CITY OF CLAYTON

Founded 1857.. Incorporated 1964

AGENDA

REGULAR MEETING

* * *

CLAYTON CITY COUNCIL

* * *

TUESDAY, March 18, 2014

7:00 P.M.

*ENDEAVOR HALL**
6008 Center Street, Clayton, CA 94517
*(*note location change*)*

Mayor: Hank Stratford
Vice Mayor: David T. Shuey

Council Members
Jim Diaz
Howard Geller
Julie K. Pierce

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

* CITY COUNCIL *

March 18, 2014

7:00 PM

CELEBRATING CLAYTON'S 50TH YEAR OF INCORPORATION

Proclamation on 50 years of incorporation of the City of Clayton

1. CALL TO ORDER THE CITY COUNCIL – Mayor Stratford.

2. PLEDGE OF ALLEGIANCE – led by Mayor Stratford.

3. PUBLIC REMARKS: on City's History and Incorporation.

4. RECESS THE COUNCIL MEETING – Mayor Stratford.
Our public is invited to join in the celebration with social discussion and provided refreshments.

5. RE-OPEN THE CITY COUNCIL MEETING – Mayor Stratford.

6. 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 March 4, 2014, the special meeting of March 5, 2014, and the adjourned regular meeting of March 10, 2014. (View Here)

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

(c) Approve an extension to the multi-year competitively-bid contract with Cropper Accountancy Corporation (Walnut Creek) in an amount not to exceed $92,500 (3-year total) for independent auditing services for Fiscal Years 2014, 2015 and an optional 2016. (View Here)

(d) Adopt an industry-standard Non-Corporate Resolution approving a client relationship agreement with UBS Financial Services, Inc. for the investment and management of City funds. (View Here)

7. RECOGNITIONS AND PRESENTATIONS – None.

8. REPORTS

(a) Planning Commission – Chairman Gregg Manning.
(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

9. PUBLIC COMMENT ON NON - AGENDA ITEMS

Members of the public may address the City Council on items within the Council's jurisdiction, (which are not on the agenda) at this time. To facilitate the recordation of comments, it is requested each speaker complete a speaker card available on the Lobby table and submit it in advance to the City Clerk. To assure an orderly meeting and an equal opportunity for everyone, each speaker is limited to 3 minutes, enforced at the Mayor's discretion. When one's name is called or you are recognized by the Mayor as wishing to speak, the speaker 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 at its discretion request Staff to report back at a future meeting concerning the matter.

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

10. PUBLIC HEARINGS – None.

11. ACTION ITEMS

(a) Consider adoption of a Resolution approving the City's 2013 Annual Report on its Housing Element progress and policies. (View Here)
(Community Development Director)

Staff Recommendation: Following staff presentation and opportunity for public comments, adopt the Resolution with direction to staff to file the Annual Report with the State Department of Housing and Community Development, Division of Housing Policy Development.

(b) Consider a proposal and associated details by Council Member Diaz regarding the City's continued allowance of five (5) public "Concerts in The Grove" on select Thursday evenings in 2014 to be sponsored by the City but funded solely through private sponsorships. (View Here)
(Council Member Diaz)

Staff recommendation: Following presentation of event details and opportunity for public comment, that Council adopt a motion authorizing the use of The Grove Park for five (5) Thursday night "Concerts in The Grove" in 2014.

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

13. **<u>CLOSED SESSION</u>**

(a) *Government Code Section 54957.*6, Conference with Labor Negotiator Instructions to City-designated labor negotiator: City Manager.

1. Employee Organization: Clayton Police Officers' Association (CPOA).

<u>Report out from Closed Session</u>: Mayor Stratford.

14. **<u>ADJOURNMENT</u>**– the next regularly scheduled City Council meeting is April 1, 2014.

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Agenda Date: 3-18-14

Agenda Item: 6a

MINUTES
OF THE
REGULAR MEETING
CLAYTON CITY COUNCIL

TUESDAY, March 4, 2014

1. **CALL TO ORDER & ROLL CALL** – The meeting was called to order at 7:02 p.m. by Mayor Stratford in Hoyer Hall of the Clayton Community Library, 6125 Clayton Road, Clayton, CA. Councilmembers present: Mayor Stratford, Vice Mayor Shuey, Councilmembers Diaz, Geller and Pierce. Councilmembers absent: None. Staff present: Assistant to the City Manager Laura Hoffmeister, City Attorney Mala Subramanian, Interim City Clerk Janet Brown, Community Development Director Charlie Mullen.

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

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

(a) Approved the minutes of the regular meeting of February 18, 2014.

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

4. **RECOGNITIONS AND PRESENTATIONS**
Certificates of Recognition to "Do The Right Thing" public school students chosen for exemplifying the character trait of "Self Discipline."

Mayor Stratford and Mt. Diablo Elementary School teachers Mrs. Il and Mrs. VanOutrive and Principal Irene Keenan recognized students Ella Habermeyer and Jared Rickard.

Mayor Stratford and Diablo View Middle School teacher Ms. Ruff and Principal Patti Bannister recognized Payton Mannie and Madison Webster.

Mayor Stratford and Clayton Valley Charter High School teachers Mrs. Luchay, Mrs. Costello and Mrs. Turrin recognized Miguel Hernandez, Megan Lobsinger, Shane Reardon, and Ariana Rahbari (who was unable to attend the meeting).

5. **REPORTS**

(a) Planning Commission – None.

(b) Trails and Landscaping Committee – None.

(c) City Manager/Staff - None.

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

Councilmember Geller attended the CBCA meeting and was a judge at the Clayton Club 14th Annual Chili Cook Off.

Councilmember Diaz attended the Council's Fire Services Ad-hoc Committee meeting and the Contra Costa County Board of Directors meeting regarding the Fire District. He was also a judge at the Clayton Club Chili Cook Off.

Councilmember Pierce attended the Contra Costa Transportation Authority, Association of Bay Area Governments, East Bay League of California Cities meetings. She also attended the retirement party for news reporter Lisa Voderbrueggen from the *Contra Costa Times*. Councilmember Pierce announced the City of Clayton is celebrating its 50th Anniversary of Incorporation and the next regular City Council meeting of March 18th will take place at Endeavor Hall.

Mayor Stratford invited the community to the Council's Special Meeting taking place on March 5th with the Mt. Diablo Unified School District Board members. He attended the East Contra Costa County Habitat Conservancy meeting. Mayor Stratford announced the "Do the Right Thing" character trait for March/April is "Integrity".

(e) Other- None.

6. <u>PUBLIC COMMENT ON NON-AGENDA ITEMS</u> - None.

7. <u>PUBLIC HEARINGS</u>

(a) Public Hearing on the proposed Second Reading to consider a City-initiated Ordinance No. 454 that amends a portion of the *Clayton Municipal Code*, Title 17, Chapter 17.28 Planned Development (PD) District to establish the Site Plan Review permit to be used for processing of Multiple-Family development projects located on property designated as Multifamily High Density (MHD) on the General Plan Land Use Map (ZOA-08-13). (Community Development Director)

Community Development Director Charlie Mullen presented the staff report noting no changes in the report or proposed Ordinance from the last presentation.

Mayor Stratford opened the Public Hearing and asked for Public Comments. No public comments were received. Mayor Stratford closed the Public Hearing.

It was moved by Councilmember Geller, seconded by Councilmember Diaz, to have the City Clerk read Ordinance No. 454 by title and number only and waive further reading. (Passed; 5-0 vote).

The Interim City Clerk read Ordinance No. 454 by title and number only.

It was moved by Councilmember Geller, seconded by Councilmember Diaz, to approve Ordinance No. 454 with findings its adoption will not have a significant adverse effect on the environment and is therefore exempt under CEQA. (Passed; 5-0 vote).

8. <u>ACTION ITEMS</u>

(a) Adopt a Resolution setting the City's Equivalent Runoff Unit (ERU) real property parcel assessment rates in FY 2014-15 at current rates to fund local storm water/clean water programs and services required by the federal and state-mandated National Pollution Discharge Elimination System (NPDES) Program (storm water pollution prevention). (Assistant to the City Manager)

Assistant to the City Manager Laura Hoffmeister presented the staff report and noted the annual fee of $29.00 per single family parcel has not increased in the last thirteen years. It has been found stormwater runoff pollution has been identified as a significant impact on water quality and wildlife in the Bay Area by the State and Federal Government. Staff is aware the cost of meeting the obligations of the increased requirements contained in the Municipal Regional Permit will begin to exceed our revenues received from the ERU. The shortfall for FY 14-15 is expected to be $30,000 which will be able to be covered by Stormwater Reserve Fund balance.

Mayor Stratford asked what is the process to raise the fee?

Assistant to the City Manager Laura Hoffmeister advised a local ballot tax measure would be needed to increase the fee. She pointed out that such a ballot measure did not pass recently at the county level (ref. 2012 Clean Water Initiative ballot).

Mayor Stratford asked for Public Comments. No public comments were provided.

It was moved by Councilmember Geller, seconded by Councilmember Diaz, to approve adopt Resolution No. 04-2014 establishing the rate per equivalent run-off unit (ERU) for FY 2014-2015 and requesting the Contra Costa Flood Control and Water Conservation District to adopt an annual parcel assessment for drainage maintenance and the national pollutant discharge elimination system. (Passed; 5-0 vote).

(b) Authorize Mayor to send letter to Board of Supervisors/ Fire Board requesting new approved grant funding be directed to fully operating (24/7) Clayton Station #11 with three (3) man crew.
(Council Member Diaz)

Council Member Diaz thanked Vice Mayor Shuey and Assistant to the City Manager Laura Hoffmeister with their assistance in preparation for the Fire District Board meeting.

On February 20th the Clayton City Council Ad- hoc Fire Services Committee met to review the final Fitch Associates Fire Service Study. This report was presented at the Board of Supervisors/Fire District Board at their February 25th meeting. On February 21st it was announced the Fire District was successful in being approved by Federal Emergency Management Agency (FEMA) for the Staffing for Adequate Fire and Emergency Response (SAFER) grant funds of an amount of $9.6 million over a two year period; the new Fire Chief was interested in using these funds to add back additional front line services within the District. At the Board meeting the Fire Chief was directed to return with a plan for the use of the SAFER grant funds. Council Member Diaz requested the City Council authorize the mayor to send a letter to the Fire District Board requesting that some of the grant funds be used to return Clayton Station (#11) from part times hours back to its full operational hours of 24/7 staffing that existed prior to the reduction in 2013.

Mayor Stratford directed City staff to write a letter in support of returning Clayton Station (#11) back to full operational 24/7 staffing.

District Battalion Chief Terry Stewart supports the City Council in returning Clayton Fire Station (#11) back to full operational 24/7 staffing.

Mayor Stratford asked for Public Comments. No public comments were received.

