BENICIA CITY COUNCIL
REGULAR MEETING AGENDA

City Council Chambers
May 15, 2012
7:00 PM

Times set forth for the agenda items are estimates.
Items may be heard before or after the times designated.

Please Note:
Regardless of whether there is a Closed Session scheduled for 6:00 pm, the open session will begin at 7:00 pm.

I. CALL TO ORDER (6:00 PM):

II. CLOSED SESSION:

A. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
(Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9)

1 Claim: Eakin

B. CONFERENCE WITH LABOR NEGOTIATOR
(Government Code Section 54957.6 (a))
Agency negotiators: City Manager, Administrative Services Director

Employee organizations: City Manager, City Attorney, Benicia Senior Management Group, Benicia Middle Management Group, Local 1, Benicia Public Service Employees' Association (BPSEA), Police Officers Association (BPOA), Benicia Firefighters Association (BFA), Benicia Dispatchers Association (BDA), Police Management, Unrepresented.

III. CONVENE OPEN SESSION (7:00PM):

A. ROLL CALL.

B. PLEDGE OF ALLEGIANCE.

C. REFERENCE TO THE FUNDAMENTAL RIGHTS OF PUBLIC.

A plaque stating the fundamental rights of each member of the public is posted at the entrance to this meeting room per section 4.04.030 of the City of Benicia's Open Government Ordinance.

IV. ANNOUNCEMENTS/APPOINTMENTS/PRESENTATIONS/PROCLAMATIONS:

A. ANNOUNCEMENTS.

1. Announcement of action taken at Closed Session, if any.

2. Openings on Boards and Commissions:

Building Board of Appeals
2 full terms
Open Until Filled

SolTrans Public Advisory Committee
1 full term
Open Until Filled

Benicia Community Sustainability Commission
1 unexpired term
Open Until Filled

Open Government Commission
1 unexpired term
Open Until Filled

Benicia Human Services Board
1 unexpired term
3 full terms
Application Due Date: May 18, 2012

Economic Development Board
2 full terms
Application Due Date: May 18, 2012

Benicia Housing Authority Board of Commissioners
1 full term
Application Due Date: May 18, 2012

Historic Preservation Review Commission
2 full terms
Application Due Date: May 18, 2012

Library Board of Trustees
1 full term
1 Poet Laureate
Application Due Date: May 18, 2012

Art and Culture Commission
2 unexpired terms
Application Due Date: May 18, 2012

3. **Mayor's Office Hours:**
Mayor Patterson will maintain an open office every Monday (except holidays) in the Mayor's Office of City Hall from 6:00 p.m. to 7:00 p.m. No appointment is necessary. Other meeting times may be scheduled through the City Hall office at 746-4200.

4. **Benicia Arsenal Update:** Verbal Update

B. APPOINTMENTS.

C. PRESENTATIONS.

1. **Public Works Week Presentation**

D. PROCLAMATIONS.

1. **In Recognition of National Public Works Week - May 20 - 26, 2012**

2. **In Recognition of National Safe Boating Week - May 19 - 25, 2012**

V. ADOPTION OF AGENDA:

VI. OPPORTUNITY FOR PUBLIC COMMENT:

This portion of the meeting is reserved for persons wishing to address the Council on any matter not on the agenda that is within the subject matter jurisdiction of the City Council. State law prohibits the City Council from responding to or acting upon matters not listed on the agenda. Each speaker has a maximum of five minutes for public comment. If others have already expressed your position, you may simply

indicate that you agree with a previous speaker. If appropriate, a spokesperson may present the views of your entire group. Speakers may not make personal attacks on council members, staff or members of the public, or make comments which are slanderous or which may invade an individual's personal privacy.

A. WRITTEN COMMENT.

B. PUBLIC COMMENT.

VII. CONSENT CALENDAR (7:30 PM):

Items listed on the Consent Calendar are considered routine and will be enacted, approved or adopted by one motion unless a request for removal or explanation is received from a Council Member, staff or member of the public. Items removed from the Consent Calendar shall be considered immediately following the adoption of the Consent Calendar.

A. Approval of Minutes of the Regular Meeting of April 24, 2012 and the Minutes of the Regular Meeting of May 1, 2012. (City Clerk).

B. EAST SECOND STREET WATER LINE REPLACEMENT & STREET RESURFACING PROJECT: ACCEPTANCE AND NOTICE OF COMPLETION. (Public Works and Community Development Director)

This project replaced old water lines that had served their useful life cycle and resurfaced sections of East Second Street from East F Street to East K Street. The final construction contract cost of $594,581.43 is fully funded from a combination of water enterprise and gas tax funds. Formal acceptance of the work by the City Council is required to file the Notice of Completion and allow final payment to be made to the contractor.

Recommendation: Adopt a resolution accepting the East Second Street Water Line Replacement & Street Resurfacing Project as complete, including Change Order Nos. 1 through 5, authorizing the City Manager to sign the Notice of Completion, and authorizing the City Clerk to file same with the Solano County Recorder.

C. APPROVAL OF CITY OF BENICIA INVESTMENT POLICY. (Interim Finance Director)

The City Council periodically reviews and updates the City's Investment Policy to ensure compliance with the provisions of the California Government Code. The Investment Policy was last amended on October 20, 2009. Staff is proposing several minor modifications to the Investment Policy. The proposed revisions to the Investment Policy were approved by the Finance Committee on April 27, 2012.

Recommendation: Adopt the resolution approving the City of Benicia Investment Policy.

