed to be a last-chance opportunity for parties who would participate in a Chapter 9 proceeding to have a chance to work out differences in a process that is brief, within fixed timeframes and confidential.
3. Intended to be facilitated by a person that is both selected and viewed by the affected parties as a neutral, without unwanted state or other political intrusion.
4. Includes the ability of a local agency to seek the protection of an automatic stay in bankruptcy court.
5. Provides an option for entities to seek Chapter 9 protection immediately if emergency conditions exist.

Then, like the many provisions of the bill that speak to "good faith," the League proposes that the provisions of this bill be replaced with neutral language. This would permit us to engage in a fair and open dialogue. Absent that, we are left with no option but to strongly oppose this legislation that is drafted in a manner so biased against the interests of local agencies.

For these reasons, the League opposes AB 506. If you have questions about our position on this bill, please contact me at (916) 658-8222.

Sincerely,

Dan Carrigg
Legislative Director

Cc: Assembly Member Cameron Smyth, Chair, Assembly Local Government Committee
Members, Assembly Local Government Committee
Debbie Michel, Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus Office of Policy

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CONTRA COSTA TIMES
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Contra Costa Times editorial: Municipal bankruptcy bill is back and still lousy

Contra Costa Times editorial

Posted: 05/03/2011 04:00:00 PM PDT

Updated: 05/03/2011 04:32:54 PM PDT

FOR THE third year in a row, Democratic legislators in Sacramento are trying to give organized labor a strong upper hand in collective bargaining by making it nearly impossible for a government running out of money to declare bankruptcy.

Last year, state Sen. Mark DeSaulnier, D-Concord, carried the water for the unions. This year, another East Bay legislator, freshman Assemblyman Bob Wieckowski, D-Fremont, is pushing a new version.

The process would be somewhat different, but the end result would be the same: The state would be placing major obstacles in the path of local governments that seek bankruptcy protection.

It's a proposed solution in search of a problem. Since 1949, only two cities and one county in California have filed for bankruptcy, according to the League of California Cities. Bankruptcy is an extreme step that carries with it not only a large financial price for taxpayers but also a huge political toll on local elected officials. It's a step no elected official would take lightly.

But, if that step is necessary, the last thing we want are delays. Time will be critical if a city, county or other local government needs protection from its creditors. Each passing day will exacerbate the problem. Moreover, if local governments are running out of money, they must be able to engage in tough, quick bargaining with their labor unions to extract concessions.

What public-employee

unions have been seeking from Sacramento is a way to delay the process, to effectively take bankruptcy off the table as an option. That would leave local governments having to borrow their way out of a crisis rather than seek necessary changes to labor contracts.

We know where that leads: Local governments would be forced to take on more long-term debt to meet short-term obligations, to protect unaffordable salaries and benefits even if it means forcing future generations to pay for it. Wieckowski's bill, AB506, would make that a more likely outcome.

The bill would force local governments to submit their cases to a mediator with extraordinary authority before they could file for bankruptcy. The mediator would be overseen by the California Debt and Investment Advisory Commission, a collection of primarily state politicians who have no business injecting themselves into this process.

Interestingly, Wieckowski declares in his bill that "state intervention in local affairs should only occur in exceptional circumstances and not without a compelling interest of statewide concern." Frankly, this isn't an issue of statewide concern; the best thing the Legislature could do is mind its own business.

Perhaps Wieckowski, being a newcomer to Sacramento, doesn't realize that a key reason local governments are in such dire shape is that politicians in Sacramento have been too busy meddling rather than attending to their own budgets.

If legislators had managed their budgets

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responsibly, local governments would be in much better shape.

Wieckowski certainly understands how the bankruptcy process works. After all, he's a bankruptcy attorney. If he wants to improve the system, there is room for that. But the process must entail a truly neutral mediator who can facilitate discussion without slowing down the path to the courthouse if the local government needs to go there.

That's very different from what Wieckowski is proposing.

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THE SACRAMENTO BEE sacbee.com

Editorial: Yet more union meddling in local finances?

Published Wednesday, May. 04, 2011

Take cover. They're back.

We're talking about leaders of public employee unions and their Democratic allies in the Legislature. They want to meddle in the financial affairs of hard-pressed local governments by making it harder for them to file for bankruptcy.

The weapon of choice this time – Assembly Bill 506. Authored by Fremont Assemblyman Bob Wieckowski, the bill would require cities, counties, special districts and other public agencies to submit to convoluted mediation processes that are heavily stacked against them before they'd be permitted to file for Chapter 9 bankruptcy in federal court.

As the League of California Cities' opposition letter states, the bill is "an unnecessary intrusion into what is fundamentally a local government's fiscal decision."

It's unnecessary because bankruptcy is so rarely used. Only two cities and one county in California have resorted to bankruptcy since the federal government created the procedure in 1949. Also, the existing process works well. A neutral judge with no interest in the outcome and special expertise in the area of bankruptcy hears the case. Hard-pressed cities and counties get immediate relief from creditors while their finances are examined, debts are restructured and the case resolved.

By contrast, before a local government can even file for bankruptcy, AB 506 mandates mediation conducted under a set of guidelines that sharply skews the proceedings against the governments and in favor of their public employee union creditors.

The bill states explicitly that "it is the intent of the Legislature that the rights of workers to collectively bargain shall be fully enforced and respected in the mediation process." That means that labor contracts, the biggest debt that local governments have and the very reason they seek bankruptcy protection, cannot be modified without the OK of union negotiators. Generous labor contracts would be rendered untouchable in the mediation process.

It's hardly surprising that the California Professional Firefighters are among the bill's supporters. AB 506 does not seek a fair way out of local governments' fiscal crises, one that requires shared sacrifice. Instead, unions with the most clout and campaign cash to dispense – firefighters are prominent among them – are calling the shots here.

A similar measure did not make it out of the Legislature last year largely because public employee union leaders feared a Schwarzenegger veto. With union-friendly Jerry Brown in the governor's seat, they are more hopeful. That means taxpayers, the public and local governments have more to fear.

SB 286

COMPREHENSIVE REDEVELOPMENT REFORM BILL

ATTACHMENTS

1. Bill Analysis by Consultant for Senate Governance and Finance Committee [8 pp.]

2. League of CA Cities' support letter [1 pg.]

3. Information on Bill Status and Emails from League of CA Cities regarding its Support position [3 pp.]

4. Senator Wright's "News Release" on Reform Bill [4 pp.]

2011 CA S 286: Bill Analysis - Senate Governance and Finance Committee - 04/06/2011

BILL ANALYSIS

SENATE GOVERNANCE & FINANCE COMMITTEE

Senator Lois Wolk, Chair

BILL NO: SB 286	HEARING: 4/6/11
AUTHOR: Wright	FISCAL: Yes
VERSION: 4/27/11	TAX LEVY: No

CONSULTANT: Weinberger

REDEVELOPMENT AGENCIES

Revises numerous provisions of the Community Redevelopment Law.

Background

The Community Redevelopment Law allows local officials to set-up redevelopment agencies, prepare and adopt redevelopment plans, and finance redevelopment activities.

A redevelopment agency keeps the property tax increment revenues generated from increases in property values within a redevelopment project area. When it adopts a redevelopment plan for a project area and selects a base year, the agency "freezes" the amount of property tax revenues that other local governments receive from the property in that area. In future years, as the project area's assessed valuation grows above the frozen base, the resulting property tax revenues --- the property tax increment --- go to the redevelopment agency instead of going to the underlying local governments.

The diversion of property tax increment financing never harms schools because the State General Fund automatically backfills the difference between what a school district receives in property tax revenues and what the district needs to meet its revenue allocation limit. When a redevelopment agency diverts property tax revenues from a school district, the State General Fund pays the difference.

Citing a significant State General Fund deficit, Governor Brown's 2011-12 budget proposed eliminating redevelopment agencies on July 1, 2011 and returning billions of dollars of property tax revenues to schools, cities, and counties to fund core services in future years. AB 101 (Assembly Budget Committee, 2011) and SB 77 (Senate Budget and Fiscal Review Committee, 2011) contain the implementing language. Some legislators oppose the complete elimination of redevelopment in California. Instead, they want to preserve tax increment financing for local economic development while revising the Community Redevelopment Law to reduce redevelopment's State General Fund impact and improve redevelopment agencies' performance and accountability.

Proposed Law

Senate Bill 286 makes numerous changes to provisions of the Community Redevelopment Law affecting redevelopment agencies':

Tax increment allocations.

Project area creation and expansion.

Prohibitions against assisting specified types of development.

Redevelopment activities.

Blight findings.

Reporting requirements.

Audit requirements.

Pass-through payments

Statements of indebtedness.

Administrative expenses.

Interest payments.

I. Tax increment allocations. The California Constitution authorizes property tax increment financing (Article XVI, Section 16). State law lets redevelopment agencies divert other local governments' property tax increment revenues to fight physical and economic blight. When a redevelopment agency diverts property tax increment revenues from a school district, the State General Fund pays the difference, providing an indirect state subsidy to redevelopment agencies. Senate Bill 286 requires that any funds considered educational entity property tax revenues must be excluded from any taxes levied, divided, and allocated under the statute that governs the allocation of revenues from taxes levied on taxable property within a redevelopment project. This requirement applies to tax increment revenues generated from a redevelopment project established on or after January 1, 2012. [See Section 16 and Section 17 of the bill.]

II. Project area creation and expansion. Senate Bill 286 prohibits a community from adopting a redevelopment plan or a plan amendment to add territory to a project area if the proposed project area or area to be added, when aggregated with all other project areas within the community, would result in having:

25% of a city's total land area included within the combined redevelopment project areas, or

10% of a county's, or city and county's, total unincorporated land area included within redevelopment project areas.

The prohibition applies only to a project area for which a final redevelopment plan is adopted on or after January 1, 2012 or to an area that is added to a project area by a redevelopment plan amendment adopted on or after January 1, 2012. The prohibition does not apply to a redevelopment plan or plan amendment to add territory to a project area pursuant to state laws governing the redevelopment of closed military bases. [Section 4.]

III. Prohibitions against assisting specified types of development. The Community Redevelopment Law prohibits redevelopment officials from providing any direct assistance to auto dealerships on sites that had not been developed for urban uses and developments of five acres or more which had not been developed for urban uses and which generate sales or use tax revenues (AB 1290, Isenberg, 1993). Redevelopment official are also prohibited from providing direct assistance to casinos (AB 2063, Isenberg, 1996). In addition to those prohibitions, SB 286 prohibits redevelopment officials from providing any form of direct assistance to:

A development that will be or is on a parcel of land of 20 acres or more which has not been previously developed for urban uses. This restriction does not apply to land that is both in a project area and within the boundaries of a former military base.

A development or business for the acquisition, construction, improvement, rehabilitation, or replacement of property that is, or would be, used for a golf course or for a racetrack, speedway, or other racing venue.

A development or business for the acquisition, construction, improvement, rehabilitation, or replacement of property that is, or would be, used for a stadium, coliseum, arena, ballpark, or other sports facility that is intended for use by a professional sports franchise unless the proposed assistance or another component of the financing for the proposed project is submitted to the electorate that resides in the territorial jurisdiction of the agency providing assistance and is approved by a majority of the voters voting on the proposed development. [Section 7.]

IV. Redevelopment activities. The Community Redevelopment Law describes three redevelopment activities:

The alteration, improvement, modernization, reconstruction, or rehabilitation of structures.

The provision of open space, public or private buildings, structures, and improvements.

The replanning, redesign, or development of undeveloped areas that meet certain conditions.

Senate Bill 286 lets redevelopment officials provide direct assistance to businesses within project areas in connection with new or existing facilities for industrial or manufacturing uses of statewide benefit, where the assistance provided is reasonably expected to result in the retention of at least 25 full-time equivalent jobs within the project area. This direct assistance can include loans, loan guarantees, or the provision or replacement of machinery and equipment in new or existing facilities for industrial or manufacturing uses in the project area. SB 286 declares that the purpose of this provision is to clarify existing law to provide redevelopment agencies with additional authority to assist businesses in order to encourage the retention of existing employment opportunities and the attraction of new employment opportunities. The bill declares that these activities and programs constitute redevelopment as prescribed in specified statutes. [Section 9.]

The Community Redevelopment Law allows redevelopment agencies to loan money to rehabilitate commercial buildings within project areas. Metropolitan planning organizations (MPOs) must prepare a "sustainable communities strategy" as a component of their regional transportation plans (SB 375, Steinberg, 2008). This strategy is a blueprint for communities to achieve a region's greenhouse gas emissions reduction target. SB 286 allows redevelopment agencies to provide loans or grants to owners or tenants to improve, rehabilitate, or retrofit buildings or structures within a project area to increase energy efficiency or reduce greenhouse gas emissions resulting from such building or structures, or to facilitate infill development of areas targeted for such development in an approved sustainable communities strategy that applies to the agency's jurisdiction. [Section 8.]

The Community Redevelopment Law requires redevelopment officials to adopt an implementation plan for a redevelopment project area every five years. Beginning with the implementation plan adopted after January 1, 2012, SB 286 requires that an implementation plan must contain the specified goals and objectives of the agency for the project area and the specific programs and projects that will cause at least 50% of its net unencumbered revenue during the next five years to be spent for one or more of the following:

Development, including rehabilitation, resulting in significant job retention or creation.

Remediation of contaminated properties.

Infill and transit oriented development.

Military base conversion.

Public infrastructure, excluding buildings.

Housing affordable to persons of very low and extremely low income.

SB 286 defines "net unencumbered revenue" as all revenue received by the agency less:

Debt service on bonds, notes, and other obligations entered into prior to January 1, 2012.

Pass-through payments to taxing entities.

Deposits in the agency's low- and moderate-income housing fund.

SB 286 requires an agency to obtain the recommendation of the project area committee before approving an implementation plan under the bill's new requirements. If a project area committee does not exist, SB 286 requires an agency to obtain the recommendation of a representative community advisory body designated by the local legislative body. The agency may consider the implementation plan without a recommendation if the project area committee or community advisory body doesn't make a recommendation within 60 days of receiving the proposed implementation plan.