It was moved by Vice Mayor Shuey, seconded by Councilmember Diaz, to authorize the Mayor to send a letter to the Board of Supervisors/Fire District Board to return the Clayton Station No. 11 to its full operational hours of 24/7 staffing. (Passed; 5-0 vote).

9. **COUNCIL ITEMS**

Councilmember Pierce announced along with her duties as Association of Bay Area Governments president, she also serves on the Executive Council of the San Francisco Estuary Partnership.

Councilmember Diaz requested at the next meeting an Agenda item to discuss the Thursday Night concert series.

Assistant to the City Manager announced the address to Endeavor Hall 6008 Center Street in Clayton for the next regular Council meeting of March 18th.

10. **7:45 p.m. CLOSED SESSION** – on call by Mayor Stratford, the City Council adjourned into Closed Session for the following purpose:

(a) Government Code Section 54957.6, Conference with Labor Negotiator Instructions to City-designated labor negotiator: Assistant to the City Manager.

1. Employee Organization: Clayton Police Officers' Association (CPOA).

8:05 p.m. Report out from Closed Session: Mayor Stratford announced Council received information and gave direction to its Labor Negotiator.

11. **ADJOURNMENT**– on call by Mayor Stratford the Council meeting adjourned at 8:05 p.m. to an adjourned regular meeting on Monday, March 10th at 5:00 p.m., 3rd Floor Conference Room, Clayton City Hall, 6000 Heritage Trail, Clayton, CA.

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Respectfully submitted,

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Janet Brown, Interim City Clerk

APPROVED BY CLAYTON CITY COUNCIL

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Hank Stratford, Mayor

# # # # #

MINUTES
OF THE
SPECIAL JOINT MEETING BETWEEN
CLAYTON CITY COUNCIL AND THE
BOARD OF TRUSTEES OF THE MT.
DIABLO UNIFIED SCHOOL DISTRICT

WEDNESDAY, March 5, 2014

1. **CALLS TO ORDER AND ROLL CALLS** – City of Clayton Mayor Hank Stratford and Mt. Diablo Unified School District Board President Barbara Oaks.

   The City Council meeting was called to order at 6:32 p.m. by Mayor Stratford in Hoyer Hall of the Clayton Community Library, 6125 Clayton Road, Clayton, CA. Councilmembers present: Mayor Stratford, Councilmembers Geller and Pierce. Councilmembers absent: Councilmember Diaz. City Staff present: City Manager Gary Napper, Interim City Clerk Janet Brown, Chief of Police Chris Thorsen.

   Mt. Diablo Unified School District Board Members present: President Barbara Oaks, Trustees Cheryl Hansen and Linda Mayo. Mt. Diablo Unified School District Board Members absent: Vice President Brian Lawrence and Trustee Lynne Dennler. School District Staff present: Superintendent Dr. Nellie Meyer, and Secretary Debbie Maher.

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

3. **OPENING REMARKS** – were made by Mayor Hank Stratford and MDUSD Board President Barbara Oaks. Brief introductions were provided of the City Council, Mt. Diablo Unified School District School Board and various staff present.

4. **PUBLIC COMMENT PERIOD** – No comments were provided.

5. **INFORMATIONAL EXCHANGE WITH MT.DIABLO UNIFIED SCHOOL DISTRICT**

(a) Presentation by Dr. Nellie Meyer regarding Local Control Accountability Plan (LCAP).

Dr. Nellie Meyer presented the Mt Diablo Unified School District's Community Meeting Local Control Accountability Plan for conformance with new public education code requirements and regulations

(b) Clayton's "Do The Right Thing" Character Initiative.

Mayor Stratford summarized the City's "Do The Right Thing" character initiative in partnership with campus administrators and faculty at the Mt. Diablo Elementary School, the Diablo View Middle School, and the Clayton Valley Charter High School. He and members of the City Council encouraged the Mount Diablo Unified School District Board to consider embracing the program for implementation in all of its schools within the District.

(c) The Mt. Diablo Unified School District and the Clayton City Council will provide each other with updates on items of mutual interest and discuss current partnerships and other areas of cooperation. Discussion items may include: District enrollment, student achievement, common core standards, school traffic safety and updates on current and planned improvement projects, and communication between MDUSD and City of Clayton.
No formal action will be taken.

The Mt. Diablo Unified School District President Barbara Oaks advised district enrollment has increased and noted public schools within the Clayton community have some of the highest achievement scores in the District.

Dr. Nellie Meyer explained some key differences in Common Core with traditional testing methods

Police Chief Chris Thorsen addressed student drop-off/pick-up traffic problems historically experienced at the Mt. Diablo Elementary School, and noted the City's expanded parking lot (100 spaces) at the Clayton Community Park adjacent to the middle school and the newly-installed solar-powered speed limit radar signs on Clayton Road/Marsh Creek Road has provided some additional vehicle congestion relief and student safety at that school. Some discussion ensued about the prospect of such speed limit signs at the elementary school. A suggestion was made for the City to install additional signage on the road adjacent to the middle school to denote when the restricted speed limit "School Zone" area ends in each direction to further guide vehicular drivers' caution.

Mt. Diablo School District staff reported on its construction of a new Science Building at Diablo View Middle School using Measure C monies. Mr. Timothy Cody indicated construction is moving along quickly and is nearing completion. At the request of the City Council, Mr. Cody responded he would provide City staff with a link to the District's website concerning the layout of the Science Building and its plans.

Vice Mayor Shuey offered comments and perspectives on the positive outcomes at the new Clayton Valley Charter High School, and hoped the District would examine the successes and values achieved at this campus for incorporation into operations at its other public schools.

Members of the Clayton City Council and Mt. Diablo Unified School District Board expressed appreciation for the exchange of information and updates provided at this meeting, and each governing body agreed it would be beneficial to plan and meet more frequently (or at least annually) to continue ongoing communication.

6. **ADJOURNMENT**– on call by Mayor Stratford the meeting adjourned at 8:34 p.m.
The next regularly scheduled City Council meeting is on March 18, 2014.

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Respectfully submitted,

Janet Brown, Interim City Clerk

APPROVED BY CLAYTON CITY COUNCIL

Hank Stratford, Mayor

MINUTES
OF THE
ADJOURNED REGULAR MEETING
CLAYTON CITY COUNCIL

TUESDAY, March 10, 2014

1. **CALL TO ORDER & ROLL CALL** – The meeting was called to order at 5:02 p.m. by Mayor Stratford in the 3rd Floor Conference Room, Clayton City Hall, 6000 Heritage Trail, Clayton, CA. Councilmembers present: Mayor Stratford, Vice Mayor Shuey, Councilmembers Diaz, Geller and Pierce (arrived at 5:04 p.m.). Councilmembers absent: None. Staff present: City Manager Gary Napper.

2. **PUBLIC COMMENTS** – None provided.

3. **CLOSED SESSION**

(a) Government Code Section 54957.6, Conference with Labor Negotiator Instructions to City-designated labor negotiator: City Manager.

1. Employee Organization: Clayton Police Officers' Association (CPOA).

5:55 p.m. Report out from Closed Session
Mayor Stratford announced the Council received and discussed information and gave instructions to its labor negotiator.

4. **ADJOURNMENT**– on call by Mayor Stratford the meeting adjourned at 5:56 p.m.

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Respectfully submitted,

Janet Brown, Interim City Clerk

APPROVED BY CLAYTON CITY COUNCIL

Hank Stratford, Mayor

CITY OF CLAYTON
Founded 1857 .. Incorporated 1964

Agenda Date 3/18/2014

Agenda Item: 6b

Approved:

Gary A. Napper
City Manager

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: Kevin Mizuno, FINANCE MANAGER

DATE: 3/18/2014

SUBJECT: INVOICE SUMMARY

RECOMMENDATION:

Approve the following Invoices:

3/14/2014 Cash Requirements Report	$ 65,659.04
2/24/2014 CalCard - US Bank	$ 12,582.19
Total:	$ 78,241.23

Attachments:
Cash Requirements Report dated 3/14/2014 (4 pages)
CalCard US Bank statement ending 2/24/14 (1 page)

City o ayton
Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
All City Management Services, Inc.								
All City Management Services, Inc.	3/18/2014	2/18/2014	34254	School Crossing Guard Services 2/2/14-2/15/	$420.93	$0.00		$420.93
				Totals for All City Management Services, Inc.:	*$420.93*	*$0.00*		*$420.93*
American Fidelity Assurance Company								
American Fidelity Assurance Company	3/18/2014	2/28/2014	1020589A	April FSA	$518.34	$0.00		$518.34
				Totals for American Fidelity Assurance Company:	*$518.34*	*$0.00*		*$518.34*
AT&T/ CalNet 2								
AT&T/ CalNet 2	3/18/2014	2/22/2014	2/21/14	phone bill 1/22/14-2/21/14	$1,772.29	$0.00		$1,772.29
				Totals for AT&T/ CalNet 2:	*$1,772.29*	*$0.00*		*$1,772.29*
Bay Area News Group East Bay (CCT)								
Bay Area News Group East Bay (CCT)	3/18/2014	3/1/2014	0000739156	legal ads	$479.50	$0.00		$479.50
				Totals for Bay Area News Group East Bay (CCT):	*$479.50*	*$0.00*		*$479.50*
Bringing Back the Natives Garden Tour								
Bringing Back the Natives Garden Tour	3/18/2014	3/5/2014	206	2014 Bringing Back the Natives Tour Sponso	$500.00	$0.00		$500.00
				Totals for Bringing Back the Natives Garden Tour:	*$500.00*	*$0.00*		*$500.00*
Janet Brown								
Janet Brown	3/18/2014	3/11/2014	Ord 454	Recording Ord 454, mileage	$68.64	$0.00		$68.64
Janet Brown	3/18/2014	3/12/2014	3/13/14	refreshments at MPA Health Screening 3/13/1	$15.55	$0.00		$15.55
				Totals for Janet Brown:	*$84.19*	*$0.00*		*$84.19*
CalPERS Retirement								
CalPERS Retirement	3/18/2014	3/5/2014	2/24/14	City Council Ending 2/24/14	$369.48	$0.00		$369.48
CalPERS Retirement	3/18/2014	3/7/2014	PPE 3/2/14	Retirement PPE 3/2/14	$19,900.13	$0.00		$19,900.13
				Totals for CalPERS Retirement:	*$20,269.61*	*$0.00*		*$20,269.61*
City of Concord								
City of Concord	3/18/2014	2/21/2014	37611	envelopes	$127.19	$0.00		$127.19
City of Concord	3/18/2014	2/21/2014	37593	live scan services	$98.00	$0.00		$98.00
City of Concord	3/18/2014	2/21/2014	37589	vehicle maintenance	$1,586.00	$0.00		$1,586.00
				Totals for City of Concord:	*$1,811.19*	*$0.00*		*$1,811.19*
Clayton Valley Little League								
Clayton Valley Little League	3/18/2014	3/10/2014	2062	CCP Field #1 12x10 DDG into existing fence	$3,314.00	$0.00		$3,314.00
				Totals for Clayton Valley Little League:	*$3,314.00*	*$0.00*		*$3,314.00*
Clean Street								
Clean Street	3/18/2014	2/28/2014	73481	monthly sweep fee February 2014	$3,500.00	$0.00		$3,500.00
				Totals for Clean Street:	*$3,500.00*	*$0.00*		*$3,500.00*
Comcast								
Comcast	3/18/2014	3/5/2014	Auto Pay 4/1/14	high speed internet 3/10/14-4/9/14	$395.70	$0.00		$395.70