D. REVIEW AND ACCEPTANCE OF THE INVESTMENT REPORT FOR THE QUARTER ENDED MARCH 31, 2012. (Interim Finance Director)

The investment portfolio is in compliance with the City's Investment Policy and with California law. Additionally, the City has adequate investments to meet its expenditure needs for the next six months. The Finance Committee has reviewed this report and has recommended acceptance by the City Council.

Recommendation: Accept, by motion, the Investment Report for the quarter ended March 31, 2012.

E. DENIAL OF THE CLAIM AGAINST THE CITY BY ERIC HARRISON AND REFERRAL TO INSURANCE CARRIER. (City Attorney)

Claimant alleges that a City tree fell on his car causing damage. City staff has confirmed the tree located at 146 East E. Street is not a City tree.

Recommendation: Deny the claim against the City by Eric Harrison.

F. APPROVE THE AMENDMENTS TO THE FIREFIGHTER ENGINEER JOB DESCRIPTION. (Administrative Services Director)

A number of updates to the job specification for Firefighter/Engineer have been suggested by the Benicia Firefighters Association in order to better reflect current requirements and departmental practices. The Fire Chief and Human Resources reviewed the proposed revisions and then presented to the Civil Service Commission on April 24, 2012. The Commission suggested several additional minor revisions, which are incorporated in the proposed amendments to the job specification.

Recommendation: Adopt the resolution approving the amendments to the Firefighter Engineer Job Description.

G. DENIAL OF THE CLAIM AGAINST THE CITY BY SAMUEL TODD SEGALL AND REFERRAL TO INSURANCE CARRIER. (City Attorney)

This is a claim by an individual who was arrested for DUI violation. We recommend denial of this claim because claimant fails to state any legal cause of action.

Recommendation: Deny the claim against the City by Samuel Todd Segall.

H. Approval to waive the reading of all ordinances introduced and adopted pursuant to this agenda.

VIII. BUSINESS ITEMS (7:45 PM):

A public hearing should not exceed one hour in length. To maximize public participation, the council requests that speakers be concise and avoid repetition of the remarks of prior speakers. Instead, please simply state whether you agree with prior speakers.

A. APPROVE THE EXTENSION TO THE JULY 1, 2010 TO JUNE 30, 2012 AGREEMENT BETWEEN THE CITY OF BENICIA AND BENICIA DISPATCH ASSOCIATION. (Administrative Services Director)

In 2010 and 2011, City of Benicia employees took a combined reduction in total compensation of approximately 10%. These concessions assisted the City in addressing budget shortfalls in both fiscal years and achieving ongoing structural savings. Given that the City's fiscal status appears relatively stable for the remainder of the current budget period, in a large part due to the previous, ongoing compensation reductions made by all City employees, the City has offered, and BDA has agreed, to extend the current contract for one additional year, to June 30, 2013, with no increases or further reductions to compensation for the remainder of the term.

Recommendation: Adopt the resolution approving the Contract Extension Agreement modifying the existing 2010-2012 Memorandum of Understanding (MOU) with the Benicia Dispatch Association (BDA). If approved, and unless otherwise modified by the Contract Extension Agreement, all terms of the MOU shall be extended from July 1, 2012 to June 30, 2013.

B. UPDATE ON COMMUNITY SUSTAINABILITY COMMISSION FUNDING RECOMMENDATION FOR PUMP STATION 3 SOLAR PROJECT PROPERTY. (Public Works and Community Development Director)

At Council direction, staff is updating the Council on a request submitted to the Community Sustainability Commission (CSC) for a $256,909 loan from the Valero/Good Neighbor Steering Committee Settlement Agreement Fund to help pay for purchase of the Pump Station 3 solar project property. CSC has determined that the purchase is a project that meets criteria required to allow funding, and directed staff to submit the request in the form of a grant application at the May 21 CSC meeting.

Recommendation: Direct staff to bring this matter back for Council action following a final recommendation by the Community Sustainability

Commission regarding funding arrangements for the Pump Station 3 solar property.

C. FISCAL YEAR 2011-12 BUDGET UPDATE. (Interim Finance Director)

The City Council received a report on the status of the 2011-12 Budget on February 7, 2012. Staff has completed a review of revenues and expenditures as of April 30, 2012. With ten months of the fiscal year completed, General Fund revenue is being received as anticipated and departments are operating within their approved budget allocation.

Recommendation: Receive information on revenues and expenditures as of April 30, 2012.

D. Council Member Committee Reports:
(Council Member serve on various internal and external committees on behalf of the City. Current agendas, minutes and meeting schedules, as available, from these various committees are included in the agenda packet. Oral reports by the Council Members are made only by exception.)