SB 286 requires the implementation plans adopted five and 10 years after the first implementation plan adopted under the bill's new requirements to evaluate the agency's progress in achieving specified goals and objectives. If a project area committee or community advisory body recommends against adoption of the implementation plan that is to be adopted after 10 years, the agency must only adopt that implementation plan upon a 2/3-vote of all of its members. Until that implementation plan has been approved, an agency cannot undertake any activity not provided for in the existing implementation plan. [Section 12.]

V. Blight findings. The Community Redevelopment Law requires an ordinance adopting a redevelopment plan for a project area to include the local legislative body's finding, based on clearly articulated and documented evidence, that the project area is a blighted area. AB 1290 (Isenberg, 1993) enacted the first statutory definition of blight. Partially in reaction to the protests following the U. S. Supreme Court's Kelo decision the Legislature subsequently tightened the blight definition (SB 1206, Kehoe, 2006). Senate Bill 286 deletes the requirement that a local legislative body's blight finding must be based clearly articulated and documented evidence. Instead, SB 286 requires a local legislative body to support a finding that a project area is blighted with empirical and, to the greatest extent feasible, quantifiable evidence demonstrating the prevalence of specified physical and economic conditions that cause blight that is so substantial that it causes a reduction of, or lack of, proper utilization of the entire project area. Evidence must be reasonable in nature, credible, and of solid value. Conclusions not based on documented evidence of specific conditions are insufficient. [Section 6.]

VI. Reporting requirements. The Community Redevelopment Law requires every redevelopment agency to file an annual report with its city council or county board of supervisors. Redevelopment officials must also send a copy to the State Controller, who must compile and publish, by May 1, annual reports on redevelopment agencies' financial transactions (SB 1387, Marks, 1984). Redevelopment agencies' annual reports must contain:

An independent financial audit report.

A fiscal statement.

A description of the agency's housing activities.

A description of the agency's progress in alleviating blight.

A list and status report of loans in default.

A description of the agency's properties and property acquisitions.

A list of the fiscal years that the agency expects specified time limits to expire.

Any other information that the agency believes useful.

The Controller must develop and periodically revise the guidelines for the content of these reports and must appoint an advisory committee to advise in the development of the guidelines. Senate Bill 286 specifies that the Controller must review and revise the guidelines at least every five years, following consultation with the advisory committee. [Section 1.]

The Community Redevelopment Law requires the California Department of Housing and Community Development to publish annual reports on redevelopment agencies' activities.

Beginning with the 2013-14 fiscal year, SB 286 requires the Controller to compile and publish the annual reports, and repeals:

The authority for the annual reports to contain a biennial review of relocation assistance required by state law.

A requirement that the annual reports must list project areas that are not subject to state law governing the replacement of housing units within a redevelopment project area.

A requirement that specified redevelopment agencies must receive copies of the reports and executive summaries.

[Section 2.]

SB 286 requires the Department of Housing and Community Development (HCD) to develop guidelines establishing specific measures and standards to evaluate redevelopment agency performance in specific areas, including:

A uniform method of calculating and reporting job creation and retention.

Standards for measuring the efficiency and effectiveness of expenditures for affordable housing.

Standards for measuring and reducing poverty levels in project areas.

Standards for measuring and reducing crime in project areas.

Methods for measuring reductions in vehicle miles traveled accomplished through redevelopment projects including assistance provided to infill and transit oriented development.

Standards for reporting on brownfield cleanup and hazardous waste mitigation.

SB 286 requires HCD to appoint an advisory committee to assist and advise in developing the guidelines. The committee must include representatives with demonstrated experience in redevelopment, local government metrics that measure any one or more of the specified standards, or any other fields that HCD deems necessary and appropriate.

Beginning with the 2013-14 fiscal year, a redevelopment agency 's annual report to its legislative body must include a discussion of the redevelopment agency's performance based on the guidelines prepared by HCD. [Section 3.]

SB 286 requires the Controller, following consultation with an advisory committee, to issue regulations, by January 1, 2013, revising and consolidating reporting for redevelopment agencies. The goal of the regulations must be to:

Unify and simplify redevelopment agencies' reporting requirements.

Focus reporting requirements on information that will be of greatest utility in monitoring the activities of redevelopment agencies and their compliance with the Community Redevelopment Law.

Produce consistent and comparable data using a user-friendly, self-checking electronic data reporting system.

SB 286 requires the Controller, by January 1, 2013, to prepare, or cause to be prepared, a management study that evaluates redevelopment agencies' reporting and recommends any new management systems, including required technology, needed to implement the proposed regulations. [Section 20.]

State law requires a redevelopment agency to set aside 20% of its property tax increment revenues to increase, improve, and preserve the supply of affordable housing, unless it makes specified findings, by resolution. Within 10 days of making such a finding, a redevelopment agency must send the Department of Housing and Community Development a copy of the finding including factual information supporting the finding and other specified information. SB 286 requires that a redevelopment agency must also send a copy of the finding and additional information to the State Controller. [Section 5.]

State law requires a redevelopment agency to notify the Department of Housing and Community Development at least 30 days before adopting an ordinance to merge redevelopment project areas. SB 286 requires a redevelopment agency to also notify the State Controller at least 30 days before adopting an ordinance to merge redevelopment project areas. [Section 11.]

VII. Audit requirements. The Bureau of State Audits, under the direction of the State Auditor, performs financial, compliance, performance, and contract audits of local governments, either as required by statute or as requested by the Joint Legislative Audit Committee (JLAC).

Senate Bill 286 creates the Redevelopment State Audit Fund in the State Treasury and makes it available, upon appropriation, to the State Auditor for specified purposes.

SB 286 prohibits transferring moneys in the fund to any other fund except the Surplus Money Investment Fund, subject to specified conditions. SB 286 requires an redevelopment agency to deposit one quarter of one-tenth of 1% of the tax increment received by the agency after the amount to be deposited in the Low and Moderate Income Housing Fund has been deducted, into the Redevelopment State Audit Fund. SB 286 requires that money deposited into the Fund must solely be used by the State Auditor to pay for performance audits of selected redevelopment agencies to ensure compliance with the Community Redevelopment Law's requirements. The performance audits must include reviews of the agencies' independent audits from the previous year. The State Auditor must require that each agency take action to correct any audit violations found through the performance audit. If the State Auditor determines that an agency has not corrected an audit violation within 180 days of a final audit report, it must forward all relevant documents to the Attorney General for action under a statute that lets the Attorney General sue an agency for failing to correct a major audit violation. [Sections 10 and 19.]

VIII. Pass-through payments. The Community Redevelopment Law requires redevelopment officials to make pass-through payments to schools and other local governments to mitigate the long-term fiscal effects of property tax increment financing (AB 1290, Isenberg, 1993).

In a May 2008 report, the California State Controller's Office found that:

Many school districts and community colleges understated the amount of pass-through payments they receive from redevelopment agencies.

Some redevelopment agencies failed to make their mandatory pass-through payments.

Redevelopment agencies made numerous reporting errors which resulted in an understatement of pass-through payments made to schools.

In response to the Controller's report, a State Budget trailer bill enacted procedures to identify and recover pass-through payments that redevelopment agencies failed to make to K-14 education agencies for fiscal years 2003-04 through 2007-08 and ensure proper payments in 2008-09 (AB 1389, Assembly Budget Committee, 2008). Despite a recent Attorney General's opinion and appellate court decision on the topic, local officials still disagree about how redevelopment agencies should calculate, pay, and report their pass-through payments to local taxing entities.

Senate Bill 286 requires the State Controller to develop a simple, uniform, and consistent methodology for calculating, paying, and reporting pass-through payments that is consistent with published case law and Attorney General opinions. SB 286 requires the Controller to appoint an advisory committee to advise in developing the methodology. The Committee must include representatives from the Chancellor of the California Community Colleges, the State Department of Education, the California Redevelopment Association, county auditor-controllers, and any other authorities in the field that the Controller deems necessary or appropriate. [Section 14.]

IX. Statements of indebtedness. The Community Redevelopment Law requires redevelopment officials to file an annual "statement of indebtedness" identifying an agency's bonds, loans, and other debts. The State Controller must prescribe a uniform form of statement of indebtedness and reconciliation statement. Senate Bill 286 requires the State Controller to review the uniform form of statement of indebtedness and reconciliation statement prescribed by state law and to revise it, including the types and amounts of indebtedness to be reported. Before making revisions, the Controller must obtain input from county auditor-controllers, the California Redevelopment Association, the Society of Certified Public Accountants, and any other authorities in the field that the Controller deems necessary and appropriate. SB 286 requires the Controller to review the uniform form of statement of indebtedness and reconciliation statement prescribed by state law on or before January 1, 2013, and periodically after that date. [Section 18.]

X. Administrative expenses. The Community Redevelopment Law allows a local legislative body to appropriate money to a redevelopment agency, either as a grant or a loan, to pay for the agency's administrative expenses and overhead. Senate Bill 286 lets an agency enter into an agreement with its community's legislative body to reimburse the administrative body for administrative expenses and overhead of the agency paid by the legislative body. SB 286 prohibits an agency from paying the costs of providing services, materials, or facilities which do not directly benefit the redevelopment project. [Section 15.]

XI. Interest payments. The Community Redevelopment Law lets a redevelopment agency borrow money from any public agency for any redevelopment project within its area of operation. Agencies may also borrow money or accept financial or other assistance from any private lending institution for any redevelopment project. Senate Bill 286 limits the interest rate on any money a redevelopment agency borrows from its community's legislative body to a rate that doesn't exceed simple interest on 10-year US Treasury Bills. SB 286 specifies that this limit becomes effective on January 1, 2012, and applies to money borrowed from the legislative body at any time, regardless of the provisions of any note, agreement, or other written instrument to the contrary. [Section 13.]

State Revenue Impact

No estimate.

Comments

1. Purpose of the bill. Eliminating redevelopment agencies to obtain a relatively small amount of one-time State General Fund relief is shortsighted. Physical and economic blight hold back many California

communities. Private investors lack confidence in blighted real estate markets. Local officials' traditional regulatory programs and public works spending aren't enough to attract and retain private investment. Without economically strong urban areas, the pressure for suburban sprawl increases. Really tough blight requires the really strong tools that redevelopment provides. At its February 9, 2011 hearing on Governor Brown's proposal to eliminate redevelopment, the Senate Governance & Finance Committee heard testimony from numerous local officials about the difference that redevelopment agencies are making in their communities. At a time when local governments are struggling to recover from the Great Recession, eliminating redevelopment agencies will make it even harder for local officials to make the public investments that create jobs, retain businesses, and attract new residents. SB 286 offers an alternative approach that seeks to reduce redevelopment agencies' impact on the State General Fund in future years while improving redevelopment agencies' performance and accountability. The bill makes substantial reforms to the Community Redevelopment Law, addressing some of the most controversial aspects of redevelopment activities. For over 60 years, redevelopment agencies have literally changed that way that California looks; largely for the better. SB 286 helps ensure that they will continue to benefit California's communities for decades to come.

2. Constitutional questions. On November 2, 2010, California voters approved Proposition 22, which amended the California Constitution to prohibit the Legislature from requiring a community redevelopment agency to:

Pay, remit, loan, or otherwise transfer, directly or indirectly, taxes allocated to the agency pursuant to the California Constitution's authorization of tax increment financing to or for the benefit of the State, any agency of the State, or any jurisdiction.

Use, restrict, or assign a particular purpose for tax increment revenues for the benefit of the State, any agency of the State, or any jurisdiction, other than for making specified pass-through payments or for increasing, improving, and preserving the supply of low and moderate income housing available at an affordable cost.

To benefit the State General Fund, SB 286 amends the statutes governing the allocation of property taxes levied on parcels within a redevelopment area to exclude "any funds considered educational entity property tax revenues" from the tax increment that is allocated to project areas established after January 1, 2012. The Committee may wish to consider whether SB 286 violates Proposition 22 by including a specific category of funds in some project areas' tax increment, but excluding those funds, to offset State General Fund spending on schools, from other project areas' tax increment. The Committee also may wish to consider whether SB 286 violates Proposition 22 by requiring redevelopment agencies to deposit a small percentage of their tax increment revenues into the State Treasury to pay for performance audits conducted by the State Auditor.

3. Definition. SB 286 doesn't define the phrase "any funds considered educational entity property tax revenues," which is not used anywhere else in statutes. Do "educational entity property tax revenues" include revenues that are deposited into a county's Educational Revenue Augmentation Fund? Do they include revenues that would go to "basic aid" school districts, which do not receive a backfill from the State General fund? By using the word "considered," SB 286 seems to give someone - perhaps a county auditor - discretion to choose what property tax revenues to exclude from a new project area's tax increment allocations. Rather than forcing local officials to interpret this unclear phrase, the Committee may wish to consider amending SB 286 to provide a detailed definition of what revenues are to be excluded from tax increment allocations to new redevelopment project areas.

4. Fiscal relief. The state government has a policy interest in seeing that redevelopment projects succeed in boosting local economies and expanding the supply of affordable housing. The state government also has a fiscal interest in redevelopment because the State General Fund subsidizes redevelopment agencies' projects. Although SB 286 contains some substantial reforms that address the state's policy interests in redevelopment activities, the bill offer less substantial fiscal relief. The requirement to exclude educational entity property tax revenues from tax increment allocations applies only to newly created project areas. SB 286 doesn't exclude educational entity property tax revenues from tax increment allocated to existing project areas that - in the future - annex new territory, merge project areas, extend time limits for issuing debt, or increase the ceiling on the amount of indebtedness that they may incur. The bill may provide no fiscal relief at all if a court finds its fiscal provision to be unconstitutional. The Committee may wish to consider whether SB 286 adequately addresses the state's fiscal interests in redevelopment.

5. More certainty, potential cost. A 2008 State Controller's audit of redevelopment pass-through payments to local taxing entities and subsequent reports from redevelopment agencies on their pass-through payments revealed many areas of disagreement among redevelopment officials and county

auditors over how those payments should be calculated. An Attorney General's opinion issued last September supported redevelopment agencies' interpretation of how some calculations should be made. An appellate court decision earlier this year in Los Angeles Unified School District v. County of Los Angeles supported the school districts' interpretation on another question regarding pass-through payment calculations. SB 286 requires the State Controller to develop a simple, uniform, and consistent methodology for calculating, paying, and reporting pass-through payments. The bill does not make it clear whether the Controller's methodology would be binding on local governments. The Committee may wish to consider amending SB 286 to require compliance with the Controller's pass-through payment methodology. The Committee may also wish to consider whether greater certainty about pass-through calculations could come at a cost to the state. If the methodology developed by the Controller results in a decrease in the future pass-through payments redevelopment agencies must make to schools, the State General Fund will automatically make up the difference.