City of Clayton
Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
				Totals for Comcast:	*$395.70*	*$0.00*		*$395.70*
Contra Costa County Public Works Dept								
Contra Costa County Public Works Dept	3/18/2014	3/1/2014	5170	traffic signal maintenance January 2014	$2,028.33	$0.00		$2,028.33
				Totals for Contra Costa County Public Works Dept:	*$2,028.33*	*$0.00*		*$2,028.33*
Contra Costa County Sheriff - Forensic Svc Div (Lab)								
Contra Costa County Sheriff - Forensic S	3/18/2014	2/19/2014	CLPD-1401	blood tests January 2014	$300.00	$0.00		$300.00
				Totals for Contra Costa County Sheriff - Forensic Svc Div (Lab):	*$300.00*	*$0.00*		*$300.00*
Data Ticket								
Data Ticket	3/18/2014	2/17/2014	52074	citation processing January 2014	$9.76	$0.00		$9.76
				Totals for Data Ticket:	*$9.76*	*$0.00*		*$9.76*
Globalstar LLC								
Globalstar LLC	3/18/2014	2/16/2014	1000000005400960	service 1/16/14-2/15/14	$54.16	$0.00		$54.16
				Totals for Globalstar LLC:	*$54.16*	*$0.00*		*$54.16*
Hammons Supply Company								
Hammons Supply Company	3/18/2014	2/14/2014	82068	city hall supplies	$38.53	$0.00		$38.53
Hammons Supply Company	3/18/2014	2/14/2014	82067	library supplies	$102.59	$0.00		$102.59
				Totals for Hammons Supply Company:	*$141.12*	*$0.00*		*$141.12*
Health Care Dental Trust								
Health Care Dental Trust	3/18/2014	2/28/2014	172301	Dental Benefits March 2014	$2,780.86	$0.00		$2,780.86
				Totals for Health Care Dental Trust:	*$2,780.86*	*$0.00*		*$2,780.86*
John Deere Landscapes Inc								
John Deere Landscapes Inc	3/18/2014	2/13/2014	67139683	order # 74669307	$1,106.70	$0.00		$1,106.70
John Deere Landscapes Inc	3/18/2014	3/1/2014	67219965	order # 74760687	$1,166.71	$0.00		$1,166.71
John Deere Landscapes Inc	3/18/2014	3/1/2014	67184758	order # 74750472	$693.43	$0.00		$693.43
				Totals for John Deere Landscapes Inc:	*$2,966.84*	*$0.00*		*$2,966.84*
Arlene Kikkawa-Nielsen								
Arlene Kikkawa-Nielsen	3/18/2014	3/12/2014	March 2014	library volunteer corrdinator hours March 201	$900.00	$0.00		$900.00
				Totals for Arlene Kikkawa-Nielsen:	*$900.00*	*$0.00*		*$900.00*
LarryLogic Productions								
LarryLogic Productions	3/18/2014	3/5/2014	1397	City Council Meeting 3/4/14	$300.00	$0.00		$300.00
				Totals for LarryLogic Productions:	*$300.00*	*$0.00*		*$300.00*
League of CA cities								
League of CA cities	3/18/2014	1/31/2014	100587	local roads and streets assessment	$200.00	$0.00		$200.00
				Totals for League of CA cities:	*$200.00*	*$0.00*		*$200.00*
Local Government Consultants								
Local Government Consultants	3/18/2014	3/13/2014	182	SB 90 payment #2 for FY 13/14	$1,050.00	$0.00		$1,050.00

City o ayton
Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
				Totals for Local Government Consultants:	*$1,050.00*	*$0.00*		*$1,050.00*
MailFinance (Neopost Leasing)								
MailFinance (Neopost Leasing)	3/18/2014	3/6/2014	N4523116	lease pmt 4/7/14-5/6/14	$158.20	$0.00		$158.20
				Totals for MailFinance (Neopost Leasing):	*$158.20*	*$0.00*		*$158.20*
Main Fire Protection								
Main Fire Protection	3/18/2014	2/7/2014	1178	service kitchen hood EH	$217.81	$0.00		$217.81
				Totals for Main Fire Protection:	*$217.81*	*$0.00*		*$217.81*
Marken Mechanical Services Inc								
Marken Mechanical Services Inc	3/18/2014	2/20/2014	314-18403	City Hall conference room hot water valve an	$1,980.00	$0.00		$1,980.00
Marken Mechanical Services Inc	3/18/2014	2/5/2014	414-1151-2	city hall maintenance February 2014	$150.00	$0.00		$150.00
Marken Mechanical Services Inc	3/18/2014	2/5/2014	414-1152-2	Library maintenance February 2014	$150.00	$0.00		$150.00
Marken Mechanical Services Inc	3/18/2014	2/11/2014	414-1148	City Hall maintenance January 2014	$332.50	$0.00		$332.50
Marken Mechanical Services Inc	3/18/2014	2/11/2014	414-1147	EH maintenance January 2014	$247.00	$0.00		$247.00
Marken Mechanical Services Inc	3/18/2014	2/11/2014	414-1146	Library maintenance January 2014	$502.17	$0.00		$502.17
Marken Mechanical Services Inc	3/18/2014	3/5/2014	414-1151-3	City Hall Maintenance March 2014	$150.00	$0.00		$150.00
				Totals for Marken Mechanical Services Inc:	*$3,511.67*	*$0.00*		*$3,511.67*
MPA								
MPA	3/18/2014	3/12/2014	March	LTD/Life March 2014	$1,314.27	$0.00		$1,314.27
				Totals for MPA:	*$1,314.27*	*$0.00*		*$1,314.27*
MuniTemps - Government Staffing Services, Inc								
MuniTemps - Government Staffing Ser	3/18/2014	3/14/2014	124401	Interim City Clerk ending 3/9/14	$3,027.06	$0.00		$3,027.06
				Totals for MuniTemps - Government Staffing Services, Inc:	*$3,027.06*	*$0.00*		*$3,027.06*
PERMCO, Inc.								
PERMCO, Inc.	3/18/2014	3/10/2014	10164	Retainer - general services	$2,592.00	$0.00		$2,592.00
PERMCO, Inc.	3/18/2014	3/10/2014	10165	general stormwater tasks/inspections	$114.38	$0.00		$114.38
PERMCO, Inc.	3/18/2014	3/10/2014	10166	Oak Creek Canyon - review constr plans and f	$3,300.00	$0.00		$3,300.00
PERMCO, Inc.	3/18/2014	3/10/2014	10167	Library Chiller	$61.00	$0.00		$61.00
PERMCO, Inc.	3/18/2014	3/10/2014	10168	Skipolini's	$1,425.00	$0.00		$1,425.00
				Totals for PERMCO, Inc.:	*$7,492.38*	*$0.00*		*$7,492.38*
PG&E								
PG&E	3/18/2014	3/1/2014	2113151100-4 3/10/	electric service 1/22/14-2/20/14	$11.13	$0.00		$11.13
				Totals for PG&E:	*$11.13*	*$0.00*		*$11.13*
Pinnacle Construction Services, Inc								
Pinnacle Construction Services, Inc	3/18/2014	3/1/2014	1878	management fees for March 2014 Diablo Est	$4,152.00	$0.00		$4,152.00
				Totals for Pinnacle Construction Services, Inc:	*$4,152.00*	*$0.00*		*$4,152.00*
Riso Products of Sacramento								
Riso Products of Sacramento	3/18/2014	2/18/2014	121555	copier contract 2/18/14-3/17/14	$94.86	$0.00		$94.86
				Totals for Riso Products of Sacramento:	*$94.86*	*$0.00*		*$94.86*

City of Clayton
Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
Rock & Waterfall Co								
Rock & Waterfall Co	3/18/2014	3/1/2014	116-04	waterfall maintenance	$650.00	$0.00		$650.00
				Totals for Rock & Waterfall Co:	*$650.00*	*$0.00*		*$650.00*
Roto-Rooter Sewer/Drain Service								
Roto-Rooter Sewer/Drain Service	3/18/2014	3/1/2014	B-1424-14	Work Order C346781 2/25/14	$237.75	$0.00		$237.75
				Totals for Roto-Rooter Sewer/Drain Service:	*$237.75*	*$0.00*		*$237.75*
Sprint Comm (PD)								
Sprint Comm (PD)	3/18/2014	3/1/2014	703335311-147	phone service 1/26/14-2/25/14	$261.46	$0.00		$261.46
				Totals for Sprint Comm (PD):	*$261.46*	*$0.00*		*$261.46*
Sprint Comm (PW & ADM)								
Sprint Comm (PW & ADM)	3/18/2014	3/1/2014	531409315-142	service 1/26/14-2/25/14	$295.02	$0.00		$295.02
				Totals for Sprint Comm (PW & ADM):	*$295.02*	*$0.00*		*$295.02*
Staples Advantage								
Staples Advantage	3/18/2014	3/1/2014	8028988344	supplies	$47.61	$0.00		$47.61
				Totals for Staples Advantage:	*$47.61*	*$0.00*		*$47.61*
Western Exterminator								
Western Exterminator	3/18/2014	2/28/2014	2044776	February Services	$353.00	$0.00		$353.00
				Totals for Western Exterminator:	*$353.00*	*$0.00*		*$353.00*
YP (Advertising)								
YP (Advertising)	3/18/2014	2/23/2014	due 3/15	advertising February and March 2014	$38.00	$0.00		$38.00
				Totals for YP (Advertising):	*$38.00*	*$0.00*		*$38.00*
				GRAND TOTALS:	**$65,659.04**	**$0.00**		**$65,659.04**

CalCard List (in order by account number)				
2/24/2014				
Amount Billed	Rec'd	Name	Department	Notes
$ -	☑	Gary Napper	Admin	
$ 4,225.96	☐	Mark Janney	PW	
$ 510.65	☐	Ed Bryce	PW	
$ 940.11	☐	Dan Johnston	PW	
$ 497.74	☑	Richard Enea	PD	
$ -	☑	Scott Dansie	PD	
$ 534.87	☑	Richard McEachin	PD	
$ 96.00	☐	Laura Hoffmeister	Admin	
$ 313.73	☐	Sandro Arias	PW	
$ 223.44	☑	Jason Shaw	PD	
$ -	☑	Russ Eddy	PD	
$ 375.36	☑	Allan Pike	PD	
$ 151.62	☐	Todd Sorrell	PD	
$ 436.53	☑	Wendy Roden	PD	
$ -	☑	Chris Thorsen	PD	
$ 216.07	☑	Andre Charles	PD	
$ 55.60	☑	Sandy Johnson	PD	
$ 3,093.00	☑	Kevin Mizuno	Admin	
$ 506.18	☑	Tim Marchut	PD	
$ 245.72	☐	John Johnston	PW	
$ 159.61	☑	Allen White	PD	
n/a		Adjustments		

Total Payment:	$ 12,582.19
Total Admin: $ 3,189.00	
Total PW: $ 6,236.17	$ 12,582.19
Total PD: $ 3,157.02	

CITY OF CLAYTON
Founded 1857 Incorporated 1964

Agenda Date: 3-18-14

Agenda Item: 6c

Approved:

Gary A. Napper
City Manager

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: KEVIN MIZUNO, FINANCE MANAGER, CPA

DATE: MARCH 18, 2014

SUBJECT: APPROVE EXTENSION OF INDEPENDENT AUDITOR MULTI-YEAR CONTRACT

RECOMMENDATION

Execute an extension to the existing competitively bid contract with Cropper Accountancy Corporation for (1) independent auditing services, (2) RDA dissolution Due Diligence Review Agreed-Upon-procedures, (3) appropriation limit agreed-upon procedures, (4) the preparation of the annual State Controller's Report, and (5) the preparation of the Annual Streets report. The term of the contract is for the fiscal years 2013-14, 2014-15 with an option for a third year (2015-16) at the City's discretion. The three year "not to exceed" total price is $92,500, including the option year.