1. **Mayor's Committee Meeting.**
   (Mayor Patterson)
   Next Meeting Date: May 16, 2012

2. **Association of Bay Area Governments**
   (ABAG)http://www.abag.ca.gov/.
   (Mayor Patterson and Council Member Strawbridge)
   Next Meeting Date: TBD

3. **Finance, Audit and Budget Committee.**
   (Vice Mayor Campbell and Council Member Strawbridge)
   Next Meeting Date: May 25, 2012

4. **League of California Cities.**
   http://www.cacities.org/index.jsp
   (Mayor Patterson and Vice Mayor Campbell)
   Next Meeting Date: July 19, 2012

5. **School Liaison Committee.**
   (Council Member Hughes and Council Member Strawbridge)
   Next Meeting Date: June 7, 2012

6. **Sky Valley Open Space Committee.**
   (Vice Mayor Campbell and Council Member Schwartzman)
   Next Meeting Date: August 1, 2012

7. **Solano EDC Board of Directors.**
   (Mayor Patterson and Council Member Strawbridge)
   Next Meeting Date: May 16, 2012

8. **Solano Transportation Authority (STA).**
   http://www.sta.ca.gov/
   (Mayor Patterson and Council Member Schwartzman)
   Next Meeting Date: June 13, 2012

9. **Solano Water Authority-Solano County Water Agency and Delta Committee. http://www.scwa2.com/**
   (Mayor Patterson and Vice Mayor Campbell)
   Next Meeting Date: June 4, 2012

10. **Traffic, Pedestrian and Bicycle Safety Committee.**
    (Vice Mayor Campbell and Council Member Schwartzman)
    Next Meeting Date: TBD

11. **Tri-City and County Regional Parks and Open Space.**
    (Vice Mayor Campbell and Council Member Schwartzman)
    Next Meeting Date: June 11, 2012

12. **Valero Community Advisory Panel (CAP).**
    (Mayor Patterson and Council Member Hughes)
    Next Meeting Date: TBD

13. **Youth Action Coalition.**
    (Council Member Strawbridge and Council Member Hughes)
    Next Meeting Date: TBD

14. **ABAG-CAL FED Task Force-Bay Area Water Forum.**
    http://www.baywaterforum.org/
    (Mayor Patterson)
    Next Meeting Date: TBD-2013

15. **SOLTRANS Joint Powers Authority.**
    http://www.sta.ca.gov/Content/10038/SolTrans.html
    (Mayor Patterson, Council Member Hughes and Council Member Schwartzman)
    Next Meeting Date: May 24, 2012

IX. ADJOURNMENT (9:30 PM):

Public Participation

The Benicia City Council welcomes public participation.

Pursuant to the Brown Act, each public agency must provide the public with an opportunity to speak on any matter within the subject matter jurisdiction of the agency and which is not on the agency's agenda for that meeting. The City Council allows speakers to speak on non-agendized matters under public comment, and on agendized items at the time the agenda item is addressed at the meeting. Comments are limited to no more than five minutes per speaker. By law, no action may be taken on any item raised during the public comment period although informational answers to questions may be given and matters may be referred to staff for placement on a future agenda of the City Council.

Should you have material you wish to enter into the record, please submit it to the City Manager.

Disabled Access or special Needs

In compliance with the Americans with Disabilities Act (ADA) and to accommodate any special needs, if you need special assistance to participate in this meeting, please contact Anne Cardwell, the ADA Coordinator, at (707) 746-4211. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting.

Meeting Procedures

All items listed on this agenda are for Council discussion and/or action. In accordance with the Brown Act, each item is listed and includes, where appropriate, further description of the item and/or a recommended action. The posting of a recommended action does not limit, or necessarily indicate, what action may be taken by the City Council.

Pursuant to Government Code Section 65009, if you challenge a decision of the City Council in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing. You may also be limited by the ninety (90) day statute of limitations in which to challenge in court certain administrative decisions and orders (Code of Civil Procedure 1094.6) to file and serve a petition for administrative writ of mandate challenging any final City decisions regarding planning or zoning.

The decision of the City Council is final as of the date of its decision unless judicial review is initiated pursuant to California Code of Civil Procedures Section 1094.5. Any

such petition for judicial review is subject to the provisions of California Code of Civil Procedure Section 1094.6.

Public Records

The agenda packet for this meeting is available at the City Manager's Office and the Benicia Public Library during regular working hours. To the extent feasible, the packet is also available on the City's web page at www.ci.benicia.ca.us under the heading "Agendas and Minutes." Public records related to an open session agenda item that are distributed after the agenda packet is prepared are available before the meeting at the City Manager's Office located at 250 East L Street, Benicia, or at the meeting held in the Council Chambers. If you wish to submit written information on an agenda item, please submit to the City Clerk as soon as possible so that it may be distributed to the City Council. A complete proceeding of each meeting is also recorded and available through the City Clerks Office.

PROCLAMATION

IN RECOGNITION OF

NATIONAL PUBLIC WORKS WEEK

MAY 20 - 26, 2012

WHEREAS, public works services provided in our community are an integral part of our citizens' everyday lives; and

WHEREAS, the support of an understanding and informed citizenry is vital to the efficient operation of public works systems and programs such as water, sewers, storm drains, streets and alleys, and public buildings; and

WHEREAS, the health, safety, and comfort of this community greatly depend on these facilities and services; and

WHEREAS, the quality and effectiveness of these facilities, as well as their planning, design, and construction, is vitally dependent on the efforts and skills of the public works team; and

WHEREAS, the efficiency of the qualified and dedicated personnel who staff our public works department is materially influenced by our attitude toward and understanding of the importance of the work they perform.

NOW, THEREFORE, BE IT RESOLVED THAT I, Elizabeth Patterson, Mayor, on behalf of the City of Benicia, hereby proclaim May 20 - 26, 2012 as "NATIONAL PUBLIC WORKS WEEK," and urge all citizens and civic organizations to acquaint themselves with the effort and complexity involved in providing and maintaining the City's public works and to recognize the contributions which the professional public works staff make every day to uphold our health, safety, and comfort.