6. Blight findings and indebtedness. SB 286 builds on the tighter definition of "blight" enacted by SB 1206 (Kehoe, 2006) by imposing more rigorous standards on the evidence that redevelopment officials must use to support a finding that blight exists within a project area. Redevelopment officials must make a finding that blight exists before they can create a redevelopment project area, expand a redevelopment project area, merge redevelopment project areas, or extend the time limits on a redevelopment project area. A blight finding is not required before redevelopment agency officials increase the ceiling on the amount of indebtedness incurred for a project area. The Committee may wish to consider amending SB 286 to apply the bill's more robust blight finding requirement to any amendment to a redevelopment plan that raises a project area's "debt ceiling."

7. Implement reforms before adding responsibilities. Some of SB 286's reforms will significantly change the way that redevelopment agencies do business, improving their efforts to promote local economic development and provide housing.

The bill also expands redevelopment agencies' authority to assist property owners and tenants to increase energy efficiency, reduce greenhouse gas emissions, and create infill development. Allowing agencies to issue more debt for new types of redevelopment activities could offset SB 286's fiscal benefits and detract from efforts to implement the bill's substantial reforms. The Committee may wish to consider whether legislators should evaluate the effectiveness of SB 286's reforms before authorizing new redevelopment activities.

8. Limited interest. SB 286 caps the interest rate on a redevelopment agency's "internal" debts to its city council or board of supervisors at the simple rate of interest on 10-year US Treasury Bills. That cap applies retroactively to money borrowed at any time, regardless of the terms under which it was originally borrowed. The California Constitution prohibits the Legislature from passing any bill impairing the obligation of contracts. The Committee may wish to consider whether a court would find SB 286's retroactive interest rate cap to be an unconstitutional impairment of a contract.

9. More limited interest. SB 286's interest rate cap applies only to an agency's internal debts. It is a response to concerns that local officials can use excessive interest rates on internal borrowing to generate revenues for the city or county in which the agency is located.

However, some agencies have also paid exorbitant interest rates on debts to private lenders. The Committee may wish to consider amending SB 286 to impose an interest rate cap on more types of redevelopment debt.

10. Related legislation. SB 286 is not the only bill containing extensive redevelopment reform proposals.

Senate Bill 450 (Lowenthal, 2011) amends numerous provisions of the Community Redevelopment Law to reform how redvelopment agencies spend their low and moderate income housing funds. That bill is scheduled to be heard in the Senate Appropriations Committee on May 2.

Support and Opposition (4/28/11)

Support: California Redevelopment Association, League of California Cities.

Opposition: Unknown.

LEAGUE OF CALIFORNIA CITIES

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May 2, 2011

The Honorable Roderick Wright
Member, California State Senate
State Capitol Building, Room 5064
Sacramento, CA 95814

Re: **SB 286 (Wright). Redevelopment Reform.** *(As Amended, April 27, 2011)*
Notice of Support

Dear Senator Wright:

The League of California Cities is pleased to support your SB 286, as amended on April 27, 2011. *The League board unanimously adopted a support position on this legislation earlier this morning via conference call.*

Collectively, this legislation contains the most sweeping set of proposed reforms to California redevelopment law in two decades. In brief, this measure tightens the definition of "blight," limits project area size, funds an aggressive auditing program by the state Auditor, increases accountability through performance standards, and make others changes that will improve accountability and serve to reduce the footprint of redevelopment.

Thank you for your leadership in recognizing the value of redevelopment in California and carrying this substantial package of reforms to improve the program.

If you have further questions about our position on this bill, please contact me at (916) 658-8222.

Sincerely,

Dan Carrigg
Legislative Director

Cc: Members, Senate Committee on Governance and Finance
Brian Weinberger, Consultant, Senate Committee on Governance and Finance
Ryan Eisberg, Consultant, Senate Republican Caucus

ATTACHMENT 3

From: **Figueroa Eric** <ericdfigueroa@gmail.com>
Date: Wed, May 4, 2011 at 10:00 AM
Subject: LEGISLATIVE UPDATE - May 4th 2011 - SB 286, AB 506

ISSUES UPDATE

The last week has seen quite a bit of activity in Sacramento that require a more lengthy update. The two key bills, SB 286 and AB 506 are now in play and the League of California Cities is going to actively engage our members. Below is a brief description of the bills along with fact sheets and sample letters included.

ISSUE 1: SB 286 (Wright) - REFORM REDEVELOPMENT - NOT ELIMINATE

The redevelopment conversation in the Capitol is moving from elimination to reform. SB 286, by Senator Roderick Wright (D-Inglewood), has been amended to include a comprehensive package of redevelopment reforms supported by the California Redevelopment Association (CRA).

SB 286 would impose tough new reforms to increase accountability and limit the size and scope of redevelopment in California, including:

- Tighten the definition of blight;
- Prohibit agencies from collecting the school share of local property tax or tax increment in new project areas starting in 2012;
- Limit the percentage of total land area of a jurisdiction which may be included in redevelopment project areas;
- Prohibit use of tax increment for specific purposes such as golf courses and race tracks;
- Strengthen agency reporting and accountability requirements; and
- Focus redevelopment activities on priorities such as job creation, cleaning up contaminated property, basic infrastructure needs, and affordable housing.

"SB 286 represents the most significant redevelopment reform in the last 15 years," said Sen. Wright. "The reforms will improve the operations, transparency and accountability of redevelopment agencies statewide as well as provide more funding to schools in our state. This bill is substantial reform." Senator Michael J. Rubio (D-Bakersfield) and Assembly Member Luis Alejo (D-Salinas) are coauthors, with more expected to be added in the coming weeks.

"SB 286 would impose tough new restrictions that will limit the size and scope of redevelopment going forward in California, while enhancing accountability and sharpening the focus of this critical job-creating tool," said John Shirey, Executive Director, California Redevelopment Association. "We'd like to thank Senator Wright for his leadership in introducing this reform."

The State League Board of Directors met yesterday to consider a position on SB 286, and ultimately adopted a *Support* position.

"California's cities recognize how vital redevelopment is to grow our local economies and improve the quality of life for residents in rundown neighborhoods in need," said Chris McKenzie, Executive

Director, League of California Cities. "This package of reforms will narrow the scope of redevelopment, increase accountability, and maintain this local tool for cities and local governments well into the future."

To read the full language of SB 286, click HERE. I strongly encourage your city to analyze SB 286, and provide me with your feedback so I can let our folks in Sacramento know what is going on at the gorund level. SB 286 is scheduled to be heard in the Senate Governance and Finance Committee tomorrow, Wednesday, May 4, at 9:30 a.m.

For your reference, attached are: a fact sheet on SB 286; the Senate Governance and Finance Committee's analysis; the League of California Cities' letter of support; and a sample support letter you can use to Support the legislation.

Even with SB 286 drafted as legislation there are still other Redevelopment Reforms/Elimination Bills in Play. The CRA is also working with Senator Alan Lowenthal (D-Long Beach) on SB 450, a separate bill addressing redevelopment housing set-aside funds, which is still going through the legislative process. The redevelopment reforms listed in SB 286 are separate from, and in addition to, the reforms contained in SB 450 which address the use of redevelopment housing set-aside funds.

Work on the budget will not resume until the release of the Governor's May Revise on May 16. The bills which include the elimination of redevelopment, SB 77 and AB 101, are still available for consideration at any time by the Legislature, which may bring them back up for consideration at any time.

Sen. Wright's Redevelopment Reform Bill, SB 286, Held in Committee

Reforms Support Effort to Combat Governor's Elimination Proposal

Yesterday, the Senate Governance and Finance Committee heard SB 286 (Wright), which proposes significant reforms to redevelopment and is supported by the California Redevelopment Association (CRA) and the League of California Cities (League). Committee Chair Sen. Lois Wolk (D-Davis) held the bill in committee after several concerns were raised by committee members including the desire to wait for the Governor's May revise before moving forward. Despite not moving, its contents serve to provide a path for legislators opposed to elimination.

The League believes that SB 286 is a responsible alternative to the Governor's illegal redevelopment elimination proposal. The measure will significantly enhance accountability of redevelopment, limit redevelopment's footprint, and focus redevelopment on key priorities like job-creation, crime reduction, revitalization of rundown and blighted neighborhoods, and toxics cleanup and affordable housing. Given its comprehensive nature, the measure remains a "work in progress" and additional amendments will be added to the bill to clarify resolve specific concerns raised by cities and other parties.

City officials are encouraged to send letters of support if they have not already done so. To access the League's letter of support and sample letters drafted for both coalition organizations and cities, please visit the League's website and type "SB 286" into the search function.

All indicators point to the Governor continuing his ill-advised push to eliminate redevelopment agencies. The League will continue to strongly oppose such an effort. SB 77 and AB 101, the budget bills which contain the provisions for redevelopment eliminations are still available for consideration at any time by the legislature. While speculation may continue as to the Governor's motivations for his elimination proposal, the League and CRA have worked to respond to the Governor's two most articulated concerns:

- **Difficulty resolving yet another state budget gap:** To this the League and CRA have developed a proposal which would allow redevelopment agencies to voluntarily make contributions to local schools in exchange for specified project area time extensions. This win-win proposal could generate nearly $1 billion in state budget savings, with more ongoing.
- **Concerns about misuse of redevelopment:** SB 286 directly responds to this issue.

Together, these two credible proposals provide responsible and viable alternatives for Legislators to consider when responding to the Governor's elimination proposal. The League will continue to report on any actions taken by the Legislature on redevelopment.

last updated : 5/6/2011

N E W S R E L E A S E

SENATOR

RODERICK D. WRIGHT California Senate District 25

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For Immediate Release:
May 2, 2011

Contact: Jennifer Hanson
(916) 651-1946

Sen. Wright Introduces Comprehensive Redevelopment Reform

SB 286, Supported by CA Redevelopment Association and League of California Cities, Institutes Tough New Redevelopment Reforms to Increase Accountability and Limit the Size and Scope of Redevelopment in CA

SACRAMENTO -- Senate Bill 286 by State Senator Roderick D. Wright (D-Inglewood) has been amended to include a comprehensive package of redevelopment reforms supported by the California Redevelopment Association, the League of California Cities, and other members of the Protect Local Jobs and the Economy coalition. SB 286 is an alternative to the Governor's proposal to eliminate redevelopment.

"SB 286 represents the most significant redevelopment reform in the last 15 years," said Sen. Wright. "The reforms will improve the operations, transparency and accountability of redevelopment agencies statewide as well as provide more funding to schools in our state. This bill is substantial reform."

Already, Senator Michael J. Rubio (D-Bakersfield) and Assembly Member Luis Alejo (D-Salinas) are co-authors. More co-authors are expected to be added in the coming weeks.

SB 286 would impose tough new reforms to increase accountability and limit the size and scope of redevelopment in California. See more details below. Specifically, SB 286 would:

- tighten the definition of blight;
- prohibit agencies from collecting the school share of local property tax or tax increment in new project areas starting in 2012;
- limit the percentage of total land area of a jurisdiction which may be included in redevelopment project areas;
- prohibit use of tax increment for specific purposes such as golf courses and race tracks;
- strengthen agency reporting and accountability requirements; and
- focus redevelopment activities on priorities such as job creation, cleaning up contaminated property, basic infrastructure needs, and affordable housing.

"SB 286 would impose tough new restrictions that will limit the size and scope of redevelopment going forward in California, while enhancing accountability and sharpening the focus of this critical job-creating tool," said John Shirey, executive director, California Redevelopment Association. "We'd like to thank Senator Wright for his leadership in introducing this reform."

"California's cities recognize how vital redevelopment is to grow our local economies and improve the quality of life for residents in rundown neighborhoods in need," said Chis McKenzie, executive director, League of California Cities. "This package of reforms will narrow the scope of redevelopment, increase accountability, and maintain this local tool for cities and local governments well into the future."

Redevelopment supports 300,000 new jobs a year, $40 billion in statewide economic activity, and $2 billion in state and local tax revenue. This activity is vitally important at both the state and local level, especially since California's economy is still recovering. State and local leaders, along with community groups, business groups, affordable housing advocates and others, recognize the benefits redevelopment brings to the state and have opposed the Governor's proposal to eliminate redevelopment altogether.

CRA is also working with State Senator Alan Lowenthal (D-Long Beach) on SB 450, a separate bill addressing redevelopment housing set-aside funds. SB 450 includes reforms in addition to the reforms in SB 286.

SB 286 is scheduled to be heard in the Senate Governance and Finance Committee on Wednesday, May 4 at 9:30 a.m. SB 450 is set to be heard May 2 in the Senate Appropriations Committee. Below is a backgrounder with more specifics on the provisions included in SB 286.

SB 286 (Wright) - Redevelopment

Strong Reform Package Will Increase Accountability and Effectiveness of Redevelopment in California

Senator Wright authoring Senate Bill 286, a bill that would impose tough new reforms to increase accountability and limit the size and scope of redevelopment in California. SB 286 would ensure redevelopment is being used responsibly to maximize job-creation, revitalize rundown communities, clean up contaminated properties, finance infrastructure improvements, and build affordable housing. It would also institute tough new reporting and accountability standards. Below is an outline of SB 286 reforms:

Tighten Definition of Blight to Stop Inappropriate Uses of Redevelopment and Ensure It Focuses on Areas Most in Need

- SB 286 amends the Health & Safety Code to require redevelopment agencies to document specific, fact-based, and quantifiable evidence of blight findings, based on evidentiary standards specified by the courts.
- Evidence must be based on empirical and quantifiable evidence demonstrating the prevalence of specific conditions of blight that are so substantial they prevent the proper utilization of the entire project area.
- Redevelopment agencies will be *prohibited* from using redevelopment funds for golf courses and/or race tracks.
- Redevelopment will be *prohibited on vacant* (never developed) tracts of land of 20 acres or more, with an exception for military base *conversions*. This would reduce redevelopment's size and focus redevelopment on existing developed areas.

Limit Redevelopment Size

Cities in which 25% or more of the land area is in redevelopment project areas and counties in which 10% or more of unincorporated land is in project areas cannot add any additional land area to redevelopment.