BACKGROUND

In January 2010, staff prepared a Request for Proposal (RFP) for basic audit services, single audit services, and State Controller's reporting for FYs 2009-2012. Staff sent out ten RFP's to qualified CPA firms and received seven responses.

The staff report presented at the March 2, 2010 City Council meeting detailed an analysis by staff recommending the splitting of audit and financial report drafting services between two consultants, Cropper Accountancy Corporation (Cropper) and Thales Consulting Solutions (Thales). Cropper was recommended to perform the audit of the City and former RDA financial statements as well as perform the annual GANN limit agreed-upon-procedures. Thales was recommended to draft the financial statements and prepare the annual State Controller's and Streets Reports. It was expected that this segregation of audit and drafting duties would improve both audit efficiency and independence. With this expectation, the City Council awarded a contract both to Cropper and Thales for the audit and financial report preparation services respectively.

During the term of the contract however, staffing health matters and other complexities involved in the financial software conversion and the RDA dissolution accounting resulted in significant delays in communication between the City, Thales and Cropper, ultimately resulting in the untimely completion of annual audit reports. As a measure to mitigate this setback, for the prior two years, the contract with Cropper was amended through engagement letters to include the drafting of the annual financial statements that were previously contracted to Thales.

It is recommended that the City extend the contract with Cropper, with modifications to include services previously contracted with Thales, as it is expected that significant audit efficiencies will result based on previous experiences. Cropper has developed a robust understanding of the City's accounting policies and procedures, internal controls and financial history, which would otherwise have to be recreated by a new auditor, resulting in significant increased hours in a first year audit.

No current laws or regulations disallow a California City's audit firm from also preparing the underlying financial statements to be audited. As such, it is not uncommon for local municipalities to contract their independent auditor to also prepare the financial statements, using financial information prepared and provided by management. Generally Accepted Government Auditing Standards (GAGAS) issued by the Government Accountability Office (GAO) do not preclude an auditing firm from both preparing the financial statements and auditing them so long as the auditor does not perform management functions as outlined in section 3.37 of the GAO Yellow Book standards. The City's Finance Manager (CPA) will be responsible for the preparation of a final trial balance in accordance with Generally Accepted Accounting Principles (GAAP) and possesses the knowledge and experience to oversee the drafting of the financial statements and the audit engagement. Staff believes that the independence standards outlined by both Yellow Book and standards established by the American Institute of Certified Public Accountants (AICPA) are met by their methodology.

FISCAL IMPACT

The cost of performing audit services by Cropper is $38,000 for the first contract year (2013-14), which includes the one-time $10,000 fee for the two Due Diligence Review Agreed-Upon-Procedures required by RDA dissolution legislation AB 1484. The cost of performing audit services by Cropper for the second contract year (2014-15) is $28,000. The third contract year, if elected at the City's discretion, would be $26,500, which includes a discount of 5% over the previous year. This results in a not to exceed price of $92,500, spread over the three year term of the contract.

The cost for these professional services will be incurred by the General Fund, with the exception of the DDR portion of the contract in year one ($10,000), which will be paid for by the Redevelopment Successor Agency Private Purpose Trust Fund.

CONCLUSION

Staff recommends that the City Council authorize the City Manager to execute an extension to the consulting services agreement with Cropper Accountancy Corporation to provide audit services for fiscal years 2013-14 and 2014-15, which includes an option for the third year (2015-16) at the City's discretion.

Respectively submitted,

T. Kevin Mizuno

Kevin Mizuno, CPA
Finance Manager

Attachments: Cropper Accountancy Draft Extension Contract

CITY OF CLAYTON

CONSULTING SERVICES AGREEMENT
(General)

1. Special Conditions:

   A) Consultant's Name & Address: Cropper Accountancy Corporation 2977 Ygnacio Valley Rd. #460, Walnut Creek, CA 94598

   B) Effective Date: March 18, 2014

   C) Not to exceed price: Refer to Exhibit B

   D) Expense Limit: N/A

   E) Deliverable Completion Dates: Refer to Exhibit A

   F) Federal Tax I.D. or SSN: 68-0372583

2. Signatures: These signatures attest the parties' agreement hereto:

CITY OF CLAYTON	CROPPER ACCOUNTANCY CORPORATION
BY_______________________________	BY_______________________________
City Manager, Gary Napper	Principal, John Cropper

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

4. Employment: City hereby employs Consultant, as an independent agent, and Consultant accepts such employment, to perform the professional 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: Consultant 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 and Automobile Liability Insurance including coverage for owned and non-owned automobiles. Both liability policy's 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. Consultant 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 of Clayton shall pay the Consultant for professional services performed at the rates shown in Exhibit B, which include all overhead and incidental expenses, for which no additional compensation shall be allowed. In no event shall the total amount paid to the Consultant exceed the payment limit specified in

Exhibit B without prior written approval of the City Manager. Consultant's statement of charges shall be submitted at convenient intervals. Payment will be made within thirty (30) days after receipt of each statement.

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

9. Time of Completion. Unless the time is extended in writing by the City, the Consultant shall complete all services covered by this agreement no later then the completion date listed above. Interim completion dates, if any, will be established described in Exhibit A, attached hereto and made a part hereof by this reference.

10. Record Retention. Except for materials and records delivered to the City, the Consultant shall retain all material and records prepared or obtained in the performance of this Agreement, including financial records, for a period of at least seven (7) years after Consultant's receipt of the final payment under this Agreement. Upon request by the City, the Consultant shall make such materials and records available to the City at no additional charge and without restriction or limitation on their use. The Consultant shall also make such materials and records available to authorized representatives of the State and Federal Governments at no additional charge.

11. Documentation: The Consultant shall prepare and deliver to the City at no additional charge the 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.

12. Ownership of Documents: All materials and records of a finished nature, such as final reports prepared or obtained in the performance of this Agreement shall be delivered to the City. All materials of a preliminary nature, such as working papers prepared or obtained in the performance of this Agreement, shall be made available, upon request, to the City.

13. Extra Work: The Consultant shall be paid for the extra work at a rate mutually agreed on prior to commencement of the extra work. In no event shall the Consultant 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.

14. 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 Consultant, whether or not the Consultant is then in default. Upon such termination, the Consultant 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.

15. Abandonment By Consultant: In the event that the Consultant ceases performing services under this Agreement or otherwise abandons the project prior to completing all of the services described in this Agreement, the Consultant 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.

16. Breach: In the event that the Consultant 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.

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

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

19. Indemnification: The Consultant 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 Consultant 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 Consultant as they are incurred.

20. Heirs, Successor and Assigns: Except as provided otherwise in Section 19 above, this Agreement shall insure to the benefit of and bind the heirs, successors, executors, personal representatives and assigns of the parties.

21. Ownership of Audit Working Papers: The attest documentation for the consultant audit engagements is the property of Cropper Accountancy Corporation (CAC) and constitutes confidential information. If requested, access to such attest documentation will be provided under the supervision of CAC's personnel. Furthermore, upon request, we may provide copies of selected attest documentation to agencies and regulators. These regulators may intend or decide to distribute copies of information contained herein to others including governmental agencies.

Attachment: Exhibit A; Exhibit B

EXHIBIT A

I. NATURE OF SERVICES REQUIRED

A. Scope of the Work to be Performed

The City's goal is to provide the public and its constituents with a comprehensive financial statement that gives complete, accurate, and understandable information about the City's financial condition. The City desires its Comprehensive Annual Financial Report (CAFR) to be fully compliant with GASB 34 for the fiscal year ending June 30, 2014 and each of the subsequent years that the audit firm contracts with the City.

The selected independent auditor will be required to perform the following tasks:

1. Audit the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Clayton, and the City's financial records for each of the three fiscal years ending June 30, 2014, June 2015, and if extended at the option of the City, June 2016. The purpose of the examination is to obtain the auditor's opinion on the fairness of the basic financial statements presented, and whether they comply with generally accepted accounting principles applied on a basis consistent with that of the preceding year. The audit shall be conducted in accordance with generally accepted auditing standards as set forth in Government Auditing Standards issued by the Comptroller General of the United States, the provisions of the Federal Single Audit Act as amended, and U.S. Office of Management and Budget (OMB) Circular A-133 Audits of State and Local Governments and Non-Profit Organizations, and shall include such tests as sampling and other audit techniques as determined by the auditor.

2. Following the completion of the audit of the City's basic financial statements and related records, the auditor shall prepare:

    a. A standard short form audit report. The audit reports for the City shall include a signed opinion of the basic financial statements, including the government-wide financial statements and fund financial statements, for all funds, and accompanying notes to the basic financial statements. If applicable, a report on compliance and on the internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards.

    b. If applicable, a report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133 (Single Audit).

    c. If applicable, a schedule of findings and questioned costs (Single Audit).

    d. If applicable, an "in-relation-to" report on the schedule of expenditures of federal awards (Single Audit).

3. Apply to the *management discussion and analysis* those procedures required by the auditing standards to be applied to required supplementary information. The auditor will apply an understanding of the method of preparation, the source and basis for the information presented, comparing for consistency to the audited data, and ascertaining that the *management's discussion and analysis* contains all of the information required by GASB 34 and does not contain information prohibited to be presented in the *management's discussion and analysis.*

4. Present and discuss the annual basic financial statements and results of operations at a City Council meeting.

5. Prepare and submit a management letter at the conclusion of the annual audit. The management letter shall report all significant opportunities for realistically improving internal controls of the City's operations and procedures that are discovered or observed by the auditor in the course of the annual audit and management response to the recommendations.