_____

Elizabeth Patterson, Mayor
May 15, 2012

IV.D.1.2

PROCLAMATION

IN RECOGNITION OF

May 19 - May 25, 2012

AS NATIONAL SAFE BOATING WEEK

WHEREAS, recreational boating is fun and enjoyable, however, our waterways can become crowded at times and have the potential to become a place of chaos and confusion; and

WHEREAS, not knowing or obeying the Navigation Rules or the nautical "Rules of the Road," such as drinking alcohol or taking drugs while operating a boat, contributes to boater injuries and fatalities; and

WHEREAS, the number of boaters who lose their lives by drowning each year may be reduced by approximately 80% by simply putting on a life jacket; and

WHEREAS, on average, 700 people die each year in boating related accidents in the U.S.; nearly 80% of these are fatalities caused by drowning; and the vast majority of these accidents are caused by human error or poor judgment and not by the boat, equipment, or environmental factors; and

WHEREAS, a significant number of boaters who lose their lives by drowning each year would be alive today had they simply worn their life jackets.

NOW, THEREFORE, BE IT RESOLVED THAT I, Elizabeth Patterson, Mayor of the City of Benicia, on behalf of the City Council do hereby proclaim May 19 – 25, 2012, as National Safe Boating Week and the start of the year-round effort to promote safe boating. I urge all those who boat to "Boat Smart. Boat Safe. Wear It." and practice safe boating habits.

_____
Elizabeth Patterson, Mayor
May 15, 2012

IV.D.2.2

MINUTES OF THE
REGULAR MEETING – CITY COUNCIL
April 24, 2012

City Council Chambers, City Hall, 250 East L Street, complete proceedings of which are recorded on tape.

I. CALL TO ORDER:

Mayor Patterson called the meeting to order at 6:00 p.m.

II. CLOSED SESSION:

III. CONVENE OPEN SESSION:

A. ROLL CALL

All Council Members were present.

B. PLEDGE OF ALLEGIANCE

Mayor Patterson led the Pledge of Allegiance.

C. REFERENCE TO THE FUNDAMENTAL RIGHTS OF THE PUBLIC.

IV. ANNOUNCEMENTS/APPOINTMENTS/PRESENTATIONS/PROCLAMATIONS:

A. ANNOUNCEMENTS

1. Announcement of action taken at Closed Session, if any.

2. Openings on Boards and Commissions:

Building Board of Appeals 2 full terms Open Until Filled

SolTrans Public Advisory Committee 1 full term Open Until Filled

Benicia Community Sustainability Commission 1 unexpired term Open Until Filled

Open Government Commission 1 unexpired term Application Due Date: April 20, 2012

Benicia Human Services Board 1 unexpired term Application Due Date: May 4, 2012

3. **Mayor's Office Hours:**

B. APPOINTMENTS

C. PRESENTATIONS

D. PROCLAMATIONS

V. ADOPTION OF AGENDA:

Mr. Kilger noted that item #5 would be removed from the Policy Calendar.
On motion of Council Member Hughes, seconded by Council Member Strawbridge, Council adopted the agenda, as amended, on roll call by the following vote:
Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

VI. OPPORTUNITY FOR PUBLIC COMMENT:

A. WRITTEN COMMENT

B. PUBLIC COMMENT

VII. BUSINESS ITEMS:

A. PURCHASE OF LAND FROM VALERO FOR PUMP STATION 3 SOLAR PROJECT

RESOLUTION 12-45 - A RESOLUTION APPROVING A REAL PROPERTY PURCHASE IN THE AMOUNT OF $556,909 FROM VALERO REFINING COMPANY TO FACILITATE CONSTRUCTION OF A SOLAR ARRAY TO POWER WATER SYSTEM PUMP STATION 3, AUTHORIZING THE CITY MANAGER TO EXECUTE THE PURCHASE DOCUMENTS, AND APPROVING A LOAN FOR A PORTION OF THE PURCHASE

Charlie Knox, Public Works & Community Development Director, and Bill Zenoni, Interim Finance Director, reviewed the staff report.

Council and Staff discussed the item.

Mayor Patterson stated that the motion was to include the three items:

1. Adopt the Resolution
2. Include seeking loan from the Community Sustainability Commission recommendation.

3. Authorize the loan for $256,909 from the Waste Water Enterprise Fund

Council would give direction to Staff to have the review of the loan on the second meeting in May.

Ms. McLaughlin clarified that the above information was in the revised resolution that was given to Council. She would add the provision that where the loan comes from would be brought back to Council for review at the second meeting in May.

On motion of Council Member Hughes, seconded by Vice Mayor Campbell, Council adopted Resolution 12-45, as amended, on roll call by the following vote:
Ayes: Patterson, Strawbridge, Campbell, Hughes
Noes: Schwartzman

VIII. STUDY SESSION:

A. Priority Project List and Policy Calendar

Council, Staff, and the public discussed the priority project list and Council's policy calendar (The audio file is available for details.).

IX. ADJOURNMENT:

Mayor Patterson adjourned the meeting at 9:00 p.m.

VII.A.4

MINUTES OF THE
REGULAR MEETING – CITY COUNCIL
May 01, 2012

City Council Chambers, City Hall, 250 East L Street, complete proceedings of which are recorded on tape.

I. CALL TO ORDER:

Mayor Patterson called the meeting to order at 7:00 p.m.

II. CLOSED SESSION:

III. CONVENE OPEN SESSION:

A. ROLL CALL

All Council Members were present.

B. PLEDGE OF ALLEGIANCE

Dan Clark led the Pledge of Allegiance.