School Districts Retain all Property Taxes and Tax Increment in New Redevelopment Project Areas, Increasing School Funding and/or Providing State General Fund Relief

Beginning January 2012, any new redevelopment plan or project area would be prohibited from collecting the school share of local property tax or tax increment. Schools would retain their share of existing property taxes and any tax increment, thereby increasing local school funding and providing State General Fund relief as the State will no longer need to provide a backfill to school districts in new redevelopment project areas.

Implement Strict, Performance-Based Standards Focused on State Priorities and Increase Oversight by Local Citizens Committees

- Redevelopment agencies would be required to adopt specific, performance-based goals to ensure at least 50% of their non-housing set-aside expenditures address the following State priorities:
    - job creation
    - transit-oriented development
    - remediating contaminated property
    - military base conversion
    - basic infrastructure needs, or
    - affordable housing

- SB 286 would require agencies to establish a local Project Area Committee (PAC) or equivalent community advisory board comprised of local property owners, businesses, renters, home owners and community groups.

- The local PAC or equivalent community advisory board shall review the agency's 5-year implementation plan and make a recommendation to the agency. Every 10 years, the implementation plan must receive the approval of the PAC or equivalent community advisory board or it has to be approved by a 2/3 vote of the agency board.

Increase Accountability with Stringent Reporting and Performance Standards

- SB 286 would appoint one State agency to develop a set of consistent performance standards that all agencies will use beginning in FY 2013, including:
    - A uniform method of calculating and reporting job creation and retention.
    - Standards for measuring and reducing poverty levels in project areas.
    - Standards for measuring and reducing crime in project areas.
    - Methods for measuring reductions in vehicle miles traveled through such projects as infill development and transient-oriented development.
    - Standards for reporting on brownfield clean-up and hazardous waste mitigation.
    - Standards for measuring the efficiency and effectiveness of expenditures for affordable housing.

- Beginning in 2013, each agency's annual report must describe the agency's performance against the above metrics.

- The development of one standardized report will lead to consistent reporting and more effective oversight of redevelopment agency activities.

Annual Performance Audits by State Auditor

- SB 286 would require the State Auditor to conduct annual performance audits of a select number of redevelopment agencies each year. These annual audits would be in addition to the separately required, independent audits agencies already must do each year. Agencies would be required to deposit 0.025% of non-housing tax increment to a statewide Redevelopment Agency Accountability Fund to pay for the State audits.

- The State Auditor shall require that each agency take action to correct any violations found through the performance audit. If the State Auditor determines that an agency has not corrected the violations within 180 days of a final audit report, it shall forward to the Attorney General for action.

Prohibit the Use of Funds for Non-Redevelopment Expenses

- Tax increment revenues cannot be used for non-redevelopment operating expenses and non-redevelopment related costs, such as staff or elected official salaries and other (overhead) costs not directly attributed to redevelopment.

Reduce Redevelopment Footprint in California

- By limiting the percent of a city/county land area that can be placed in redevelopment project areas, focusing redevelopment on already-developed areas, tightening the findings of blight, limiting the permitted uses of redevelopment, and significantly reducing the amount of tax increment in new project areas, SB 286 would ultimately reduce the size of redevelopment project areas and tax increment going to redevelopment in California and free up more money for schools and other local entities.

###

MINUTES
OF THE
REGULAR MEETING

Agenda Date: 5-17-11

CLAYTON REDEVELOPMENT AGENCY

Agenda Item: 3a

February 15, 2011

1. **CALL TO ORDER & ROLL CALL** - the meeting was called to order at 7:12 p.m. by Chairperson Pierce in Hoyer Hall of the Clayton Community Library, 6125 Clayton Road, Clayton, CA. Boardmembers present: Chairperson Pierce, Vice Chair Geller, Boardmembers Medrano and Stratford. Boardmember absent: Boardmember Shuey. Staff present: Executive Director Napper, Secretary Jackson, Community Development Director Woltering, and General Counsel Adams.

2. **PUBLIC COMMENTS** – None.

3. **CONSENT CALENDAR It was moved by Boardmember Medrano, seconded by Boardmember Stratford to approve the Consent Calendar as submitted (Passed; 4-0 vote).**

(a) Approved the minutes of the regular meeting of February 1, 2011.

(b) Approved and authorized the Executive Director to purchase an affordable housing program home located at 268 Stranahan Circle (Ryan & Jennifer Ruff, owners) in the amount of $369,035.84 and to market and resell the single family residence as Low Income Affordable Housing to a qualified household.

4. **PUBLIC HEARINGS** - None

5. **ACTION ITEMS**

(a) Consider an award of contract to Raney Planning & Management in the amount of $37,350 for planning consultant services to assist in the preparation of various Municipal Code and Zoning amendments to implement portions of the City's certified Housing Element (2009-2014) that facilitates the production of 50 multi-family affordable housing units in the City, allocate $37,350 from the Agency's Low-Moderate Income Housing reserve and amend its FY 2010-11 Budget accordingly, and encumber an additional $120,000 from same Agency reserve for the anticipated environmental review work necessary to enact the subsequent land use re-designations.

The Community Development Director stated in April 2010 the State's Housing and Community Development (HCD) conditionally certified the City's Housing Element. He stated in order to comply with the certification there are a number of measures and implementation processes that must be completed in accordance with the Housing Element. The Housing Element is an approved document from 2009-2014, and requires the City rezone parcels in town to accommodate 151 affordable housing units. He stated it is important to move forward with obtaining a consultant to do the work necessary for the implementation, to ensure the Housing Element is not decertified. He stated Raney Planning and Management has been selected by staff to assist with the requirements for a base contract of $37,350. This money will be spent providing community workshops and for the preparation of the zoning ordinance. Staff is asking the Agency to further set aside $120,000 (per Raney's quote) should the items be controversial and require and Environmental Review.

Boardmember Stratford asked if the Agency should move forward with this contract even though the future of redevelopment agencies is uncertain with the Governor's proposal to eliminate them.

The Community Development Director stated HCD requires a status report on how the implementation of the Housing Element is proceeding. He stated the State only conditionally certifies the Housing Element with the expectation the City will move forward with the implementation. He stated not proceeding could lead difficulty in obtaining funds from other agencies as well, such as Measure J transportation funds.

The Executive Director stated the responsibility to implement a Housing Element is the City's and these costs would fall to the General Fund if they are not encumbered from the Agency for this purpose. The purpose of the contract and work efforts in not only a requirement of the City but also compatible with the Agency's mission to facilitate the production of affordable housing units.

Boardmember Medrano stated it is ridiculous the State requires cities to do these plans so often. The Executive Director stated the League of California Cities has tried to argue that point but has been shot down by housing lobbyists.

Chairperson Pierce asked if $120,000 was enough to set aside or if the Agency should set aside more. She stated her concern for the cost if the City has to do a full Environmental Impact Report. The Executive Director stated the Board could add 15% to help cover internal staff work or more consulting fees making the total encumbrance $138,000.

No public comments were received.

It was moved by Vice Chair Geller, seconded by Boardmember Medrano to approve the contract with Raney Planning & Management, appropriate $37,350 from the Low-Moderate Income (LMI) Housing reserve for this purpose and amend the FY 2010-11 Agency Budget accordingly, and encumber an additional $138,000 (amended) from the same LMI reserve for the subsequent phase of environmental review studies to implement the Housing Element land use re-designations (Passed; 4-0 vote).

6. **BOARD ITEMS** – None.

7. **ADJOURN** – on call by Chairperson Pierce the meeting adjourned at 7:30 p.m.

Respectfully submitted,

Laci J. Jackson, Secretary

Clayton Redevelopment Agency Board

Julie K. Pierce, Chairperson

CITY OF CLAYTON
Founded 1857 Incorporated 1964

Agenda Date: 5-17-11

Agenda Item: 3b

Approved:

Gary A. Napper
City Manager/Executive Director

AGENDA REPORT

TO: HONORABLE CHAIR AND BOARD MEMBERS

FROM: DAVID WOLTERING, COMMUNITY DEVELOPMENT DIRECTOR DW

DATE: MAY 17, 2011

SUBJECT: SALE OF 268 STRANAHAN CIRCLE - AFFORDABLE HOUSING UNIT

RECOMMENDATION

It is recommended the Board of Directors grant by minute motion authorization for the Executive Director to sign the attached Agreement of Purchase and Sale and Joint Escrow Instructions (Affordable Housing Program) and any other necessary documents for sale of the residence at 268 Stranahan Circle (APN 119-620-035-4) in the amount of $165,000.00 on behalf of the Clayton Redevelopment Agency to Mr. John Groebner and Mrs. Kathy Dee Groebner, with the appropriate covenants and restrictions required by California Redevelopment Law.

BACKGROUND

On March 25, 2011, the Clayton Redevelopment Agency repurchased this single-family residence at 268 Stranahan Circle for $369,035.84, using Redevelopment Agency Low-Moderate Affordable Housing restricted funds for that amount, after receiving $8,803.16 in shared appreciation from the formally stated sales price of $377,839.00. The purchase price was the restricted re-sale price in accordance with resale provisions of the Agency's Affordable Housing Program.

The intent for this re-purchase by the Agency was to preserve this home as part of the City's affordable housing stock and to support the goals and requirements of the following: the City's Regional Housing Needs Allocation (RHNA), the City's Redevelopment Plan housing requirements, and provisions of the City's State-certified Housing Element. This home was originally purchased by the Redevelopment Agency on October 20, 2006 for $517,000.00.

This home has been an affordable housing unit in the Moderate-Income category. As discussed at the February 15, 2011 Agency Board meeting when the repurchase of this home was authorized by the Agency, in this current housing market with substantially reduced home values, staff anticipated those households who could afford homes in the moderate-income category would find a broad selection of area homes at a similar "market-rate" price without the need to enter into a Resale Restriction Agreement and share equity with the Agency. Consequently, as anticipated, this home was offered for sale to Low-

Income eligible households. Staff had indicated the resale price in this lower income category would likely be under $200,000. The actual price of $165,000.00 determined was based on the various factors involved, including this applicant's household size and household income. It should be noted the City's Housing Element identifies a need for 35 units in the lower-income category through 2014.

AGENCY RESALE OF UNIT

Staff advertised the availability of this residence, using local newspapers, mailers, the City's website, and a "For Sale" sign at the property. Two applications were received, both qualifying in the low-income category. Staff evaluated these applications based on specified criteria including size of household, household income, and anticipated ability to satisfy payment obligations. Staff determined that both applications satisfied standard qualifications to receive a recommendation to be considered to purchase the available home. However, Mr. and Mrs. Groebner presently live in Clayton and have children who attend schools in Clayton. The Agency's Affordable Housing Program gives priority points to applicants, who otherwise satisfy basic eligibility criteria, but, in addition, reside, work, and/or have children attending school(s) in Clayton. Accordingly, staff is recommending that the subject home be sold to Mr. and Mrs. Groebner.

Mr. and Mrs. Groebner, the applicants for the home at 268 Stranahan Circle, have received and signed the Redevelopment Agency's Borrower Disclosure Statement and Agreement of Purchase and Sale and Joint Escrow Instructions to purchase this residence for $165,000.00 (see **Attachments**). The determined sales price was based on specified factors as mentioned above and applicable affordable housing requirements of California Redevelopment Law, including that not more than 30% of the total household income can be used for base housing costs.

In order to assure this home remains affordable for 45 years in accordance with California Redevelopment Law, Mr. and Mrs. Groebner must sign a Resale Restriction Agreement as well as a deed of trust and promissory note. The Resale Restriction Agreement stipulates that the homeowner and Agency are to share any equity appreciation in the future value of the residence. The sharing of equity would be in proportion to the respective parties' investment in the home's market value established at the time the Agency originally purchased the unit. The Agency originally purchased the home for $517,000.00. Assuming a re-sale price of $165,000.00, the Agency's investment in the property following the sale will be $353,000.00 or 68.1% of the Agency's purchase price. Mr. and Mrs. Groebner's investment will be $165,000.00 or 31.9% of the Agency's original purchase price. Consequently, the sharing of future equity growth above the base sale price would be 31.9% for Mr. and Mrs. Groebner and 68.1% for the Agency.

The proportional sharing of equity will allow homeowners to possibly realize a small financial gain from homeownership and facilitate homeowners who want to move to market rate housing to have funds toward a down payment.

FISCAL IMPACT

Proceeds from this sale of the housing unit will be returned to the Agency's Low-Moderate Affordable Housing fund. Funds in this account are restricted by law for the provision of affordable housing within the Agency's Project Area.