6. Provide general consultation on financial reporting matters as they arise during the contract term in the normal course of business.

7. The auditor shall communicate in a letter to the City Manager any reportable conditions, as defined by professional auditing standards, found during the audit. Any irregularities or illegal acts that come to the auditor's attention will be reported immediately to the City Manager.

8. It is the responsibility of the auditor to request and acquire access to any needed information pertinent to audits of previous year's financial statements. The most likely source for obtaining such information is City staff and the City's independent financial auditor for the year(s) in question.

9. If the auditors find indications of defalcation or other circumstances requiring an extension of procedures beyond the scope of the examination which would be sufficient under ordinary circumstances, the auditors will provide the City Manager with all readily ascertainable facts relative to such extraordinary circumstances together with an estimate for the additional cost of investigating same. Fees relating to such additional services are not contemplated as being within the scope of services to be performed under the paragraphs above and will be mutually agreed upon between the City Manager and the audit firm unless the mutually agreed upon price requires City Council approval per the City procurement policy, whereby City Council approval will be sought.

10. The Finance Manager will be responsible for coordinating the audit process internally.

11. The auditors will meet with the Finance Manager, the City Manager, and the City Council Audit Sub-Committee prior to the conclusion of the audit to discuss preliminary audit findings.

12. From time to time, the City may require special services or assistance which could be subject to a new contract or amendments to this contract entered into in accordance with all applicable City regulations. Any such additional work agreed to between the City and the firm shall be performed at a price that is mutually agreed upon between the City Manager and the audit firm unless the mutually agreed upon price requires City Council approval per the City procurement policy, whereby City Council approval must be requested.

13. All working papers and reports must be retained, at the auditors' expense, for a minimum of seven (7) years, unless the firm is notified in writing by the City of the need to extend the retention period. In addition, the firm shall respond to reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

14. An audit completion timeline shall be included preferably with interim field work to begin in June or July, with a completion date estimated at no later than December 10^{th}.

B. Deliverables

1. Audit of general purpose financial statements of the City of Clayton financial statements. Issue final report of each, by December 10th, provided an agreed-up timeline is adhered to.

2. If required, testing of compliance with the Single Audit Act of 1984, as amended in 1996, and applicable laws and regulations. Issue 5 copies and deliver by March 15th.

3. Perform and issue an agreed-upon –procedures report in accordance with AICPA attest standards on the City's compliance with Proposition 4 Appropriation Limit Increment. Issue 5 copies deliver by December 10th.

4. Management letter and recommendations on internal control and audit adjusting journal entries. Issue 5 copies and deliver by December 10th.

5. Preparation of the annual State Financial Transactions Report (State Controller Report). Provide to management by September 15th, allowing for the timely electronic submission within 110 days after fiscal year end (approximately October 15th).

6. Preparation of the annual Street (Gas Tax) Report. Provide to management by September 15th, allowing for the timely electronic submission to the state on or before October 1st.

7. Preparation of the Low Moderate Income Housing Funds Due Diligence Review Agreed-Upon-Procedures report in accordance with AB 1484. Issue 5 copies and deliver by April 30, 2014, although earlier delivery is desired.

8. Preparation of the All Other Funds Due Diligence Review Agreed-Upon-Procedures report in accordance with AB 1484. Issue 5 copies and deliver by April 30, 2014, although earlier delivery is desired.

II. CITY'S RESPONSIBILITIES

A. City staff will prepare the final closing of the books. The City will provide the auditors with a Trial Balance by fund and all of the accounting detail necessary to perform the audit.

B. City staff will produce the confirmation letters prepared by the auditor.

C. City staff will be available to assist the auditors by providing information, documentation and explanations. All requests will first be directed to the Finance Manager or City Manager.

D. The City will provide the auditor with reasonable workspace, desks, and chairs. The auditors will also be furnished access to financial system data, telephones, facsimile machines, and photocopying machines, and a computer terminal with internet access.

EXHIBIT B

CONSULTING SERVICES AGREEMENT BETWEEN CROPPER ACCOUNTANCY CORPORATION

AND

CITY OF CLAYTON

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

	Fiscal Year			
Deliverable	2014	2015	2016*	Total
Annual Financial Statements	$ 24,500	$ 24,500	$ 23,000	$ 72,000
GANN Limit Agreed-Upon-Procedures	500	500	500	1,500
Annual SCO Report	2,000	2,000	2,000	6,000
Annual State Streets Report	1,000	1,000	1,000	3,000
Low-Mod Income Funds "Due Diligence Review" Agreed-Upon-Procedures	3,000	-	-	3,000
All Other Funds "Due Diligence Review" Agreed-Upon-Procedures	7,000	-	-	7,000
	$ 38,000	$ 28,000	$ 26,500	$ 92,500

* Denotes an option year, at City's discretion.

SHOULD A SINGLE AUDIT BE REQUIRED THE FEE SHALL NOT EXCEED $5,000 PER MAJOR PROGRAM.

CITY OF CLAYTON
Founded 1857 .. Incorporated 1964

Agenda Date: 3-18-2014

Agenda Item: 6d

STAFF REPORT

Approved:

Gary A. Napper
City Manager

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: Kevin Mizuno, Finance Manager, CPA

DATE: March 18, 2014

SUBJECT: Adopt an industry-standard Non-Corporate Resolution approving a client relationship agreement with UBS Financial Services, Inc. for the investment and management of City funds

RECOMMENDATION

Approve the attached Non-Corporate Resolution authorizing the City open and maintain an investment account with UBS Financial Services. Authorized signatories on this account, consistent with the City's previous investment accounts, will be the City Treasurer, the City Manager, and the Finance Manager.

BACKGROUND

Since May of 2006, the City has utilized Financial Northeastern Companies (FNC) to provide investment services for the City's investment pool. For the past several years, the City's investment pool was comprised of investments held in the State Local Agency Investment Fund (LAIF), FNC, and Morgan Stanley.

In February 2014, the City was informed that our main contact at FNC, Theresa Carmagnola, was leaving FNC to pursue an opportunity with UBS Financial Services. The City has worked with Ms. Carmagnola at FNC as our main financial advisor and broker for nearly eight years and has developed a trusted relationship with her. In addition, Ms. Carmagnola is experienced with the City's investment policy and government code investment restrictions, and has demonstrated her understanding of the City's investment strategy.

With Ms. Carmagnola's departure, the City has the option to transfer our FNC investment portfolio to UBS and continue conducting business with her, or to remain with FNC where another financial services advisor will be assigned.

DISCUSSION

Due to the trusted relationship that the City has developed with Ms. Carmagnola, and given the service advantages that accompany working with a larger investment firm, City management wishes to transfer the investment portfolio previously held with FNC to UBS Financial Services. UBS is a much larger investment services firm than FNC, providing global financial services to private, corporate and institutional clients. UBS is present in all major financial centers and has offices in over 50 countries employing more than 60,000 personnel, versus 60 employed by FNC. No increases in investment trading fees are expected from transferring financial management services from FNC to UBS.

FISCAL IMPACT

There are no costs associated with updating this account.

CONCLUSION

The approval of the attached Non-Corporate Resolution authorizing the City to open and maintain an investment account with UBS Financial Services is recommended. Authorized signatories on this account, consistent with the City's previous investment accounts, will be the City Treasurer, the City Manager, and the Finance Manager.

Respectively submitted,

Kevin Mizuno, CPA
Finance Manager

Attachment A:
UBS Non-Corporate Resolution

Non-Corporate Resolutions

WHEREAS, The Organization seeks to benefit from opening and maintaining one or more securities, loan and/or guarantee accounts at UBS Financial Services Inc. ("UBS").

NOW, THEREFORE, BE IT RESOLVED THAT:

1) The Organization is authorized to establish with UBS one or more accounts for the purchase and sale of securities, money/currency, stocks, options, bonds, notes, futures contracts, commodities, commercial paper, certificates of deposit and other obligations, contracts, all other property usually and customarily dealt in by brokerage firms, the establishment of credit and/or the guarantee of another person's or entity's obligations (the "Account").

2) The Organization is authorized to use the Account(s) and services offered by UBS to (a) sell short, (b) trade on margin, (c) borrow and/or obtain credit (including all manner of credits and/or letters of credit) from time to time from UBS and guarantee obligations of others to UBS in United States dollars or any foreign currency, (d) effect UBS Card transactions, (e) contract for any and all investment management and advisory services that UBS now or hereafter provides and delegate discretion to UBS or to a subadvisor in connection with such services, and (f) pledge, mortgage, assign or subject to a security interest or lien any property of any sort of the Organization as security for any liability of the Organization.

3) Each of the officers or authorized representatives named on the Client Information (each, together with persons designated under resolution 4 below, hereinafter called an "Authorized Person") are authorized individually, without counter signature or co-signature, to act on behalf of the Organization and UBS is authorized, but not obligated, to deal with each Authorized Person individually in connection with all aspects of the Accounts, to (a) open the Account(s) and execute on any and all relevant documents on behalf of the Organization, (b) obtain all such services as UBS shall offer, including investment advisory services and to purchase and sell and enter into any transaction whatsoever in connection with the Account(s) and the property therein, and (c) to execute and deliver to UBS on behalf of the Organization any and all tax forms and other tax-related documents for an Account of this Organization (including without limitation U.S. Internal Revenue Service Forms W-8 and W-9, as applicable, and any documents relating thereto) and to make any certifications or representations under penalty of perjury on behalf of the Organization that are required by such forms or documents.

4) The Authorized Persons are authorized to appoint one or more attorneys-in-fact or agents to act on behalf of the Organization in the same capacity as set forth above, and are authorized to execute and deliver to UBS any powers of attorney or other documents to effect or evidence such appointment.

5) UBS is authorized, but not obligated, to deal with each Authorized Person individually, as follows, subject to the Organization having completed documentation relating to the relevant products and services and subject to UBS policy and practice as in effect from time to time:

a) to accept all orders for purchases and sales and all instructions of any nature whatsoever in connection with the Account(s) which UBS Financial Services Inc. believes in good faith to have been originated by an Authorized Person; to receive any funds, securities or other property for the Account(s) of the Organization;

b) to receive drafts, checks or other funds or property delivered to it for deposit for the Account(s) of the Organization, whether or not endorsed with the name of the Organization or unendorsed; and to honor written instructions from each Authorized Person to deliver either in bearer form, in street certificates, in any names or in any other manner any funds, securities or other property held for the Account(s) of the Organization;

c) to honor instructions from each Authorized Person to write checks, drafts, instruments, instructions or orders for the payment or withdrawal of funds drawn on the Account(s) or payable to the order of the Organization ("Payments") without limit as to amount, without inquiry including Payments to the order of or in favor of any person who authorized the Payment or any other officer, authorized representative or agent of the Organization and UBS, its subsidiaries and affiliates shall not be liable for any disposition which any such officer or authorized representative or agent shall make of all or any part of any Payment notwithstanding that such Payment may be for the personal account or benefit or in payment of the individual obligation of any such officer or authorized representative or agent to UBS, or otherwise;

d) to open deposit accounts in foreign currencies with any depositary to purchase, sell, transfer, or dispose of for present or future delivery foreign moneys, credits or exchange on deposit or otherwise and all manner of instruments representative thereof by endorsement or otherwise, and to execute and deliver any agreements or instruments relating to any such transactions.