C. REFERENCE TO THE FUNDAMENTAL RIGHTS OF THE PUBLIC.

IV. ANNOUNCEMENTS/APPOINTMENTS/PRESENTATIONS/PROCLAMATIONS:

A. ANNOUNCEMENTS

1. Announcement of action taken at Closed Session, if any.

2. Openings on Boards and Commissions:

Building Board of Appeals 2 full terms Open Until Filled

SolTrans Public Advisory Committee 1 full term Open Until Filled

Benicia Community Sustainability Commission 1 unexpired term Open Until Filled

Open Government Commission 1 unexpired term Open Until Filled

Benicia Human Services Board 1 unexpired term Application Due Date: May 4, 2012

3. **Mayor's Office Hours:**

4. **Benicia Arsenal Update: Verbal Update**

Mayor Patterson discussed the public hearing that was held last week. She discussed a letter that was recently written by the DTSC regarding the Benicia Arsenal.

B. APPOINTMENTS

C. PRESENTATIONS

D. PROCLAMATIONS

1. **In Recognition of May as Drowning Prevention Month**

2. **In Recognition of May as National Preservation Month**

V. ADOPTION OF AGENDA:

On motion of Council Member Hughes, seconded by Council Member Schwartzman, Council adopted the Agenda, as presented, on roll call by the following vote:
Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

VI. OPPORTUNITY FOR PUBLIC COMMENT:

A. WRITTEN COMMENT

None

B. PUBLIC COMMENT

1. Dan Clark, Vice President, BOTTG - Mr. Clark discussed the current production 'Reefer Madness' at BOTTG. He encouraged citizens to attend.
2. Larry Fullington - Mr. Fullington discussed concerns regarding the dangerous on/off ramp on Rose Drive. He asked the City to write a letter to Caltrans requesting a K-rail be installed.
3. Staff confirmed they would do some research on the issue and report back to Council.
4. Gary Wing - Mr. Wing discussed the recent 'Every 15 Minutes Program." He thanked the City for their efforts and support.
5. Jasmine Powell - Ms. Powell discussed the creek in the Benicia Industrial Park. She thanked the City for coming out to look at it for her. They still need better Internet service to the Industrial Park.

6. Elizabeth d'Huart, Benicia Historical Museum - Ms. d'Huart discussed the Girl Scout Exhibit and other exhibits at the museum.
7. Council Member Hughes - Council Member Hughes discussed how busy the downtown area was this past weekend. The rib cook-off sponsored by Rookies was a huge success. All proceeds were donated to the BHS Band program.

Council Member Schwartzman - Council Member Schwartzman discussed how busy the downtown area was this past weekend. He discussed a recent article in the Benicia Herald regarding 'Being Prepared.' He encouraged citizens to become involved in BERT.

VII. CONSENT CALENDAR:

Council pulled item VII.C for discussion.
On motion of Council Member Schwartzman, seconded by Council Member Hughes, Council adopted the Consent Calendar, as amended, on roll call by the following vote:
Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

A. APPROVAL OF MINUTES FOR APRIL 17, 2012

On motion of Council Member Schwartzman, seconded by Council Member Hughes, Council approved the Minutes of April 17, 2012, on roll call by the following vote:
Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

B. RESOLUTION APPROVING A LEASE WITH THE PRESBYTERY OF THE REDWOODS FOR A COMMUNITY GARDEN

RESOLUTION 12-46 - A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A LEASE AGREEMENT WITH THE PRESBYTERY OF THE REDWOODS TO ALLOW A COMMUNITY GARDEN AT THE CORNER OF MILITARY AND EAST SECOND STREET
On motion of Council Member Schwartzman, seconded by Council Member Hughes, Council adopted Resolution 12-46, on roll call by the following vote:
Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

C. AWARD OF CONSTRUCTION CONTRACT AND APPROVAL OF PROPERTY ACQUISITION FOR THE PARK ROAD SIDEWALK PROJECT

RESOLUTION 12-47 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA ACCEPTING ALL BIDS FOR THE PARK ROAD SIDEWALK PROJECT, AWARDING THE CONSTRUCTION CONTRACT TO W.R. FORD ASSOCIATES IN THE AMOUNT OF $187,888, APPROVING THE PROPERTY ACQUISITION NEEDED TO CONSTRUCT THE PROJECT, AND AUTHORIZING THE CITY MANAGER TO SIGN THE CONTRACT AND DEEDS ON BEHALF OF THE CITY

Council Member Schwartzman discussed the difference between the two bids.

Public Comment:

None

On motion of Council Member Schwartzman, seconded by Council Member Hughes, Council adopted Resolution 12-47, on roll call by the following vote:
Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

D. Approval to waive the reading of all ordinances introduced and adopted pursuant to this agenda.

VIII. BUSINESS ITEMS:

A. APPROVE THE EXTENSIONS TO THE JULY 1, 2010 TO JUNE 30, 2012 AGREEMENTS BETWEEN THE CITY OF BENICIA AND LOCAL #1 AND BENICIA PUBLIC SERVICES EMPLOYEES ASSOCIATION (BPSEA) AND AUTHORIZE THE RECOMMENDED ADMINISTRATIVE ACTION

RESOLUTION 12-48 - A RESOLUTION APPROVING CONTRACT EXTENSION AGREEMENTS TO THE JULY 1, 2010 TO JUNE 30, 2012 AGREEMENTS WITH LOCAL #1 AND BENICIA PUBLIC SERVICE EMPLOYEES ASSOCIATION (BPSEA)

RESOLUTION 12-49 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA AUTHORIZING THE CITY MANAGER TO TAKE THE ADMINISTRATIVE ACTION NECESSARY TO EFFECTUATE THE ONE-TIME CLOSURE OF CITY HALL/COMMUNITY CENTER DURING THE CHRISTMAS HOLIDAY WEEK IN RECOGNITION OF THOSE GROUPS AGREEING TO EXTEND THEIR CONTRACTS

Anne Cardwell, Administrative Services Director, reviewed the staff report.