Attachments:

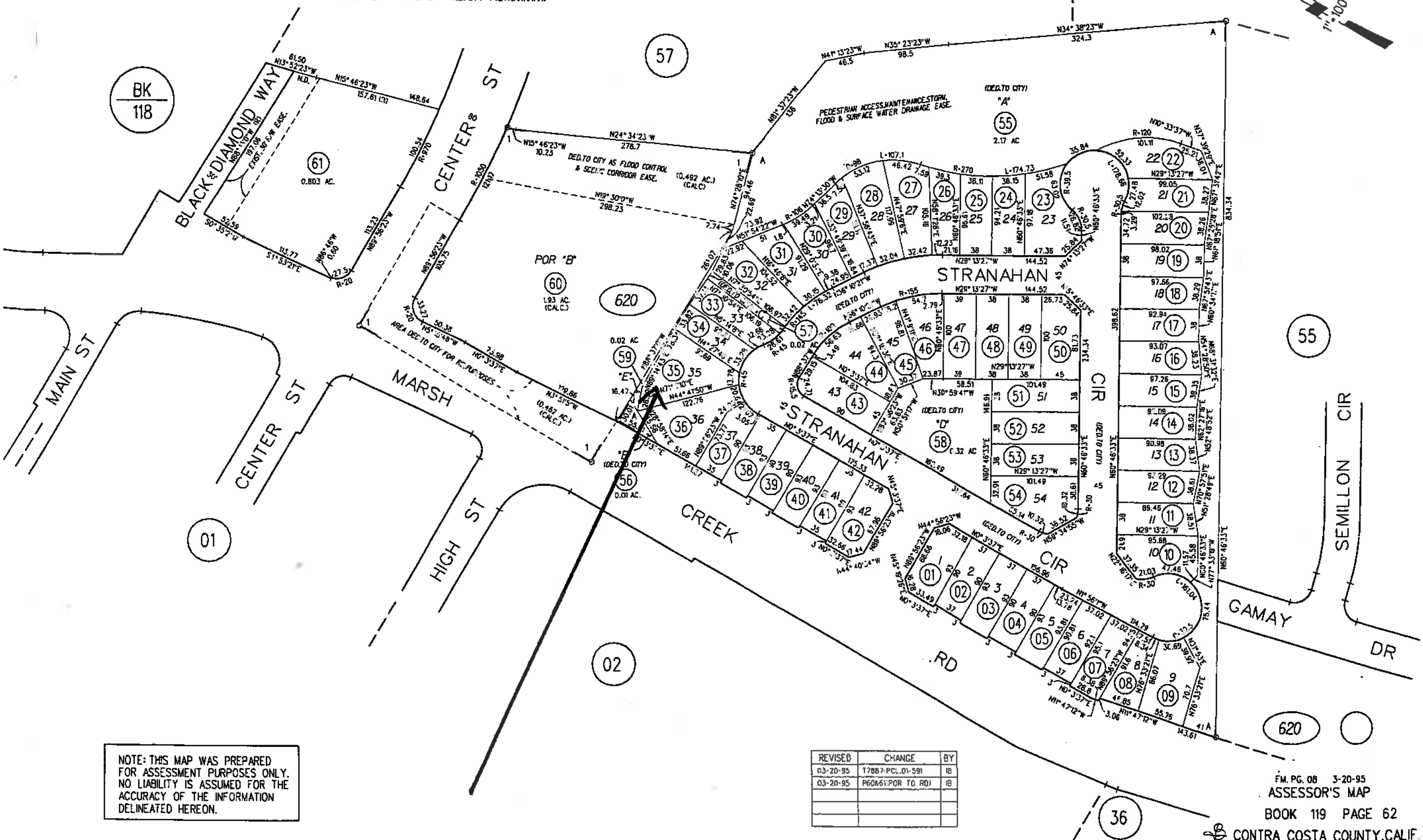
1. Location Map that depicts 268 Stranahan Circle
2. Letter dated May 6, 2011 from Mr. and Mrs. Groebner
3. Agreement of Purchase and Sale and Joint Escrow Instructions between the Redevelopment Agency and Mr. and Mrs. Groebner
4. Borrower Disclosure Statement

Affordable Housing\Groebner\SR-1.Groebner

POR. N1/2 SEC. 13 & NE1/4 SEC. 14 T1N R1W M.D.B.&M.

1-1985 ROLL-110 P.M. 47 7-12-84

A-1995 ROLL-TRACT 7887 M.B. 377-1 (STRANAHAN)



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON.

REVISED	CHANGE	BY
03-20-95	T7887-PCL.01-591	IB
03-20-95	P60&61(POR TO RD)	IB

268 Stranahan Circle

Attachment 1

JOHN AND KATHY GROEBNER
1187 Pine LN
Clayton, CA 94517

Attachment 2

May 6, 2011

City of Clayton
6000 Heritage Trail
Clayton, CA 94517

Re: Clayton's Affordable Housing

Dear Redevelopment Agency

We would like to express our deep gratitude and appreciation for choosing our family in the purchase of your home on, 268 Stranahan Circle Clayton, CA 94517.

It is our privilege to reside in this home for many years to come and do our best as a family to support our community and its members .

We look forward to working with you in the future.

Sincerely,

John, Kathy, Savanha, and Katie Grace Groebner

Received
MAY 6 2011
City of Clayton

AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS

This **AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS** (this "Agreement") is made as of the _______ day of May 2011 by and between the Redevelopment Agency of the City Of Clayton ("Seller"), and Mr. John Groebner and Mrs. Kathy Dee Groebner ("Buyer").

RECITALS

A. WHEREAS, Seller is the owner of certain land and improvements located in the City of Clayton, County of Contra Costa, State of California, commonly known as 268 Stranahan Circle, Clayton, California and legally described on Exhibit "A," attached hereto (the "Land"), together with all improvements thereon and appurtenances thereto ("Improvements"). (The Land and Improvements are hereinafter collectively referred to as the "Property.")

B. WHEREAS, Seller desires to sell the Property to Buyer, and Buyer desires to purchase the Property from Seller, all on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, the parties hereto agree as follows:

1. PURCHASE AND SALE.

Seller agrees to sell the Property to Buyer, and Buyer agrees to purchase the Property from Seller, on the terms and conditions hereinafter set forth in this Agreement.

2. PURCHASE PRICE.

The total purchase price ("Purchase Price") for the Property shall be one hundred and sixty-five thousand dollars ($165,000), payable by Buyer to Seller with Promissory note(s) secured by deed(s) of trust deposited in Escrow by Buyer prior to Close of Escrow.

3. CONDITION OF TITLE TO PROPERTY.

3.1 Title to the Property shall be conveyed to Buyer upon the Close of Escrow.

3.2 Title to the Property shall be conveyed to Buyer by Grant Deed (on the Title Company's standard form Grant Deed), free and clear of all liens except for (i) liens securing real property taxes and assessments (which constitute liens not yet due and payable); (ii) the Resale Restriction Agreement and Option to Purchase recorded in conjunction with this purchase; (iii) any deed of trust securing a promissory note which is executed in conjunction with this purchase; and (iv) such other exceptions shown on a Preliminary Title Report ("Preliminary Report") issued by Placer Title ("Title Company") which are approved by Buyer. (All exceptions to title permitted pursuant to this Paragraph 3.2 are referred to in this Agreement as "Permitted Exceptions.") Seller agrees to furnish Buyer with copies of the Preliminary Report within five (5) business days after the opening of escrow. Buyer shall have five (5) days after receipt of the Preliminary Report within which to notify Seller in writing of Buyer's disapproval of any exceptions set forth in the Preliminary Report. In the event of Buyer's disapproval of the Preliminary Report, Seller, at its sole election (to be exercised by written notice to Buyer in five (5) days after receipt of Buyer's said notice of disapproval), shall have five (5) days after Buyer's said disapproval within which to remove or otherwise remedy the disapproved exceptions. If Seller cannot eliminate or otherwise remedy the disapproved exceptions within said five

(5) day time period, this Agreement shall thereupon terminate and all sums and documents deposited in Escrow shall be returned to the parties who respectively deposited the same. Failure of Buyer to provide written disapproval of the Preliminary Report within the above time period shall be deemed approval.

3.3 Title to the Property shall be evidenced by the commitment of the title company to issue a standard Placer County Title policy of title insurance with liability in the amount of the Purchase Price showing title to the Property vested in Buyer and, if applicable, insuring Seller's purchase-money lien as evidenced by the purchase-money Deed of Trust subject only to the Permitted Exceptions.

4. CONTINGENCIES.

4.1 Buyer's obligation to purchase the Property is subject to the following contingencies described in subparagraphs (a) through (d), below in this Paragraph 4.1 ("Contingencies"). Each and all of the following Contingencies are for the sole benefit of Buyer and may be waived or deemed satisfied by Buyer in Buyer's sole and absolute discretion.

(a) Buyer's obtaining one or more loans within thirty (30) days of the approval of this Agreement (secured by Deed(s) of Trust encumbering the Property) totaling not more than one hundred and sixty-five thousand dollars ($165,000), for a term of not less than thirty (30) years, at interest rates not to exceed seven percent (7.0%) per annum, with customary loan fees and costs.

(b) Buyer's review and approval of the Preliminary Report as described in Paragraph 3.2 above.

(c) Buyer's inspection and examination of the physical condition of the Property. Buyer shall have access to the Property at reasonable times and shall have a right to conduct, at Buyer's expense, soil tests, environmental investigations, and such other studies with respect to the physical condition of the Property as Buyer may desire. Buyer shall have fourteen (14) days after approval of this Agreement to conduct such tests and studies, and to give written notice to Seller of any conditions unacceptable to Buyer. Buyer shall hold and save Seller harmless from and against any and all loss, cost, damage, liability, injury or expense, arising out of or in any way related to damage of property, injury to or death of persons, or the assertion of lien claims caused by such entry, inspection and implementation of soil tests, environmental investigations and other studies with respect to the physical condition of the Property. If Buyer elects to terminate this Agreement by reason of failure of the Contingency set forth in this subparagraph (c), Buyer shall promptly upon such election deliver to Seller all written reports, studies and information prepared by third parties for Buyer which pertain to the physical condition of the Property.

(d) Buyer's determination that zoning, the Resale Restriction Agreement and Option to Purchase, and other governmental regulations affecting the use of Property are satisfactory for Buyer's intended use. Buyer shall have fourteen (14) days after approval of this Agreement to make such determination and to give written notice to Seller of any zoning, Resale Restrictions, or governmental regulations which are unacceptable to Buyer.

If Buyer disapproves of the satisfaction of any Contingency within the applicable time period provided above, Buyer's sole remedy shall be to terminate this Agreement and Seller shall have no obligation to remedy any Contingency which Buyer disapproves. If this Agreement terminates as a result of the failure of the satisfaction of any of the Contingencies, all sums and documents deposited in Escrow shall be returned to the parties who respectively deposited the same.

4.2 If Buyer fails to give written notice to Seller of its disapproval of any Contingency within the respective applicable time limit(s) set forth above in Paragraph 4.1, it shall conclusively be deemed that Buyer has waived such Contingency shall conclusively be deemed satisfied.

5. REPRESENTATIONS AND WARRANTIES BY SELLER.

5.1 Seller makes the representations and warranties in this Paragraph 5, each and all of which shall survive any and all inquiries and investigations made by Buyer and shall survive the Close of Escrow and recordation of the Grant Deed.

5.1.1 Seller is a public body, corporate and politic, and is duly organized, validly existing and in a good standing under the laws of the State of California, and has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. Seller and the specific individual parties signing this Agreement on behalf of Seller represent and warrant that the parties signing this Agreement on behalf of Seller have the full legal power, authority and right to execute and deliver this Agreement.

5.1.2 Neither the entering into this Agreement nor the performance of any Seller's obligations under this Agreement will violate the terms of any contract, agreement or instrument to which Seller is a party.

5.1.3 To the best of Seller's knowledge, the Property is zoned Planned Development (PD) District.

5.1.4 Seller has not actually received any formal written notice of nor does Seller contemplate any pending widening, modification or realignment of any street or highway contiguous to the Property or any existing or proposed eminent domain proceeding which would result in taking of all or any part of the Property.

5.1.5 Seller has not actually received any formal written notice that any of the easements, covenants, conditions, restrictions or agreements to which the Property is subject interferes with or is breached by the use or operation of the Property as presently used and operated as a residence.

5.1.6 Seller has not been served (by means of formal, legal service of process as required by law) with any litigation, and no arbitration proceedings have been commenced, which do or will affect any aspect of the Property or Seller's ability to perform its obligations under this Agreement.

5.1.7 Seller has not actually received any formal written notice of any presently uncured violation of any law, ordinance, rule or regulation (including, but not limited to, those relating to zoning, building, fire, health and safety) of any governmental, quasi-governmental authority bearing on the construction, operation, ownership or use of the Property.

5.1.8 There are not any written commitments to, or written agreements with, any governmental, quasi-governmental authority or agency materially affecting the Property which have not been heretofore disclosed by Seller to Buyer in writing, or are listed in this Agreement.

5.1.9 Seller has not been served (by means of formal, legal service of process as required by law) or formally notified in writing by any governmental, quasi-governmental authority (i) that the Property or any adjoining property, contains or may contain any "Hazardous Materials" in violation of any "Environmental Regulations" (as those terms are defined in Paragraph 5.1.10, below); or (ii) that the Seller has stored, used or maintained Hazardous Materials or suffered, permitted, allowed or acquiesced in any storage, use or maintenance of Hazardous Materials on, in or under the Property in violation of any Environmental Regulations. In addition, to the best of Seller's knowledge, but without any specific investigation therefore, there are no Hazardous Materials in any way relating to all or any portion of the Property or the area surrounding the Property.

5.1.10 As used in this Agreement, the terms "Environmental Regulations" and "Hazardous Materials" shall have the following meanings:

(a) "Environmental Regulations" shall mean all applicable statutes, regulations, rules, ordinances, codes, licenses, permits, orders, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof and all applicable judicial and administrative and regulatory decrees, judgments and orders relating to the protection of human health or the environment, including, without limitation: (i) all requirement, including but not limited to those pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, releases or threatened releases of Hazardous Materials, whether solid, liquid or gaseous in nature, into the air, surface water, groundwater or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, whether solid, liquid or gaseous in nature; and (ii) all requirements pertaining to the protection of the health and safety of employees or the public.

(b) "Hazardous Materials" shall mean (i) any flammables, explosive or radioactive materials, hazardous wastes, toxic substances or related materials including, without limitation, substances defined as "hazardous substances", "hazardous materials", "toxic substances" or "solid waste" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sec. 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901 et seq.; and in the regulations adopted and publications promulgated pursuant to said laws; (ii) those substances listed in the United States Department of Transportation Table (49 C.F.R. 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 C.F.R. Part 302 and amendments thereto); (iii) those substances defined as "hazardous wastes", "hazardous substances", or "toxic substances" in any similar federal, state or local laws or in the regulations adopted and publications promulgated pursuant to any of the foregoing laws or which otherwise are regulated by any governmental authority, agency, department, commission, board or instrumentality of the United States of America, the State of California or any political subdivision thereof, (iv) any pollutant or contaminant or hazardous, dangerous or toxic chemicals, materials, or substances within the meaning of any other applicable federal, state, or local law, regulation, ordinance, or requirement (including consent decrees and administrative orders) relating to or imposing liability or standard of conduct concerning any hazardous, toxic or dangerous waste, substance or material, all as amended; (v) petroleum or any by-products thereof; (vi) any radioactive material, including any source, special nuclear or by-product material as defined at 42 U.S.C. Sections 2011 et seq., as amended, and in the regulations adopted and publications promulgated pursuant to said law; (vii) asbestos in any form or condition, and (viii) polychlorinated biphenyls.

5.1.11 Seller has neither engaged nor dealt with any real estate broker or finder in connection with the sale contemplated by this Agreement.