6) Any and all actions previously taken with respect to matters provided for by these resolutions are hereby ratified, confirmed and approved.

7) These resolutions supersede any previous resolutions of the Organization presented to UBS Financial Services Inc. regarding the Account(s). UBS, its subsidiaries and affiliates are authorized to rely upon the authority conferred by these resolutions and until UBS receives written notice of an amendment modification or revocation of these resolutions. In the event that UBS for any reason, is uncertain as to the continuing effectiveness of these resolutions or the authority to any Authorized Person, UBS may refrain from taking any action with respect to the Account(s) until such time as it is satisfied as to its authority.

8) In consideration of UBS and any of its subsidiaries or affiliates acting in reliance upon these resolutions or any certification by the Secretary or Assistant Secretary or other certifying officer, they shall be fully protected in so acting and the Organization agrees to indemnify and save harmless UBS and any of its subsidiaries or affiliates from and against any and all loss, damage, liability, claims and expenses including legal fees arising out of their so acting or its refraining from taking any action.

9) The Secretary or an Assistant Secretary or other duly authorized certifying officer of the Organization is authorized and directed to certify to UBS and any of its subsidiaries or affiliates:

a) that these resolutions have been duly adopted, are in full force and effect and are in accordance with provisions of applicable law, the charter and by-laws, or other similar governing documents and rules of the Organization;

b) the identities and specimen signatures of the Organization's Authorized Persons and, from time to time hereafter, such changes as may occur in the identities of such Authorized Persons as such are made.

Continued on next page...

ATTENTION TRANSFER AGENT

10) Any authorized Person is fully authorized and empowered to transfer, convert, endorse, sell, assign, set over and deliver any and all shares of stocks, bonds, debentures, notes, subscription warrants, stock purchase warrants, evidence of indebtedness, or other securities now or hereafter standing in the name of or owned by the Organization, and to make, execute and deliver, under the corporate seal of the Organization or otherwise, any and all written instruments of assignment and transfer necessary or proper to effectuate the authority hereby conferred.

11) Whenever there shall be annexed to any instrument of assignment and transfer, executed pursuant to and in accordance with the foregoing resolution, a certificate of the Secretary or an Assistant Secretary of the Organization or other duly authorized certifying officer in office at the date of such certificate and such certificate shall set forth these resolutions and shall state that these resolutions are in full force and effect, and shall also set forth the names of the persons who are then officers or authorized representatives of the Organization, then all persons to whom such instrument with the annexed certificate shall thereafter come, shall be entitled, without further inquiry or investigation and regardless of the date of such certificate, to assume and to act in reliance upon the assumption that the shares of stock or other securities named in such instrument were theretofore duly and properly transferred, endorsed, sold, assigned, set over and delivered by the Organization, and that with respect to such securities the authority of these resolutions and of such officers or authorized representatives is still in full force and effect.

City of Clayton

For Business Services Account(s):
XX XXX44

The undersigned, as the Secretary or Assistant Secretary or a duly authorized certifying officer of City of Clayton ("Organization"), a _______________________ (organization type) duly organized and existing under the laws of _________ (State of Formation), hereby certifies that the foregoing resolutions were duly adopted by the __________________________________ (Governing Body of the Organization) at a duly called meeting or by unanimous consent, and the resolutions remain in full force and effect and are in accord with and pursuant to the Organization's ____________________________________ (name under which the organization is operating), by-laws and applicable law, and the Organization is in good standing under all applicable state laws.

I further certify that the persons listed above are duly elected or appointed qualified officers or authorized representatives of the Organization, hold in the Organization the respective positions indicated above and that set forth opposite each respective name is the true and correct signature of such person.

WITNESS my hand and seal of the Organization at ____________________________ this ______________ day of ________________, 20____.

SIGN AND DATE HERE

____ _________________
(SIGNATURE OF SECRETARY / ASSISTANT SECRETARY or CERTIFYING OFFICER) Date

CITY OF CLAYTON
Founded 1857... Incorporated 1964

Agenda Date: 3-18-14

Agenda Item: 11a

Approved:

Gary A. Napper
City Manager

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: CHARLIE MULLEN, COMMUNITY DEVELOPMENT DIRECTOR CM

DATE: MARCH 18, 2014

SUBJECT: 2013 HOUSING ELEMENT ANNUAL PROGRESS REPORT (CDD-03-14).

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution approving the 2013 Housing Element Annual Progress Report (APR) and direct staff to file the report with the State Department of Housing and Community Development, Division of Housing Policy Development.

BACKGROUND

Government Code Section 65400 requires each governing body (City Council or Board of Supervisors) to prepare an annual report on the status and progress in implementing the jurisdiction's housing element using forms and definitions adopted by the State Department of Housing and Community Development (HCD).

HCD uses the APR report as a tool to facilitate implementation of a community's housing element as well as for the tracking and monitoring of progress in addressing housing needs and goals. The APR includes information on the jurisdiction's progress in addressing the regional housing needs allocation (RHNA), including the number of housing units permitted by income level, the status of programs in the housing element, and efforts to remove government constraints.

HCD also uses submittal of the report as one of its threshold requirements to qualify for Housing Related Parks (HRP) Program funds. The HRP program rewards local governments for approval of housing for affordable to lower-income households, providing grant funds for park-related projects (development of new parks or rehabilitation of existing park facilities) to eligible local governments for every qualifying (low-income) housing start.

Planning Commission
On March 11, 2014 the Planning Commission reviewed and considered that 2013 Housing Element Annual Progress Report and then passed a motion recommending approval to the City Council. No members of the public spoke on the matter.

DISCUSSION
This APR for the City of Clayton is for the reporting period of January 1, 2013 to December 31, 2013. The 2013 APR reflects the build out of the Toll Brothers/Diablo Estates 24-lot single-family housing project located off of Regency Drive. The final one remaining building permit on Seminary Ridge Place was issued within the project and all the Diablo Estates homes have now been constructed and sold. All of the 24 Diablo Estates housing units were sold at market rate, reflecting an above-moderate price level of affordability. However, the City did require the original 2003 subdivision to provide three (3) affordable housing units as a part of the project approval. The original developer, Lemke Construction, and subsequent developer, Toll Brothers, both elected to satisfy the affordable housing requirements through the purchase and resale of off-site units within the City, as permitted by our Housing Element. In November 2005, Lemke Construction satisfied the first affordable housing unit obligation with the market rate purchase and resale of an existing housing unit located on Long Creek Circle to a very low-income household. In March 2013, Toll Brothers satisfied their final affordable housing unit obligation with the market rate purchase and resale of an existing housing unit located on Clark Creek Circle to a low-income household. During staff's research and preparation for the 2013 APR, staff observed that the Toll Brothers market rate purchase and resale of an existing housing unit located on Chert Place to a moderate-income household in April 2012, was not reflected in the 2012 APR. Staff has therefore amended Table B in the 2013 APR accordingly and added an explanation note on page 7. Staff desires to see that the City of Clayton receive full credit for all our affordable housing units that we establish during the current 2009-2014 Housing Element cycle.

During 2013, the City also saw the issuance and completion of one building permit for a detached second dwelling unit to an existing single-family home located on Douglas Court. This project involved the administrative approval (CDD-05-12) of the conversion of an existing detached pool house building into a second dwelling unit in accordance with the City's Second Dwelling Unit Ordinance.

Unfortunately, during 2013, the City also saw the loss of one existing moderate-income affordable housing unit located in the Stranahan subdivision. This property is one of the original 1996 Clayton Redevelopment Agency (RDA) silent second loans provided to 18 moderate-income households in the Stranahan development project. These silent second loans have a 25-year life, with a 5% annual interest escalation on the principal for the first 15 years and a 10% annual reduction of the peak principal and interest balance for the remaining 10 years. At the end of the 25-year loan life, the original loan amount is reduced to zero and no repayment to the RDA is required (i.e. the entire loan is forgiven). However, after the first 15 years, the provisions of these RDA loans allow an owner to re-sale the property at market rate if the City's RDA elects not to purchase the property. With the recent dissolving of Redevelopment Agencies throughout California, the City's RDA no longer exists and the City declined to purchase and maintain these affordable housing units using General Fund monies if the owner(s) choose to sell the property.

The City has continued to take significant steps in implementing the approved programs of the certified and adopted 2009-2014 Housing Element. Over the course of several years beginning in 2010, systematic progress has been made at implementing various programs. Within the reporting period for the 2013 APR, the City adopted Ordinance No. 445 establishing a Universal Design Ordinance and associated informational brochures. The City also adopted Ordinance No. 449 establishing Emergency Shelters by right on City-owned property zoned Public Facility (PF). The City is now poised to accomplish a streamlined processing update of our Housing Element for the 2014-2022 cycle period.

City staff continues to promote and encourage the preservation of existing affordable housing units and the creation of new affordable housing opportunities in our discussion with housing developers.

FISCAL IMPACT

Negligible. Some staff time as well as printing cost have and will be associated with this report.

ATTACHMENTS

1. Resolution – Approving the 2013 Housing Element Annual Progress Report.
2. 2013 Housing Element Annual Progress Report w/
    Exhibit A – CCC Building Permit records
    Exhibit B – Diablo Estates affordable housing unit excerpt records

X:\Com Dev\C D D\2014\CDD-03-14 - 2013 Housing Element Report\SRCC- 2013 HE Progress Report - 3-18-14.docx

RESOLUTION NO. ___-2014

APPROVING THE CITY OF CLAYTON
2013 HOUSING ELEMENT ANNUAL PROGRESS REPORT

THE CITY COUNCIL
City of Clayton, California

WHEREAS, Government Code Section 65400 requires that the City of Clayton City Council prepare an annual report on the status and progress in implementing the City's Housing Element using forms and definitions adopted by the Department of Housing and Community Development; and

WHEREAS, the Annual Progress Report (APR) includes the information on the City of Clayton's progress in addressing the regional housing needs allocations, including the number of housing units permitted by income level, the status of programs in the housing element, and efforts to remove government constraints for the reporting period;

WHEREAS, this Resolution shall become effective immediately upon its passage and adoption;

NOW, THEREFORE, BE IT RESOLVED that the City Council of Clayton, California does hereby approve its 2013 Housing Element Annual Progress Report, attached hereto and incorporated herein as if fully set forth, and authorize it to be filed with the State of California Department of Housing and Community Development.