Mayor Patterson emphasized Council's appreciation for the level of cooperation of the bargaining units.

Public Comment:

None

On motion of Council Member Hughes, seconded by Council Member Strawbridge, Council adopted Resolution 12-48, on roll call by the following vote:
Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)
On motion of Council Member Hughes, seconded by Council Member Strawbridge, Council adopted Resolution 12-49, on roll call by the following vote:
Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

B. AWARD OF CONSTRUCTION CONTRACT FOR THE DOWNTOWN INTERMODAL FACILITIES PROJECT

RESOLUTION 12-50 - A RESOLUTION ACCEPTING BIDS FOR THE DOWNTOWN INTERMODAL FACILITIES PROJECT, AWARDING THE CONSTRUCTION CONTRACT TO CARONE & COMPANY, INC. IN THE AMOUNT OF $1,025,289.20, AND AUTHORIZING THE CITY MANAGER TO SIGN THE CONTRACT ON BEHALF OF THE CITY

Mayor Patterson recused herself from this item due to a conflict of interest.

Charlie Knox, Public Works & Community Development Director, reviewed the staff report.

Council Member Hughes discussed the mid-stream adjustments that were made as a result of public feedback on the project over the past year or so. The project is fully funded by grants.

Council Member Strawbridge and Staff discussed the need to ensure there was access adequate to First Street during construction.

Council Member Schwartzman emphasized that as the work is being done. There needs to be notices put up indicating that businesses are open during construction.

Public Comment:

1. Jeanne Steinmann - Ms. Steinmann stated that she ran an article in Benicia Magazine that highlighted the project. There was an error in the article regarding the through traffic lanes on Military. They would be putting the

correct information on their website as well as in the June issue.

On motion of Council Member Hughes, seconded by Council Member Schwartzman, Council adopted Resolution 12-50, on roll call by the following vote:
Ayes: Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

IX. ADJOURNMENT:

Mayor Patterson adjourned the meeting at 7:57 p.m.

AGENDA ITEM
CITY COUNCIL MEETING DATE - MAY 15, 2012
CONSENT CALENDAR

DATE : April 27, 2012

TO : City Manager

FROM : Public Works and Community Development Director

SUBJECT : **EAST SECOND STREET WATER LINE REPLACEMENT & STREET RESURFACING PROJECT: ACCEPTANCE AND NOTICE OF COMPLETION**

RECOMMENDATION:
Adopt a resolution accepting the East Second Street Water Line Replacement & Street Resurfacing Project as complete, including Change Order Nos. 1 through 5, authorizing the City Manager to sign the Notice of Completion, and authorizing the City Clerk to file same with the Solano County Recorder.

EXECUTIVE SUMMARY:
This project replaced old water lines that had served their useful life cycle and resurfaced sections of East Second Street from East F Street to East K Street. The final construction contract cost of $594,581.43 is fully funded from a combination of water enterprise and gas tax funds. Formal acceptance of the work by the City Council is required to file the Notice of Completion and allow final payment to be made to the contractor.

BUDGET INFORMATION:
The final construction project funding and expenditures are outlined below:

Project Budget
Water Enterprise Fund/Major Capital Project
(Acct. No. 596-8259-9960) $496,845.61
Gas Tax Fund/Citywide Street Resurfacing Program
(Acct. No. 017-8705-9711) .....$ 97,735.82
Total Project Budget $594,581.43

A summary of the project expenditures is outlined below:

Final Project Expenditures
Construction Contract (California Trenchless, Inc.) $568,614.50
Change Order No. 1: Final Quantity Adjustments *(Staff Approved)* $4,454.00
Change Order No. 2: Overlay East 2nd from J to K St *(Staff Approved)* ...$29,224.00

Change Order No. 3: Avoid Existing Utilities *(Staff Approved)* $736.30
Change Order No. 4: Gas Line Leak *(Staff Approved)* .....$(7,803.37)
Change Order No. 5: Modify Striping Plan *(Staff Approved)* .....$(644.00)
Estimated Total Project Expenditures $594,581.43

Change Order No.1 is an adjustment for the actual material quantities used on the project versus the estimated quantities used for bidding purposes. Change Order No. 2 is for upgrading the resurfacing work between East J and East K from a slurry seal to a 1-1/2" asphalt concrete overlay. When the project was being designed it was proposed that this section be slurry sealed, as a cost savings measure, but due to pavement deterioration, an asphalt overlay treatment was deemed best at the time of construction. Change Order No. 3 is for extra work that was required to avoiding existing utilities. Change Order No. 4 fully recovers the City's cost for a PG&E gas line leak caused by the contractor. Change Order No. 5 is for minor striping modifications on East Second Street.

The total contract amount of $594,581.43 (including change orders) constitutes a 4.6% increase from the original contract amount and is well under the 10% contingency budgeted for the project.

The final project cost of $594,581.43 is fully funded from the water enterprise and gas tax funds.