5.1.12 Seller will not alter the physical condition of the Property from and after the date of this Agreement, reasonable wear and tear excepted. If, through no fault of Seller, the physical condition of the Property is different on the date scheduled for the Close of Escrow as of the date of this Agreement, the terms and conditions of Paragraph 5.2, below shall apply.

5.1.13 To the extent required by law, Seller shall provide Buyer with copies of the natural hazard zone disclosure report, real estate transfer disclosure statement, federal lead-based paint disclosure, sex offender disclosure, and any other disclosure statements required by law arising from the Seller's purchase of the Property on 268 Stranahan Circle.

5.1.14 To the extent required by law, Seller shall install smoke detectors and water heater bracing.

5.2 If, prior to the Close of Escrow, new events have occurred which were beyond the control of Seller and which render any previously true representation or warranty untrue, Seller shall, within three (3) days upon learning thereafter, disclose those matters by written notice to Buyer. Buyer shall have ten (10) days after the earlier of (i) such disclosure; or (ii) Buyer's independent discovery that such representation or warranty has become untrue, to elect, in its sole and absolute discretion, and as its sole remedy, by written notice to Seller within said ten (10) day period, whether (i) to purchase the Property or (ii) terminate this Agreement. If Buyer elects to terminate this Agreement pursuant to this Paragraph 5.2, Escrow shall immediately terminate upon Seller's receipt of Buyer's notice of election to terminate this Agreement and all sums and documents deposited in Escrow shall be returned to the parties who deposited the same. If Buyer fails to notify Seller and Escrow Holder of its election to terminate this Agreement within said ten (10) day time period provided above, Buyer shall be deemed to have accepted the modified representations and warranties and elected to purchase the Property.

5.3 Other than those express representations and warranties contained in this Agreement, Seller makes no warranty or representation, express or implied, including but not limited to, implied warranties or merchantability and fitness for a particular purpose.

5.4 Except to the extent Seller has made a specific representation and warranty with respect thereto, no document or information provided by Seller to Buyer shall constitute a representation as to the completeness or accuracy of such documents or information.

6. REPRESENTATION AND WARRANTIES BY BUYER.

6.1 Buyer makes the following representation and warranties in this Paragraph 6, each and all of which shall survive any and all inquiries and investigations made by Seller and shall survive the Close of Escrow and recordation of the Grant Deed.

6.1.1 Each and all of the information and any financial statement delivered by Buyer to Seller is true and correct.

6.1.2 Buyer has neither engaged nor dealt with any broker or finder in connection with the sale contemplated by this Agreement.

6.1.3 Buyer has or will make its own investigation concerning the physical condition of the Property, condition of title or any other matter pertaining to the Property; and, other than specific representations and warranties made by Seller pursuant to this Agreement. Buyer is not relying on any representations, warranties or inducements of Seller with respect to the physical condition of the Property, condition of title to the Property, or any other matter pertaining to the Property, as the property is being offered "as is." Accordingly, except for those specific representations and warranties of Seller set forth in this Agreement. Buyer is purchasing the Property and each and every aspect thereof in an "as is" condition, and Seller makes no express or implied representation concerning (i) the status of title to the Property; (ii) the current or future real estate tax liability, assessment or valuation of the Property; (iii) the compliance of the Property in its current or future state with applicable laws or any violations thereof, including without limitation, those relating to access for the handicapped, environmental or zoning matters, or the ability to obtain a change in the zoning of the Property; (iv) the nature and extent of any right-of-way, lease, lien, encumbrance, license or reservation; (v) excepting any financing provided by Seller, the availability of any financing for the purchase, alteration or operation of the Property from any source, including, without limitation, any governmental authority or lender.

7. INDEMNIFICATION.

7.1 Subject to any other provisions of this Agreement to the contrary, each party ("Indemnitor") agrees to indemnify and hold the other party ("Indemnitee") harmless from and against any claim, loss, damage or expense, including any reasonable attorney fees (including attorney fees on appeal), asserted against or suffered by the Indemnitee resulting from:

(a) Any breach by the Indemnitor of this Agreement;

(b) The inaccuracy or breach of any of the representations, warranties or covenants made by the Indemnitor.

7.2 Indemnitee shall submit any claim for indemnification under this Agreement to Indemnitor in writing within a reasonable time after Indemnitee determines that an event has occurred which has given rise to a right of indemnification under this Paragraph 7 and shall give Indemnitor a reasonable opportunity to investigate and cure any default of Indemnitor under this Agreement and eliminate or remove any claim by a third party. Notwithstanding the foregoing, if the nature of Indemnitor's default or the third party claim is such that it would be impractical or unreasonable to give Indemnitor an opportunity to investigate and cure such default and remove such a claim, Indemnitee need not give Indemnitor such opportunity.

7.3 If such claim for indemnification relates to a claim or demand presented in writing by a third party against Indemnitee, Indemnitor shall have the right to employ counsel reasonable acceptable to Indemnitee to defend any such claim or demand and Indemnitee shall make available to Indemnitee, or its representatives, all records and other materials in its possession or under its control reasonably required by Indemnitor for its use in contesting such liability. If Indemnitor does not elect to defend any such claim or demand, Indemnitee may do so at its option, but shall not have any obligation to do so.

8. ASSUMPTION OF LIABILITIES.

8.1 Effective as of the Close of Escrow, Buyer shall be deemed to have assumed all obligations and liabilities of Seller pertaining to the Property, except all obligations and liabilities with respect thereto which arise prior to the Close of Escrow or which arise as a result of events which occur prior to the Close of Escrow. Except for the foregoing assumption of obligations and liabilities by Buyer, Buyer does not assume and shall not be liable for any of the obligations or liabilities of Seller of any kind or nature affecting or otherwise relating to Seller, the Property, the Leases, the Other Contracts, or otherwise.

8.2 Seller shall, prior to the Close of Escrow, timely perform and discharge all obligations and liabilities of every kind whatsoever to be discharged prior to the Close of Escrow and arising from or relating to (i) the Property, including, but not limited to the use and ownership of the Property; and (ii) the operation of the Property.

9. LIQUIDATED DAMAGES.

IF BUYER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTYAS HEREIN PROVIDED BY REASON OF ANY DEFAULT OF BUYER, IT IS AGREED THAT THE DEPOSITS ACTUALLY MADE PURSUANT TO THIS AGREEMENT SHALL BE NON-REFUNDABLE AND SELLER SHALL BE ENTITLED TO SUCH DEPOSITS WHICH AMOUNTS SHALL BE ACCEPTED BY SELLER AS LIQUIDATED DAMAGES AND NOT AS A PENALTY AND AS SELLER'S SOLE AND EXCLUSIVE REMEDY. IT IS AGREED THAT SAID AMOUNT CONSTITUTES A REASONABLE ESTIMATE OF THE DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1671 *ET SEQ*. BUYER AND SELLER AGREE THAT IT WOULD BE IMPRACTICAL OR IMPOSSIBLE TO PRESENTLY PREDICT WHAT MONETARY DAMAGES SELLER WOULD SUFFER UPON BUYER'S FAILURE TO COMPLETE ITS PURCHASE OF THE PROPERTY. BUYER DESIRES TO LIMIT THE MONETARY DAMAGES FOR WHICH IT MIGHT BE LIABLE HEREUNDER AND BUYER AND SELLER DESIRE TO AVOID THE COSTS AND DELAYS THEY WOULD INCUR IF A LAWSUIT WERE COMMENCED TO RECOVER DAMAGES OR OTHERWISE ENFORCE SELLER'S RIGHTS. IF FURTHER INSTRUCTIONS ARE REQUIRED BY ESCROW HOLDER TO EFFECTUATE THE TERMS OF THIS PARAGRAPH 10, BUYER AND SELLER AGREE TO EXECUTE THE SAME. THE PARTIES ACKNOWLEDGE THIS PROVISION BY PLACING THEIR INITIALS BELOW:

BUYER: DK **SELLER:** ____________

10. MEDIATION OF DISPUTES.

IF ANY CLAIM OR DISPUTE ARISES UNDER THIS AGREEMENT, THEN THE PARTIES SHALL, BEFORE THE FILING OF ANY LAW SUIT, FIRST ATTEMPT IN GOOD FAITH TO RESOLVE THE DISPUTE THROUGH MEDIATION BY A MEDIATOR AGREEABLE TO THE PARTIES. IF THE PARTIES CANNOT AGREE UPON A MEDIATOR, THEN THEY SHALL APPLY TO THE JUDICIAL ARBITRATION AND MEDIATION SERVICE OR SOME SIMILAR ENTITY FOR THE APPOINTMENT OF A MEDIATOR TO CONDUCT THE MEDIATION.

BUYER: DK **SELLER:** ____________

11. ESCROW AND CLOSING.

11.1 As soon as possible after the full execution of this Agreement, Buyer and Seller shall open an escrow for the purpose of consummating the purchase and sale contemplated by this Agreement ("Escrow") by depositing an executed copy of this Agreement with Placer Title, 1981 North Broadway, Walnut Creek, 94596 California ("Escrow Holder"). This Agreement shall constitute escrow instructions to Escrow Holder. Seller and Buyer shall, promptly upon request by Escrow Holder, execute such additional escrow instructions as may be reasonably required by Escrow Holder, including Escrow Holder's standard printed conditions and stipulations with respect to escrows concerning the purchase and sale of real property; provided, however, that if there is any conflict between the provisions of this Agreement and the provisions of any such additional instructions, the provisions of this Agreement shall prevail. Upon delivery to Escrow of a fully executed copy of this Agreement by both parties, Escrow shall be deemed opened on the terms and conditions set forth in this Agreement.

11.2 Escrow shall close, and the Grant Deed shall be recorded in the Office of the County Recorder of Contra Costa County, California, within sixty (60) days of the approval of this Agreement ("Close of Escrow").

11.3 Within the time set forth below, or if none is specified, prior to the Close of Escrow, Seller shall deliver to Escrow Holder, or if so indicated, to Buyer, the following documents and items:

(a) At least one (1) day prior to the Close of Escrow, the duly executed and acknowledged Grant Deed.

(b) To Buyer, at the location of the Property, at Close of Escrow, all keys to the Property, adequately and properly labeled.

(c) To Buyer, within five (5) business days after the approval of this agreement, the prior December 3, 2009 termite and pest control reports prepared by a California licensed pest exterminator showing accessible areas of the Improvements to be free of visible infestation caused by wood destroying insects, fungi and dry rot. The reports identify those areas where infestation or infection were evident (i.e., Section 1) and those areas where conditions are likely to lead to infestation or infection (i.e., Section 2). The Buyer is responsible for work recommended to correct the Section 2 conditions listed in the reports, if such work is requested by the Buyer. The Buyer is responsible for any additional work identified in any subsequent termite and pest control reports prepared by a California licensed pest exterminator as part of this escrow.

(d) To Buyer, a twelve (12) month home warranty policy which is fully paid and provides coverage of major built-in appliances.

11.4 Buyer shall deliver to Escrow Holder prior to the Close of Escrow a sum sufficient to cover Buyer's closing costs as set forth in Paragraph 11.7.2, below.

11.5 On the Close of Escrow, the Escrow Holder shall record the Grant Deed and shall deliver the monies and instruments to which each party is entitled pursuant to this Agreement, only when the Title Company is in a position to issue its CLTA (or, if applicable, ALTA) policy of title insurance subject only (i) to the Permitted Exceptions; and (ii) Title Company's standard pre-printed exceptions, with liability in the amount of the purchase price, showing title to the Property vested in Buyer ("Title Policy").

11.6 Upon Close of Escrow, possession of the Property shall be delivered to Buyer subject to the Permitted Exceptions and the following items, documents and monies shall be delivered to the parties by Escrow Holder as set forth below:

(a) To Seller: the cash portion of the Purchase Price as set forth in Paragraph 2 as adjusted pursuant to this Agreement and reduced by the amount of Seller's closing costs as set forth in paragraph 11.7.1, below; the executed Resale Restriction Agreement and Option to Purchase; and the executed deed of trust and promissory note in favor of the Seller.

(b) To Buyer: the Title Policy, and copies of the Resale Restriction Agreement and Option to Purchase, deed of trusts, and promissory notes.

11.7 Upon Close of Escrow, Escrow and title charges shall be paid in the manner provided below.

11.7.1 Seller shall:

(a) Pay all County documentary transfer taxes.

(b) One-half of the expense of all usual and customary Escrow Fees.

(c) Provide a twelve (12) month home warranty policy from the date of the Close of Escrow.

11.7.2 Buyer shall pay:

(a) The cost of the Title Policy.

(b) All recording fees.

(c) One-half of the expense of all usual and customary Escrow Fees.

(d) All costs, fees, or expenses associated with Buyer's procurement and placement of any lending or financing to purchase title.

11.8 If Escrow fails to close as a result of the default of this Agreement by a party, the defaulting party shall pay all title and escrow charges; provided, however, that nothing in this Paragraph 11 shall be deemed to limit, and the provisions of this Paragraph 11 shall be in addition to, all other rights and remedied of the non-defaulting party.

11.9 Escrow Holder is authorized and instructed to debit Seller for Seller's closing costs as set forth in Paragraph 11.7.1, above.

12. PRORATIONS.

12.1 Prorations shall be made as of the Close of Escrow. All prorations shall be made on the basis of a thirty (30) day month and shall be paid in cash to Seller if it is entitled thereto, or shall be credited against the case portion of the Purchase Price if Buyer is entitled thereto. Such prorations shall be made by Escrow Holder on the basis of a statement(s) approved by Buyer and Seller and deposited into the Escrow prior to the Close of Escrow. The date used for prorations is hereinafter referred to as the "Proration Date".

(a) All real estate taxes and all personal property taxes due and owing as of the Proration Date, and all penalties and interest thereon, shall be paid by Seller. Current real estate taxes, special assessments and personal property taxes which are not yet due and owing shall be prorated based upon the most recent tax bill, so that the portion of current taxes allocable to the period from the beginning of such tax year through the Proration Date shall be charged to and paid by Seller and the portion of the current taxes allocable to the portion of such tax year from the Proration Date to the end of such tax year shall be charged to and paid by Buyer. Proration of taxes and assessments shall be final as of the Proration Date, regardless of the amount of taxes or assessments that actually are, or subsequently become, due.

(b) Expenses of operating the Property (other than insurance premiums, taxes and utility charges) which were prepaid by Seller for a period beyond the Proration Date.