Passed, adopted, and ordered posted by the City Council of the City of Clayton at a regular public meeting thereof held on March 18, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

____
Hank Stratford, Mayor

ATTEST

____
Janet Brown, Interim City Clerk

I hereby certify that the foregoing resolution was duly adopted and passed by the City Council of the City of Clayton at a regular public meeting thereof held on March 18, 2014.

____
Janet Brown, Interim City Clerk

Attachments:
2013 Housing Element Annual Progress Report

ATTACHMENT - 2

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of Clayton

Reporting Period 1/1/2013 - 12/31/2013

Table A
Annual Building Activity Report Summary - New Construction Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information									Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions
1	2	3	4				5	5a	6	7	8
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes: Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development (See Instructions)	Deed Restricted Units (See Instructions)	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
3 Seminary Ridge Pl.	SF	O				1	1				
943 Douglas Ct.	SU	O				1	1	1			
(9) Total of Moderate and Above Moderate from Table A3 ► ►					0						
(10) Total by income Table A/A3 ► ►						2	2	1			
(11) Total Extremely Low-Income Units*											

* Note: These fields are voluntary

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of Clayton

Reporting Period 1/1/2013 - 12/31/2013

Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)

Please note: Units may only be credited to the table below when a jurisdiction has included a program it its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity				0	
(2) Preservation of Units At-Risk				0	
(3) Acquisition of Units			1	1	In 2013 an existing housing unit at 9 Clark Creek Circle was purchased at market rate and resold by Toll Brothers/Diablo Estates to a low income household.
(5) Total Units by Income	0	0	1		

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of Clayton

Reporting Period 1/1/2013 - 12/31/2013

Table A3

Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for **Moderate**						0	
No. of Units Permitted for **Above Moderate**						0	

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of Clayton

Reporting Period 1/1/2013 - 12/31/2013

Table B
Regional Housing Needs Allocation Progress
Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.			2007	2008	2009	2010	2011	2012	2013			Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level		RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9		
Very Low	Deed Restricted	49	0	0	0	0	0	0	0				49
	Non-deed restricted		0	0	0	0	0	0	0				
Low	Deed Restricted	35	0	0	0	0	0	0	1			1	34
	Non-deed restricted		0	0	0	0	0	0	0				
Moderate	Deed Restricted	33	0	0	0	0	0	1	0			1	31
	Non-deed restricted		1	0	0	0	0	0	0			1	
Above Moderate		34	9	11	0	1	6	17	2			46	-12
Total RHNA by COG. Enter allocation number:		151											
Total Units ▶ ▶ ▶			10	11		1	6	18	3			49	
Remaining Need for RHNA Period ▶ ▶ ▶ ▶ ▶													102

Note: units serving extremly low-income households are included in the very low-income permitted units totals.

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of Clayton
Reporting Period 1/1/2013 - 12/31/2013

Table C

Program Implementation Status

Program Description (By Housing Element Program Names)	Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.		
Name of Program	**Objective**	**Timeframe in H.E.**	**Status of Program Implementation**
Implementation Measure I.1.1	Rezone sites to meet RHNA shortfall	1-Oct-10	Seven sites redesignated to M-F (15.1-20 units/acre) in April 2012-potential unit yield increased collectively from 57-140 units
Implementation Measure I.2.1	Implement Affordable Housing Plan requirements	On-going	Guidelines established 2010
Implementation Measure I.2.2	Use LMI fund for affordable housing in resential zones	On-going	RDA dissolved by State and funding source eliminated
Implementation Measure I.3.1	Allow manufactured housing in residential zones	1-Dec-09	Completed w/adoption of Ordinance 425 in December 2009
Implementation Measure I.4.1	Provide information to promote construction of second units	On-going	Handouts available in Community Development Department (CDD)
Implementation Measure I.4.2	Use RDA funds to incentivize construction of second units	1-Dec-12	RDA dissolved and funding source eliminated
Implementation Measure I.5.1	Encourage mixed-use deveopment in the Town Center	On-going	Town Center Specific Plan is available at CDD and is on the City website with supportive policies
Implementation Measure I.5.2	Promote Town Cetner second story residential use standards	On-going	Town Center Specific Plan is available at CDD and is on the City website with supportive policies
Implementation Measure II.1.1	Allow emergency shelters by right in Kirker Pass Corridor	1-Mar-11	Completed w/adoption of Ordinance 449 in September 2013. Location was change to City owned properties zoned PF.
Implementation Measure II.1.2	Allow supportive and transitional housing in residential zones	1-Mar-11	Completed w/adoption of Ordinance 440 in April 2012
Implementation Measure II.1.3	Allow SRO's w/CUP in L-C District and Kirker Corridor	1-Apr-12	Completed w/adoption of Ordinance 440 in April 2012 (L-C District only)
Implementation Measure II.1.4	Offer regulatory incentives for extremely low-income households	On-going	Offered with applicable projects
Implementation Measure II.2.1	Allow sf homes in multi-family districts only w/ a use permit	1-Dec-12	Completed w/adoption of Ordinance 440 in April 2012
Implementation Measure II.3.1	Allow density bonuses in accordance w/State Law	1-Dec-09	Completed w/adoption of Ordinance 426 in December 2009
Implementation Measure II.4.1	Prioritize to decrease review time for affordable projects	On-going	Made available with applicable projects
Implementation Measure II.5.1	City to consider waiving/reducing fees for affordable projects	On-going	RDA dissolved and funding source eliminated
Implementation Measure II.6.1	City shall provide flexible development standards	On-going	Provided through Ordinances 440 and 426

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction **City of Clayton**

Reporting Period **1/1/2013** - **12/31/2013**

Implementation Measure III.1.1	City refers interested parties to County affordable programs	On-going	Referrals made by Community Development Department staff
Implementation Measure III.1.2	City to develop a down payment assistance program w/RDA funds	1-Dec-11	RDA dissolved and funding source eliminated
Implementation Measure III.1.3	City to review potential fundng through County HOME program	On-going	City coordinates with Contra Costa County Housing Authority
Implementation Measure III.1.4	City to provide $200,000 annually to Diamond Terrace project	Through term of Agreement	City will continue to pay $200,000 through term of this valid contract
Implementation Measure III.2.1	City to protect at-risk affordable units	On-going	The City's RDA protected an at-risk affordable unit in 2011 by purchasing and then reselling the unit w/ a 45-year deed restriction
Implementation Measure IV.1.1	Comply with fair housing laws	On-going	The City's actions are intended to comply with fair housing laws
Implementation Measure IV.1.2	City to not restrict unrelated persons in a family	1-Oct-10	Completed w/ adoption of Ordinance 440 in April 2012
Implementation Measure IV.2.1	City will provide info. to public on affordable housing projects	On-going	The City actively advertises the availability of affordable housing units as they become available
Implementation Measure IV.3.1	City will adopt reasonable accommodations ordinance	On-going	Completed w/ adoption of Ordinance 441 in May 2012
Implementation Measure IV.3.2	City will distribute info. regarding reasonable accommodations	On-going	Information is always available in the CDD
Implementation Measure IV.3.3	City to investigate feasibility of universal design ordinance	1-May-11	Completed w/adoption of Ordinance 445 in May 2013
Implementation Measure V.1.1	City to provide energy converation brochures at City Hall	On-going	Completed w/adoption of Ordinance 445 in May 2013
Implementation Measure V.1.2	City to develop design concepts for energy efficiency	1-Jan-12	Completed w/adoption of Ordinance 445 in May 2013
Implementation Measure V.1.3	Improve energy efficiency requirements	1-Jan-12	Adopted the 2010 California Green Building Code in March 2011
Implementation Measure VI.1.1	City to support legislation to transfer housing closer to transit	On-going	The City supports this type of legislation through its association with ABAG and the Contra Costa Transportation Authority (CCTA)
Implementation Measure VI.1.2	City to participate in TRANSPAC and similar organizations	On-going	The City participates in TRANSPAC with Staff and Council representation
Implementation Measure VI.1.3	City to cooperate w/ regional/countywide housing task	On-going	The City participates w/ regional/countywide housing task force
Implementation Measure VI.1.4	City to work with ABAG regarding energy and land-use efficiency	On-going	The City participates with and has Council representation on ABAG

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction	**City of Clayton**		
Reporting Period	**1/1/2013**	-	**12/31/2013**

General Comments: In May 2013, the City completed it's efforts to implement measures associated with the universal design ordinance and energy efficiency design concepts with adoption of Ordiannce 445. In September 2013, the City completed its efforts to allow emergency shelters by right with adopotion of Ordiance 449. The City chose to allow emergency shelters on City owned properties zoned Public Facilities (PF). In March 2013 an existing housing unit at 9 Clark Creek Circle was purchased at market rate and resold by Toll Brothers/Diablo Estates to a low income household. In April 2012 an existing housing unit at 813 Chert Place was purchased at market rate and resold by Toll Brothers/Diablo Estates to a moderate-income household but was not reported in the 2012 APR.

ONTRA COSTA COUNTY
Department of Conservation and Development

Building Permits Issued

Status Date between 01/07/2013 and 01/11/2013
City: CLAYTON Inc/Uninc: Incorporated

NUMBER	TYPE	STATUS	ISSUED	VALUATION	DESCRIPTION	SQ FT	PARCEL	ADDRESS	CITY
BIAL13-00011[illegible]	AL	Issued	[illegible]	[illegible]	BATH REMODEL - REPLACE [illegible] TOILET, REMOVE TUB/SHOWER COMBO, INSTALL NEW SHOWER AND CLOSET W/ LIGHT.		118540036	3028 WINDMILL CANYON [illegible]	CLAYTON

Owner TAYLOR JASON D & LAURA 3028 WINDMILL CANYON DR CLAYTON, CA 94517-1907
Contractor DIABLO VIEW CONSTRUCTION INC 738 BLOCHING CIRCLE CLAYTON, CA 94517

NUMBER	TYPE	STATUS	ISSUED	VALUATION	DESCRIPTION	SQ FT	PARCEL	ADDRESS	CITY
BIAL13-000120	AL	Issued	01/07/2013	$35,000.00	KITCHEN REMODEL, NEW CABINET NEW APPLIANCES.	1	119383003	195 MT WILSON WAY	CLAYTON

Owner PERKINS JOHN & LINDA 195 MT WILSON WAY CLAYTON, CA 94517-1644
Contractor D C ADAMS CONSTRUCTION P O BOX 235 BYRON, CA 94514

NUMBER	TYPE	STATUS	ISSUED	VALUATION	DESCRIPTION	SQ FT	PARCEL	ADDRESS	CITY
BIAL13-000223	AL	Issued	01/09/2013	$8,338.00	BATHROOM REMODEL- REPLACE TUB, SINK, SHOWER VALVE & FAUCET, INSTALL CHANDELIER		119490052	632 MT DUNCAN DR	CLAYTON