GENERAL PLAN:
Relevant Goals include:

- Goal 2.28: Improve and maintain public facilities and services.
- Goal 2.36: Ensure an adequate water supply for current and future residents and businesses.

STRATEGIC PLAN:
Relevant Strategic Plan Goals and Strategies:

- Strategic Issue #4: Preserving and Enhancing Infrastructure.
  - Strategy #4: Provide adequate funding for ongoing infrastructure needs.

ENVIRONMENTAL
The project is Categorically Exempt per CEQA Guidelines Section 15302 (c, d) – Restoration and repair of existing streets and utility systems to meet current standards.

BACKGROUND:
On August 16, 2011, the City Council awarded a construction contract to California Trenchless, Inc, of Hayward, California, for the East Second Street Water Line Replacement & Street Resurfacing Project. California Trenchless began work on the project in September 2011 and completed construction late November. At that time, staff withheld payment for all the costs incurred by the City when California Trenchless ruptured a gas line. California Trenchless was then unresponsive for a period of time but recently contacted the City and agreed to pay the full amount, eliminating the need for litigation.

The project replaced aging water lines in East Second Street that had ruptured in the past, eliminating the need for costly repairs and improving the reliability of the water distribution system. The project also resurfaced East Second Street from East F Street to East H Street and from East J Street to East K Street with 1½ inches of asphalt concrete. The remaining section, East H Street to East J Street, will be slurry sealed this summer.

The physical improvements were completed to the satisfaction of City Engineer and it is therefore recommended that City Council accept this project as complete.

Attachments:
- Proposed Resolution with Exhibit A
- Notice of Completion
- Location Map/Project Photographs

VII.B.4

RESOLUTION NO. 12-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA ACCEPTING THE EAST SECOND STREET WATER LINE REPLACEMENT AND STREET RESURFACING PROJECT AS COMPLETE INCLUDING CHANGE ORDER NOS. 1 THROUGH 5, AUTHORIZING THE CITY MANAGER TO SIGN THE NOTICE OF COMPLETION, AND AUTHORIZING THE CITY CLERK TO FILE THE SAME WITH THE SOLANO COUNTY RECORDER

WHEREAS, by Resolution No. 11-95, the City Council awarded the construction contract for the East Second Street Water Line Replacement and Street Resurfacing Project to California Trenchless, Inc of Hayward, California; and

WHEREAS, this project is fully funded from a combination of water enterprise and gas tax funds; and

WHEREAS, California Trenchless, Inc has completed the work in accordance with the plans and specifications and to the satisfaction of the City Engineer for a final construction cost of $594,581.43, including Change Order Nos.1 through 5 (Exhibit A); and

WHEREAS, formal acceptance of the work by the City Council is now required to allow the Notice of Completion to be filed with the Solano County Recorder and final payment to be made to the contractor.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby accepts to the East Second Street Water Line Replacement and Street Resurfacing Project as complete, including Change Order Nos. 1 through 5 (attached as Exhibit A), for a final construction cost of $594,581.43.

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to sign the Notice of Completion and the City Clerk is authorized to file said Notice with the Solano County Recorder.

*****

On motion of Council Member , seconded by Council Member , the above Resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 15th day of May 2012, and adopted by the following vote:

Ayes:

Noes:

Absent:

_____
Elizabeth Patterson, Mayor

Attest:

_____
Lisa Wolfe, City Clerk

EXHIBIT A: CHANGE ORDER SUMMARY

EAST SECOND STREET WATERLINE AND RESURFACING PROJECT

Change Order No. 1:
Final Quantity Adjustments *(Staff Approved)* $4,454.00
Change Order No. 2:
Overlay East 2nd from J to K St *(Staff Approved)* $29,224.00
Change Order No. 3:
Avoid Existing Utilities *(Staff Approved)* $736.30
Change Order No. 4:
Gas Line Leak *(Staff Approved)* .....$(7,803.37)
Change Order No. 5:
Modify Striping Plan *(Staff Approved)* .....$(644.00)

CHANGE ORDER TOTAL **$25,966.93**

VII.B.8

Recorded at the request of:

CITY OF BENICIA

After recording return to:

CITY OF BENICIA
ATTN: CITY ENGINEER
250 EAST 'L' STREET
BENICIA, CA 94510

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN THAT:

1. The City of Benicia, 250 East "L" Street, Benicia, CA, 94510, is the owner of the property described as:

   Various public city streets, located in the City of Benicia, County of Solano, State of California. **Nature of title as stated owner: In Fee.**

2. A work of improvement known as the **East Second Street Water Line Replacement & Street Resurfacing Project** within the property described was completed and accepted by the City Council of the City of Benicia on May 15, 2012.

3. The name of the contractor for such improvement was **California Trenchless, Inc., Dublin, CA.**

CITY OF BENICIA

Dated: _____ By: _____
Brad Kilger, City Manager

Attest: _____
Lisa Wolfe, City Clerk

The undersigned, being duly sworn, says: that she is the person signing the above document; that she has read the same and knows the contents thereof, and that the facts stated therein are true, under penalty of perjury.