12.2 Buyer shall be responsible for obtaining and paying for utility services from and after Close of Escrow.

13. DAMAGE OR DESTRUCTION PRIOR TO CLOSE OF ESCROW.

If the Property, or any portion thereof, is damaged or destroyed prior to the Close of Escrow from any cause whatsoever, whether an insured risk or not, including but not limited to, fire, flood, accident or other casualty which, according to the Buyer's and Seller's best estimate, would cost more than Five Thousand Dollars ($5,000.00) to repair, Buyer shall have the option, upon written notice to Seller, to either (i) terminate this Agreement, or (ii) purchase the Property. If Buyer elects to terminate this Agreement, Escrow shall immediately terminate upon Seller's receipt of Buyer's notice of election to terminate and Escrow Holder shall thereupon promptly return all documents, items and monies in its possession to the party who shall have deposited same with Escrow Holder. If Buyer elects to purchase the Property, Buyer shall be entitled to, and Seller shall assign to Buyer, all insurance proceeds covering such damage or destruction and, in addition, Seller shall pay Buyer the amount of any deductible (which can be paid by Seller by means of a credit against the Purchase Price). In the event that Buyer's and Seller's best estimate of the cost of repair is Five Thousand Dollars ($5,000.00) or less, Buyer shall purchase the Property and be entitled to, and Seller shall assign to Buyer, all insurance proceeds covering such damage or destruction. In addition, the difference between the amount of insurance proceeds available and the cost of repair shall be deducted from the case portion of the Purchase Price. Should any damage or destruction occur prior to the Close of Escrow, the date scheduled for the Close of Escrow shall be extended for a period of time not to exceed thirty (30) days, for the purpose of allowing Buyer and Seller sufficient time to estimate the cost of repair. If Buyer fails to notify Seller of its election under this Paragraph 15, Buyer shall be deemed to have elected to purchase the Property.

14. SURVIVAL OF CLOSE OF ESCROW.

All representations, warranties, covenants, conditions, agreements and obligations contained in or relating to this Agreement shall survive the Close of Escrow and the recordation of the Grant Deed and shall not merge therein unless specifically stated otherwise in this Agreement.

15. NOTICES.

All notices to be given pursuant to this Agreement shall be either (i) personally delivered; (ii) sent via certified or registered mail, postage prepaid; (iii) overnight courier (such as Federal Express, DHL, etc.); or (iv) by fax transmittal. If sent via certified or registered mail, receipt shall be deemed effective forty-eight (48) hours after being deposited in the United States mail. If sent via fax transmission, a confirming copy shall be sent to the sender, and receipt of the fax transmittal shall be deemed made twenty-four (24) hours after the sending thereof. If sent via overnight courier, receipt shall be deemed effective twenty-four (24) hours after the sending thereof. All notice to be given pursuant to this Agreement shall be given to the parties at the following respective address.

To Seller:	Gary A. Napper, Executive Director Clayton Redevelopment Agency 6000 Heritage Trail Clayton, CA 94517 Fax 925/672-4917
To Buyer:	John Groebner & Kathy Dee Groebner 1187 Pine Lane Clayton, CA 94517

To Escrow Holder: Kathy Warner
Senior Escrow Officer
Placer Title
1981 North Broadway, #100
Walnut Creek, CA 94596
Fax 925/939-9206

16. ENTIRE AGREEMENT.

This Agreement, and the Exhibits attached hereto, represent the entire Agreement between the parties in connection with the transactions contemplated hereby and the subject matter hereof and this Agreement supersedes and replaces any and all prior and contemporaneous agreements, understandings and communications between the parties, whether oral or written, with regard to the subject matter hereof. There are no oral or written agreements, representations or inducements or any kind existing between the parties relating to this transaction which are not expressly set forth herein. This Agreement may not be modified except by a written agreement signed by both Buyer and Seller. Without limiting the foregoing, Buyer and Seller expressly acknowledge and agree that they have not relied on any written or oral statements made by the other party's representative(s) in entering into this Agreement.

17. BINDING EFFECT.

This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, legal representatives, administrators, successors in interest and assigns. Buyer may not assign this agreement and any rights thereunder without the express written consent of Seller.

18. WAIVER.

No waiver by any party at any time of any breach of any provision of this Agreement shall be deemed a waiver or a breach of any other provision herein or a consent to any subsequent breach of the same or another provision. If any action by any party shall require the consent or approval of another party, such consent or approval of such action on any one occasion shall not be deemed a consent to or approval of such action on any subsequent occasion or a consent to or approval of any other action.

19. CAPTIONS AND HEADINGS.

The captions and paragraph numbers appearing in this Agreement are inserted only as a matter of convenience and do not define, limit, construe, or describe the scope or intent of this Agreement.

20. COUNTERPARTS.

This Agreement may be executed in counterparts, each of which shall be considered an original and all of which taken together shall constitute one and the same instrument.

21. GOVERNING LAW.

This Agreement has been prepared, negotiated and executed in, and shall be construed in accordance with, the laws of the State of California. Any action or proceeding relating to or arising out of this Agreement shall be filed, if a State action, in the Superior Court of the State of California for the County of Contra Costa, or if a Federal action, in the United States District Court for the Northern District of California.

22. ATTORNEYS FEES.

If either party named herein brings an action or proceeding to enforce the terms hereof or declare rights hereunder, the prevailing party in any such action (or proceeding), on trial or appeal, shall be entitled to its reasonable attorneys' fees and costs, including costs of experts and consultants, to be paid by the party not prevailing as fixed by the Court (or if applicable, the arbitrator).

23. TIME OF ESSENCE.

Time is of the essence with respect to all matters contained in this Agreement.

24. DATE OF AGREEMENT.

All references in this Agreement to "the date of this Agreement" or "the date hereof" shall be deemed to refer to the date set forth in the first paragraph of this Agreement.

25. INVALIDITY OF ANY PROVISION.

If any provision (or any portion of any provision) of this Agreement is held by a court of competent jurisdiction or, if applicable to the Agreement, "by an arbitrator" to be illegal, invalid or unenforceable under present or future laws effective during the term of this Agreement, the legality, validity and enforceability of the remaining provisions (of the balance of each provision) shall not be affected thereby.

26. NO RECORDATION.

Buyer shall not record this Agreement, any memorandum of this Agreement, any assignment of this Agreement, or any other document that would cause a cloud on the title of the Property.

27. DRAFTING OF AGREEMENT.

Buyer and Seller acknowledge that this Agreement has been negotiated at arm's length, that each party has been represented by independent counsel and that this Agreement has been drafted by both parties and no one party shall be construed as the draftsperson.

28. NO THIRD PARTY BENEFICIARY RIGHTS.

This Agreement is entered into for the sole benefit of Buyer and Seller, No other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

29. INCORPORATION OF EXHIBITS.

Each and all of the exhibits attached to this Agreement are incorporated herein as if set forth in full in this Agreement.

30. NO JOINT VENTURE, PARTNERSHIP OR OTHER RELATIONSHIP CREATED.

The relationship between Buyer and Seller is that solely of a seller and buyer and no joint venture, partnership or other relationship is created or implied by this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth in the first paragraph of this Agreement.

"SELLER"

Redevelopment Agency of the City Of Clayton

____
Gary A. Napper, Executive Director

"BUYER"

____
John Groebner

"BUYER"

____
Kathy Dee Groebner

Purchase Agreement\Groebner

Exhibit "A"
Legal Description of Land

All that certain real property situated in the City of Clayton, County of Contra Costa, State of California, described as follows:

Parcel One:

Lot 35, as shown on Subdivision 7887, filed December 20, 1994, in Book 377 of Maps, at Pages 1 through 9, Contra Costa County Records.

Parcel Two:

An easement for vehicular turnaround over that portion of Lot 36, Subdivision 7887, filed December 20, 1994, in Book 377 of Maps, Pages 1 thru 9, Contra Costa Records, described as follows:

Beginning at the Easterly corner of said Lot 36; thence north 44°41' 50" West 20 feet; thence South 38° 03' 32" West 7.5 feet; thence South 44° 41' 50" East 20 feet; thence along the Eastern line of Lot 36, 7.5 feet to the point of beginning

APN: 119-620-035-4

BORROWER DISCLOSURE STATEMENT

REDEVELOPMENT AGENCY OF THE CITY OF CLAYTON
(AFFORDABLE HOUSING PROGRAM)

The Redevelopment Agency of the City of Clayton (the "Agency") manages a limited Affordable Housing Program designed to assist Low and Moderate Income households purchase certain homes in the City of Clayton. The home you are purchasing has been made affordable by the Agency's affordable housing program requirements.

As a condition of purchasing the home, the Agency will require you to sign an Agency Promissory Note, a Deed of Trust, and a Buyer's Occupancy and Resale Restriction with Option to Purchase Agreement (the "Resale Restriction Agreement"). **The Deed of Trust and the Resale Restriction Agreement will be recorded against your property**.

This Disclosure Statement explains the major provisions of the Agency Note, the Deed of Trust, and the Resale Restriction Agreement to help you understand their requirements. **You should, of course, read all of the Agency loan documents and become completely familiar with them**[1]

A. REQUIREMENTS IN EFFECT FOR FORTY FIVE-YEAR TERM

The requirements contained in the Resale Restriction Agreement apply for forty five (45) years from the date escrow closes.

B. PRIMARY RESIDENCE AND LEASING YOUR HOME

Under the terms of the Agency documents, this home must be your primary place of residence. This means you must live in your home no less than ten (10) months out of each calendar year. Each year, you must sign a statement for the Agency that certifies that you are living in your home as the main place in which you live. In addition, you cannot lease or rent out your home. If you violate these requirements, the Agency may sue to enforce them, and you will owe the Agency any rental proceeds you have collected. The Agency may also declare the amounts owed under the Promissory Note and the Deed of Trust immediately due and payable or exercise the other default provisions further explained in Section K of this Disclosure Statement.

Additionally, the acquisition by the Buyer of another residential property or any interest in another residential property shall be considered a default pursuant to Section 14 of the Resale

[1] Numerical examples are included in this Disclosure Statement to help you better understand the concepts, terms and provisions of the Resale Restriction and related documents. Please be aware that these are simply to show how things work and they are <u>not</u> intended to represent your specific situation. If you follow along with a calculator, you may not get exactly the same answers. Any small differences may be due to how your calculator "rounds-off" numbers. Please note further that if there is an inconsistency between this document and your resale Restriction Agreement or related documents, the language in the latter documents prevails.

Restriction Agreement and entitle the Agency to exercise its purchase option granted pursuant to Section 16 of the Resale Restriction Agreement.

C. MAINTAINING YOUR HOME/ PROPERTY INSURANCE

By signing the Resale Restriction Agreement, you agree to keep your home and landscaping in good repair and in neat, clean, and orderly condition and to prevent deterioration of the home. You also agree to keep a standard homeowner's insurance policy, with the Agency named as an additional insured. The insurance policy shall be in an amount equal to the replacement value of the home. A copy of your homeowner insurance policy shall be filed with the Agency, including all renewals thereof, and the policy shall contain a 30-day cancellation notice to the Agency. Every five (5) years, the replacement value will be reviewed and adjusted as needed, if requested by the Agency.

D. NOTICES TO AGENCY

1. Notice of Intent to Vacate, Sell, Assign or Transfer.

If you decide to move from your home, or to sell, assign or transfer your home or any partial interest in your home, or if you record a mortgage or deed of trust against your home (for example, you refinance your first mortgage), you must promptly let the Agency know in writing.

2. Delivery of Required Notices.

Any notice you must give to the Agency under the terms of the Agency documents must be sent by U.S. certified mail, return receipt requested, or express delivery service with a delivery receipt. Notices are considered effective as of the date received or the date delivery was refused.

E. AGENCY HAS OPTION TO PURCHASE

When you agreed to purchase your home, you agreed that if you transfer, sell, or move from your home at any time, the Agency holds an option to purchase your home at a restricted sales price to keep the house affordable. In other words, the Agency has the first opportunity to buy your home before anyone else. Instead of buying the home itself, the Agency can also give its right to buy your home to an eligible moderate or low income household like yourself or to another agency or nonprofit corporation. The Agency does not have the option to purchase your home, however, in the case when a transfer is to an existing husband, wife, or domestic partner, to a husband, wife, or domestic partner who then becomes a co-owner of the home, to a husband or wife as part of a marriage or a divorce, to a husband, wife, or domestic partner upon death of the borrower, or to an inter vivos trust in which you are the beneficiary or upon refinancing of the mortgage on the home if the refinancing is in accordance with the terms of the Resale Restriction. In addition, the Agency does not have the option to purchase your home, if whoever inherits your home, qualifies as an eligible moderate or low income household under the Agency

Affordable Housing Program requirements and complies with Section 6 of the Resale Restriction Agreement.

1. Time Limits.

If the Agency decides to use (or assign) its option to buy your house, it shall notify you within sixty (60) days after it receives your notice of intent to sell, transfer or move from the home. The purchase of your house under the Agency option shall take place within ninety (90) days of the date it notifies you that it (or its designee) will exercise the option to buy your home.

2. Preparing Home Upon City Exercise of Option.

If the Agency exercises (or assigns) its option on your home, you are responsible for putting the home in good condition for sale. You must take the steps set forth in Section 7 of the Resale Restriction Agreement to prepare the home for sale.

F. SALES PRICE OF HOME IS RESTRICTED: DETERMINATION OF MAXIMUM SALES PRICE

The Agency's Affordable Housing Program made it possible for you to purchase your home at a substantially reduced price. The Agency also wants to make sure that others like you get the same chance. Therefore, in connection with the purchase of your home, you have entered in to the Resale Restriction Agreement. The Resale Restriction Agreement limits the sales price of your house if you sell during the term of the Resale Restriction Agreement. The maximum sales price that you can receive is the **lower** of the Restricted Future Sales Price, as described in section (1) below, and the Fair Market Value, as described in section (2).

1. Restricted Future Sales Price. The Restricted Future Sales Price is calculated as follows:

(a) The purchase price that you paid for your home at the time you entered into the Resale Restriction Agreement, which is referred to in the Resale Restriction Agreement as the "Original Purchase Price".

(b) Increased by the percentage increase in the median income for Contra Costa County (from the date of you entered into the Resale Restriction Agreement to the date the Agency received the notice to sell). Median income figures are published yearly by the California Department of Housing and Community Development ("HCD"). Agency calculations involving area median income will be based on the HCD figures.