Owner WILLIAMS RAYMOND A & A C TRE 632 MT DUNCAN DR CLAYTON, CA 94517-1652
Contractor SEARS HOME IMPROVEMENT PRODUCTS INC P O BOX 522290 LONGWOOD FL 32752

NUMBER	TYPE	STATUS	ISSUED	VALUATION	DESCRIPTION	SQ FT	PARCEL	ADDRESS	CITY
BIEC13-000191	EC	Issued	01/09/2013	$0.00	Installation of one new electrical outlet in the back room of existing Starbucks for future use.		118031057	1536 KIRKER PASS RD	CLAYTON

Owner CLAYTON STATION SHOPPING CNTR PO BOX 580 DANVILLE, CA 94526-0580
Contractor J A ELECTRIC 54 S ALTHEA AVENUE RIALTO, CA 92376

NUMBER	TYPE	STATUS	ISSUED	VALUATION	DESCRIPTION	SQ FT	PARCEL	ADDRESS	CITY
BIM13-000209	M	Issued	01/09/2013	$0.00	REPLACE HVAC AND OUTDOOR CONDENSER		119383003	195 MT WILSON WAY	CLAYTON

Owner PERKINS JOHN & LINDA 195 MT WILSON WAY CLAYTON, CA 94517-1644
Contractor DIABLO VALLEY COMFORT SYSTEMS 1930 ELINORA DR PLEASANT HILL, CA 94523

NUMBER	TYPE	STATUS	ISSUED	VALUATION	DESCRIPTION	SQ FT	PARCEL	ADDRESS	CITY
BIP13-000218	P	Issued	01/10/2013	$31,250.00	NEW INRGOUND GUNITE POOL AND SPA		119630012	27 SEMINARY RIDGE PL	CLAYTON

Owner BENNETT BRIAN & ERIN 2000 CROW CANYON PL STE 200 SAN RAMON, CA 94583-1108
Contractor DIABLO OASIS POOLS 465 ELLISA LANE BRENTWOOD, CA 94513

NUMBER	TYPE	STATUS	ISSUED	VALUATION	DESCRIPTION	SQ FT	PARCEL	ADDRESS	CITY
BIPVR12-000257	PVR	Issued	01/07/2013	$1,200.00	PV SOLAR, ROOF MOUNT	1	119600009	23 EL TORO CT	CLAYTON

Owner LANNUM SARAH J 23 EL TORO CT CLAYTON, CA 94517-1748
Contractor QUALITY HOME RENOVATORS INC 5225 QUAKERTOWN AVE WOODLAND HILLS, CA 91364

NUMBER	TYPE	STATUS	ISSUED	VALUATION	DESCRIPTION	SQ FT	PARCEL	ADDRESS	CITY
* BIR12-007038	R	Issued	01/08/2013	$475,023.21	NEW SINGLE FAMILY RESIDENCE - PLAN 4 (BELVEDERE)	3,724	119630014	9 SEMINARY RIDGE PL	CLAYTON

Owner TOLL CA XIX LP 2000 CROW CANYON PL STE 200 SAN RAMON, CA 94583-1108
Contractor TOLL BROS INC 2000 CROW CANYON PLACE SAN RAMON, CA 94512

EXHIBIT A

Building Permits Issued

Status Date between 01/07/2013 and 01/11/2013
City: CLAYTON Inc/Uninc: Incorporated

NUMBER	TYPE	STATUS	ISSUED	VALUATION	DESCRIPTION	SQ FT	PARCEL	ADDRESS	CITY
BIR12-009171	R	Issued	01/10/2013	$86,453.08	POOL HOUSE STRUCTURE BUILT WITHOUT PERMITS. APPROVED FOR NEW 2ND UNIT--NO FIRE SPRINKLERS PER CON FIRE SEE FIRE APPROVED PLANS	742	119560003	943 DOUGLAS CT	CLAYTON

Owner DEL MONTE CHARLES TRE 943 DOUGLAS CT CLAYTON, CA 94517-1307

201390080209000[illegible]
CONTRA COSTA Co Recorder Office
JOSEPH CANCIAMILLA, Clerk-Recorder
DOC-2013-0080209-00
Acct 1002-E-Chicago Title Company
Monday, APR 01, 2013 08:00:00
FRE $0.00
Ttl Pd $0.00 Rcpt # 0001616774
maw/RC/1-24

RECORDING REQUESTED BY
CHICAGO TITLE COMPANY

38618124-JD
RECORDING REQUESTED PURSUANT
TO GOVERNMENT CODE SECTION 27383

When Recorded Mail To:

City of Clayton
6000 Heritage Trail
Clayton, CA 94517
Attn: Gary A. Napper, City Manager

Received
APR 05 2013
City of Clayton

RESALE RESTRICTION AGREEMENT AND OPTION TO PURCHASE (AFFORDABLE HOUSING PROGRAM)

Owner: [redacted]

Property: 9 Clark Creek Circle
Clayton, CA 94517

Purchase Price: $131,250.00

This Resale Restriction Agreement and Option to Purchase (the "Agreement") is entered into as of this 27th day of March, 2013, by and between the City of Clayton (the "City") and [redacted] (referred to in this Agreement sometimes as "Buyer" and sometimes as "Owner").

RECITALS

A. Pursuant to the City of Clayton ("City") Housing Element Policy I.2, the City supports very-low, low, and moderate income housing to meet the City's fair share housing allocation. Pursuant to Housing Element Policy I.2, the City promotes homeownership for very-low, low and moderate-income households.

B. Buyer intends to purchase the property located at 9 Clark Creek Circle in the City of Clayton, more particularly described in Exhibit A attached hereto and incorporated herein (the "Property").

C. As a component of the affordable housing program, the City requires the Buyer execute this Agreement as a condition to Buyer's purchase of the Property in order to ensure the continued affordability of the Property. The Buyer has agreed to execute and comply with this Agreement in consideration of the opportunity to purchase the Property at an affordable price which is below the fair market value of the Property.

EXHIBIT B

Mj

24

RECORDING REQUESTED PURSUANT
TO GOVERNMENT CODE SECTION 27383

When Recorded Mail To:

City of Clayton
6000 Heritage Trail
Clayton, CA 94517
Attn: Gary A. Napper, City Manager

CONTRA COSTA Co Recorder Office
STEPHEN L. WEIR, Clerk-Recorder
DOC- 2012-0095310-00
Acct 12-Placer Title
Thursday, APR 26, 2012 08:00:00
FRE $0.00
Ttl Pd $0.00 Rcpt # 0001249387
rre/R2/1-24

RESALE RESTRICTION AGREEMENT AND OPTION TO PURCHASE
(AFFORDABLE HOUSING PROGRAM)

Placer Title

Owner: [redacted]
Yasuko McConnell

Property: 813 Chert Place
Clayton, CA 94517

Purchase Price: $215,000.00

This Resale Restriction Agreement and Option to Purchase (the "Agreement") is entered into as of this 18th day of April, 2012, by and between the City of Clayton (the "City") and [redacted] and [redacted] (referred to in this Agreement sometimes as "Buyer" and sometimes as "Owner").

RECITALS

A. Pursuant to the City of Clayton ("City") Housing Element Policy I.2, the City supports very-low, low, and moderate income housing to meet the City's fair share housing allocation. Pursuant to Housing Element Policy I.2, the City promotes homeownership for very–low, low and moderate-income households.

B. Buyer intends to purchase the property located at 813 Chert Place (address) in the City of Clayton, more particularly described in Exhibit A attached hereto and incorporated herein (the "Property").

C. As a component of the affordable housing program, the City requires the Buyer execute this Agreement as a condition to Buyer's purchase of the Property in order to ensure the continued affordability of the Property. The Buyer has agreed to execute and comply with this Agreement in consideration of the opportunity to purchase the Property at an affordable price which is below the fair market value of the Property.

501-16129-CB

93

CONTRA COSTA Co Recorder Office
STEPHEN L. WEIR, Clerk-Recorder
DOC- 2005-0461575-00
Check Number
Wednesday, NOV 30, 2005 11:56:00
MIC $1.00|MOD $23.00|REC $27.00
TCF $22.00|
Ttl Pd $73.00 Nbr-0003021258
cgv/RC/1-23

RECORDING REQUESTED PURSUANT
TO GOVERNMENT CODE SECTION 27383

When Recorded Mail To:

Clayton Redevelopment Agency
6000 Heritage Trail
Clayton, CA 94517
Attn: Gary A. Napper

Placer Title

RESALE RESTRICTION AGREEMENT AND OPTION TO PURCHASE (INCLUSIONARY HOUSING PROGRAM)

Owners: [redacted]

* Property: 21 Long Creek Circle, Clayton

Purchase Price: $87,500.00

This Resale Restriction Agreement and Option to Purchase (the "Agreement") is entered into as of this 26 day of Nov, 2005, by and between the Redevelopment Agency of the City of Clayton (the "Agency") and [redacted], husband and wife as Joint Tenants (referred to in this Agreement sometimes as "Buyer" and sometimes as "Owner").

RECITALS

A. Pursuant to City of Clayton Housing Element Inclusionary Policy (Policy I.4) new residential projects of ten or more units shall provide five percent of all project units as very-low income units and five percent as low income units. The Agency is, on behalf of the City, acting as the administrator of the Inclusionary Housing program for this property.

B. Buyer intends to purchase the property located at 21 Long Creek Circle in the City of Clayton, more particularly described in Exhibit A attached hereto and incorporated herein (the "Property").

C. As a component of the Inclusionary Housing Program, the City requires the Buyer execute this Agreement as a condition to Buyer's purchase of the Property in order to ensure the continued affordability of the Property. The Buyer has agreed to execute and comply with this

Agenda Date: 3-18-14

Agenda Item: 11b

2014 THURSDAY NIGHT CONCERTS IN THE GROVE

PROPOSED CONCERT DATES:

- June 12
- July 10
- July 24
- August 7
- August 21

Concert times: 7:00 PM - 8:30 PM PDT

February 21, 2014

Janet Brown

From: James Diaz <jdiazsr@pacbell.net>
Sent: Friday, March 14, 2014 9:50 AM
To: cityclerk@ci.clayton.ca.us
Cc: Laura Hoffmeister
Attachments: Thursday Night Concerts - Concert Dates- 02-18-14.docx

Ms. Brown:

Janet,

Attached is a list of the "proposed" 2014 Thursday Night Concerts In The Grove for inclusion in my item for this Tuesday's City Council Meeting.

Additional information:

- Requested Event Sponsorship from the C.B.C.A. - It will be introduced at the March C.B.C.A. General Membership meeting on Thursday, March 27th - voted at the General Membership Meeting on Thursday, April 24th.
- Other Sponsorship requests have sent to Clayton local businesses - confirmed as this date: Clayton Valley Shell, Diabloview Construction, Ed's Mudville, and Westec Alarm.

Please let me know if you have any questions or need additional information.

Thank you.

Jim Diaz
Concert Producer
(925) 672-0535