Plus

(c) If you made substantial structural improvements or permanent fixed improvements to the home that were approved by the Agency in advance, constructed in accordance with all applicable building codes, and whose initial cost exceeds one percent (1%) of the Original Purchase Price may be increased by the amount that the improvements increase the appraised value of the home at the time of the notice to sell.

<u>The Actual Sales Price You Receive May Be Considerably Less Than Restricted Future Sales Price</u>. The sales price you actually get for the home may be significantly less than the Restricted Future Sales Price because of conditions in the housing market. The Restricted Future Sales Price is the <u>maximum</u> price that you could receive for the home. It is <u>not</u> a guaranteed amount and you should not count on receiving that amount. If the Fair Market Value of your home is less than the Restricted Future Sales Price, then you will receive the Fair Market Value as the sales price of your home.

The Example below shows how the Restricted Future Sales Price formula works.

EXAMPLE 1 You sell your house after having lived in it for eight (8) full years. The Original Purchase Price of your home at the time you entered into the Resale Restriction Agreement was Three Hundred Thousand Dollars ($300,000). The median income for a family of four when you purchased your home was Seventy-Five Thousand Dollars ($75,000), as published by HCD. Median income at the time of sale has increased to $82,500. While you lived in your home, you have kept your home in good condition and repair but you have not done any structural or permanent improvements.

[i]	Owners Base Price of Home	$ 300,000
	MULTIPLIED BY	
[ii]	Median Income Increases 10% over the eight years $82,500 - $75,000/$75,000= 10%	.10%
	EQUALS	$ 30,000
	RESTRICTED FUTURE SALES PRICE (Original Purchase Price plus 10%)	$330,000

2. <u>Fair Market Value</u>. The Resale Restriction Agreement allows the Fair Market Value to be determined in one of two ways. First, it can be established by an appraisal done by a real estate appraiser chosen by you, the owner. If the appraisal is used in connection with a sale, you are responsible for the full cost of the appraisal (except when the appraisal is obtained from the new purchaser who has already paid or is going to pay for the appraisal). If the appraisal is used in connection with a refinancing you will bear the full cost of the appraisal.

The Resale Restriction Agreement also includes a second way to determine the Fair Market Value of your home. You and the Agency can mutually set the amount of the Fair Market Value. Both you and the Agency would have to agree on this particular method (instead of hiring an appraiser) and to the Fair Market Value amount. If you and the Agency fail to agree on the Fair Market Value, either one can require use of the appraisal method.

G. SELLING YOUR HOME

Under the terms of the Resale Restriction Agreement, when you go to sell your home within the forty-five (45)-year term, there are three (3) different ways that the sale can take place:

- You sell the home at a restricted sales price to someone who meets specific income requirements like you had to meet. This buyer is called an "Eligible Purchaser" in the Resale Restriction Agreement.

- The Agency chooses to use its option to purchase your house at the restricted sales price or assigns the option to a third party who purchases the house at the restricted sales price.

- You sell your home at an unrestricted (market) sales price to a "Market Purchaser". A Market Purchaser is a buyer with an income too high to qualify as an "Eligible Purchaser". You must pay the Agency any "Excess Sales Proceeds" that may result from this type of sale.

These three cases are described below.

1. SALE TO AN "ELIGIBLE PURCHASER" AT THE RESTRICTED SALES PRICE

When you decide to sell your home, you must let the Agency know in writing before you contact a real estate broker or lender and before you list the home in the Multiple Listing Service. This notice is called the "Owner's Notice of Intent to Transfer." The Owner's Notice of Intent to Transfer must be sent in a particular way and must include specific information as detailed in Section 7 (Notice of Intended Transfer; Preparation of Home for Sale) of the Resale Restriction Agreement. If you fail to send the Agency this notice, you will be in default under the Resale Restriction Agreement and the sale of your home may be delayed.

The Agency will then let you know in a notice called the "First Agency Response Notice" whether or not it will use its option to purchase. See Section 8 (Agency Response to Owner's Notice of Intended Transfer) and Section 9 (Owner Acknowledgment of Agency Response Notice) of the Resale Restriction Agreement for details on what you must do once you receive the First Agency Response Notice.

If the Agency does not choose to buy your home, you have a sixty (60)-day "Marketing Period" in which to find an Eligible Purchaser to buy the home at the restricted sales price which the Agency will provide in the First Agency Response Notice. An Eligible Purchaser is a first time homebuyer individual or household who owns no other real estate or otherwise meets the Agency's Program for a first time homebuyer, who will live in the home, and whose income is equal to or less than one hundred twenty percent (120%) for moderate income or equal to or less than eighty percent (80%) for lower income of the area median income adjusted for household size. The Agency will provide you with the current income limits when you sell your home. See Section 8.B (Owner Sale at Restricted Sale Price to Eligible Purchaser) and Section 12 (Sale of Home By Owner If Agency Does Not Exercise Agency Option to Purchase) of the Resale Restriction Agreement.

You are responsible for putting the home in good condition for its sale. Once you have sent the Owner's Notice of Intent to Transfer, you must take the steps to prepare the home for sale as described in Section 7 (Notice of Intended Transfer; Preparation of Home for Sale) of the Resale Restriction Agreement.

Once you find a potential Eligible Purchaser, you will refer the proposed buyer to the Agency so that the Agency or its designee can determine if in fact he or she meets the requirements of an Eligible Purchaser. You and the proposed buyer must give specific information and documents to the Agency as described in Section 12 (Sale of Home By Owner If Agency Does Not Exercise Agency Option to Purchase) of the Resale Restriction Agreement.

When the sale of your home to the Eligible Purchaser is completed, you must submit to the Agency the information and documents listed in Section 12.D of the Resale Restriction Agreement.

2. AGENCY EXERCISES ITS OPTION TO PURCHASE YOUR HOME

The second way that the sale of your house can take place is that the Agency decides to use its option to purchase (or assigns this right) and the Agency or an Agency designee buys the home at the restricted sales price. The Agency will let you know that it wants to buy your home and provide the restricted sales price amount in the First Agency Response Notice. The purchase by the Agency shall take place within ninety (90) days of the date the First Agency Response Notice is sent to you. As in Section G.1 above, you are responsible for putting the home in good condition for its sale.

3. SALE TO A "MARKET PURCHASER;" PAYMENT OF "EXCESS SALES PROCEEDS" TO AGENCY

It may be the case that you are unable to locate an Eligible Purchaser within the sixty (60)-day Marketing Period following the Agency's receipt of your Notice of Intended Transfer. You may ask the Agency to extend the Marketing Period so that you can find an Eligible Purchaser, or you can send a written notice to the Agency called the "Owner's Notice of Failure to Locate Eligible Purchaser". See Section 12.A (Marketing Period), Section 12.E (Failure to Locate Eligible Purchaser; Unrestricted Sale) in the Resale Restriction Agreement.

When you send the Agency the Owner's Notice of Failure to Locate Eligible Purchaser, the Agency is again given the opportunity to use its option to purchase your home. The Agency will let you know in the "Second Agency Response Notice" if it will buy your home or assign its right to purchase the home to another party or if it will allow you to sell the house at an unrestricted sales price to a Market Purchaser.

If the Second Agency Response Notice permits the sale to a Market Purchaser at an unrestricted price, you will be required to give the Agency specific documents and information as described in Section 12.E (Failure to Locate Eligible Purchaser; Unrestricted Sale) of the Resale Restriction Agreement.

The unrestricted sales price at which you sell the house to the Market Purchaser must be supported by an appraisal as described in Section 11.B (Fair Market Value) of the Resale Restriction Agreement. You will also need to repay the Agency loan as described in Section H below.

When the sale of your home to the Market Purchaser is completed, you must submit to the Agency the information and documents listed in Section 12.E(5) (Failure to Locate Eligible Purchaser; Unrestricted Sale) of the Resale Restriction Agreement.

H. REPAYMENT OF AGENCY ASSISTANCE.

The Agency has assisted you in the purchase of your home by significantly reducing the purchase price of your home from what would have been the fair market price. The Agency views the difference between the purchase price you paid for the home and the fair market value of the home at the time of purchase as a loan. The loan is a deferred loan. You do not need to pay it back until the earliest of (i) forty-five (45) years from the date of the recordation of the Resale Agreement, (ii) the date you sell or transfer your home, or (iii) the date that you violate any of your obligations under the Resale Agreement, Promissory Note, or Deed of Trust.

The Agency charges no interest for the loan. However, if you transfer the home to a Market Purchaser at an unrestricted sales price or in violation of the Resale Restriction you must pay back the original principal amount. Additionally, when you sell the home to the Agency or an Eligible Purchaser you must pay the Agency a share of the appreciation of your home, if there is any. "Shared Appreciation" is described in the next section.

1. SHARED APPRECIATION.

Shared Appreciation replaces normal interest on the Agency loan. It is contingent upon an increase in the value of your home. The Agency wants to help low and moderate income persons and families who would not be able to buy homes in the City without Agency funds. Agency resources, however, are limited, and Shared Appreciation ensures that the Agency is repaid in proportion to the benefit that you have received. That is why the Agency has included "Shared Appreciation" in your loan repayment.

Shared Appreciation is the amount you owe the Agency based on the percentage figured by dividing the difference between the Original Purchase Price of the Home and the fair market value of the home at the time of purchase by the fair market value of the home at the time of purchase. For example, if Original Purchase Price for the Home was 80% of the fair market value of the home at the time of purchase then, when you transfer the home the Agency would receive 20% of the difference between the Original Purchase Price and the Maximum Sales Price as Shared Appreciation. The appreciation amount, in most situations, is the difference between the Original Purchase Price you paid for your home and the price at which you sell it. Example 2 sets this out with numbers.

EXAMPLE 2 You sell your house at the end of eight (8) years. You purchased your home for $300,000. At the time of purchase the Fair Market value of the home was $500,000.

. Shared Appreciation Percentage: $500,000 - $300,000 ÷ $500,000 = 60%

This means that the Agency will receive 40% of the appreciation on your home, which is the difference between the Fair Market Value of your home when you purchased it and the actual price you paid for it, with certain adjustments. If we use the Maximum Restricted Resale Price of $330,000, the following would result:

Resale Price	$330,000
Original Purchase Price	-300,000
Closing Costs (example estimate)	-2,000
Total Appreciation Amount	28,000
Agency Share of Appreciation (40% of $28,000)	$ -11,200
Share of Appreciation That You Keep	$16,800
SHARED APPRECIATION YOU OWE AGENCY	$11,200

In cases where transfer of your home to another person is by means other than sale (with the exception of a creditor taking title), the appreciation is the difference between the original purchase price and the Fair Market Value of the home at the time of transfer, minus the value of capital improvements, plus the cost of Deferred Maintenance. If you transfer your home to another person in violation of the Resale Agreement, you owe the Agency Excess Sales Proceeds and Shared Appreciation.

2. <u>REDUCTION IN SALES PRICE OF HOME</u>.

Example 2 above shows what would happen if you sell your home and the price you receive is greater than the original purchase price you paid for the home. In other words, Example 2 shows what would occur when your home appreciates in value. If the opposite were to happen, however, and the price that you receive for your house is less than the original purchase price, instead of an "appreciation amount," there would be a "depreciation amount." For example, if the purchase price was $300,000 but you were only able to sell your house at a price of $250,000, the shared depreciation amount would be less than zero (a negative number) and equal to $20,000.

If your house is sold at a price below the original purchase price resulting in a depreciation amount, the Agency will not receive any Shared Appreciation upon sale of the Home.

I. REFINANCING FIRST MORTGAGE LOAN; NEW JUNIOR LOANS

The Resale Restriction Agreement allows you to refinance your first mortgage loan but places restrictions on the amount received by you from the refinancing. Following refinancing of your first mortgage, the principal amount of the refinanced Mortgage plus closing and escrow costs related to the refinance cannot exceed your original purchase price. Additionally, any subordination that the Agency may agree to execute in connection with a refinance must include notice and cure rights deemed adequate by the Agency.

J. INHERITANCE. If your heir qualifies as an eligible moderate or low income household and otherwise complies with Section 6 of the Resale Restriction Agreement, he or she may occupy the home, provided that he or she signs a new resale restriction agreement, note and deed of trust to the Agency which shall apply only for the amount of time remaining under the term of the documents you executed. If your heir does not qualify as an Eligible Purchaser, he or she must transfer the home to the Agency or an Eligible Purchaser for the Maximum Sales Price in compliance with Section 6 of the Resale Restriction Agreement.

K. DEFAULT PROVISIONS

When you purchase the home at the reduced price, you agree to meet all of the conditions of the Agency documents. If you violate any provisions of the documents, you are considered to be in default under the Resale Restriction, Note and Deed of Trust. Also, if you default under any other loan on the home, such as the first mortgage, you would also be considered to be in default under the Resale Restriction, Note and Deed of Trust. If you do not correct the violation, the Agency could exercise its option and buy your home for the restricted price. The Agency could also go to court and get a court order to enforce the provisions of the Agency documents, which may result in a foreclosure on your home. In addition, if you sell your home for greater than the restricted price, you shall be liable to the Agency for "Excess Sales Proceeds" as defined in Section 13 of the Resale Restriction Agreement, the amount by which the gross sales proceeds received by you from the new purchaser exceed the restricted price for the home).

L. DATABASE OF AFFORDABLE HOUSING

Because the Agency is reporting your property as an affordable housing unit, State law requires that your property be listed on a database that must be made available to the public on the internet. The listing will include the following information about your property: street address; assessor's parcel number; number of bedrooms; the year in which it was built or substantially rehabilitated; the date on which these restrictions expire; and information about the Notice of Affordability Restrictions on Transfer of Property that will be recorded.

* * * * * * * * * * * * * *

Please sign the enclosed copy of this Borrower Disclosure Statement in the space provided below and return it to the Agency, Attention: Executive Director, at 6000 Heritage Trail, Clayton, CA 94517.

I have read and understand the above Borrower Disclosure Statement.

By: ______________________ Dated: 5-4-2011
Signature of Borrower

John C Groebner
Print Name of Borrower

By: ______________________ Dated: 5-4-2011
Signature of Co-Borrower

Kathy Dee Groebner
Print Name of Co-Borrower