_____
Lisa Wolfe, City Clerk

VII.B.10

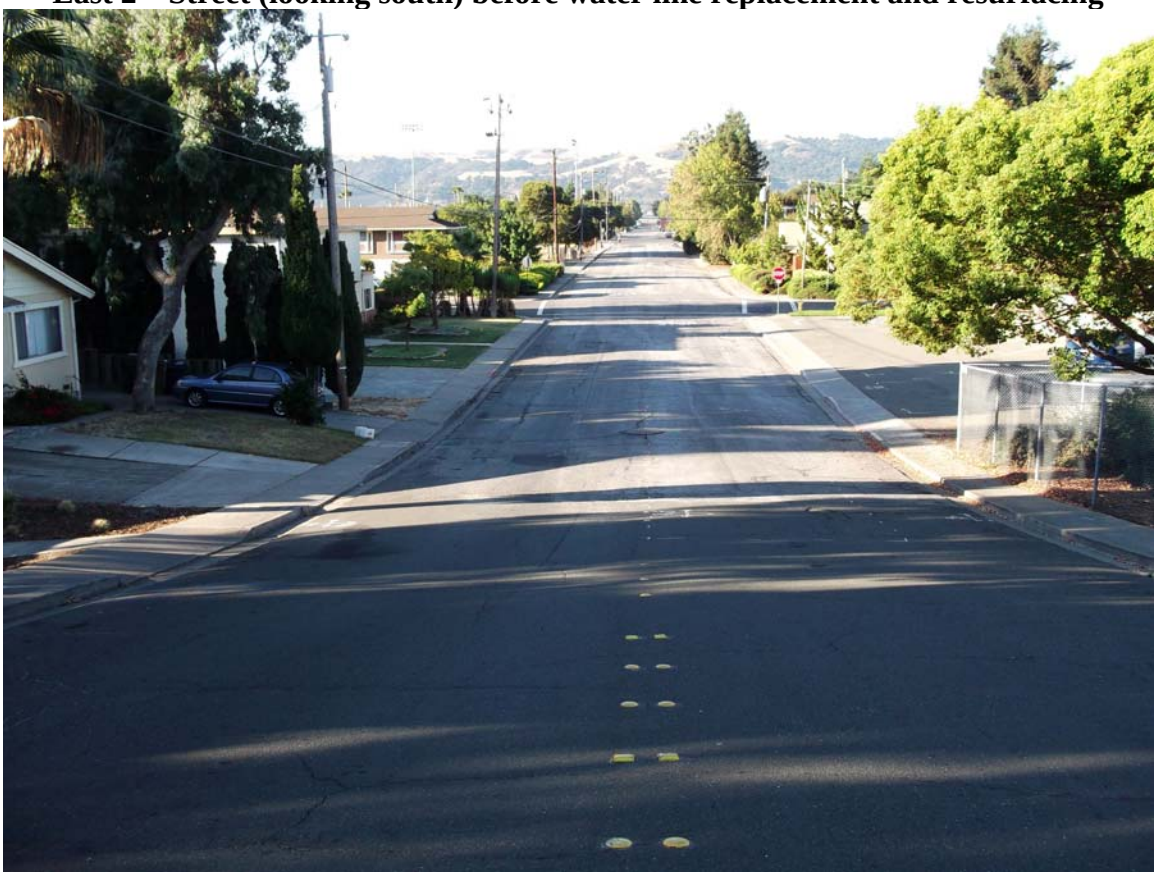
AERIAL EXHIBIT
EAST SECOND STREET
WATER LINE PROJECT

CSA
Cullen-Sherry
& Associates, Inc.
Civil Engineering - Surveying
1090 Adams Street, Suite A – P.O. Box 591
Benicia, California 94510
(707) 745-3219 Fax (707) 745-9436 csa-engineers.com

SCALE:	NONE
DATE:	APRIL 2012
DRAWN BY:	RAS
CHECKED BY:	
PROJ	

VII.B.12

Intersection of East K Street &
East 2nd Street (looking south) before water line replacement and resurfacing



Intersection of East F Street &
East 2nd Street (looking north) before water line replacement and resurfacing

Intersection of East K Street &
East 2nd Street (looking south) after water line replacement and resurfacing

Intersection of East F Street &
East 2nd Street (looking north) before water line replacement and resurfacing

AGENDA ITEM
CITY COUNCIL MEETING DATE - MAY 15, 2012
CONSENT CALENDAR

DATE : May 1, 2012

TO : City Manager

FROM : Interim Finance Director

SUBJECT : **APPROVAL OF CITY OF BENICIA INVESTMENT POLICY**

RECOMMENDATION:
Adopt the resolution approving the City of Benicia Investment Policy.

EXECUTIVE SUMMARY:
The City Council periodically reviews and updates the City's Investment Policy to ensure compliance with the provisions of the California Government Code. The Investment Policy was last amended on October 20, 2009. Staff is proposing several minor modifications to the Investment Policy. The proposed revisions to the Investment Policy were approved by the Finance Committee on April 27, 2012.

BUDGET INFORMATION:
This report has no impact on the City's budget.

GENERAL PLAN:
There is no impact on the City's General Plan.

STRATEGIC PLAN:
Relevant Strategic Plan Issues and Strategies:

- Strategic issue #3: Strengthening Economic and Fiscal Conditions
  - Strategy #4: Manage City finances prudently

BACKGROUND:
The investment of City funds is governed by the California Government Code (Sections 53600-53610). Specifically, the Government Code prescribes the investment vehicles in which local agencies are permitted to invest available funds and identifies the reporting requirements to keep the legislative body apprised of the status of the investment portfolio. The City Council last reviewed and amended the City's Investment Policy on October 20, 2009. Staff, working with the City's investment advisor (Public Financial Management) has reviewed changes to the relevant sections of the Government Code and also has completed an analysis of the City's Investment Policy compared to the policies of other municipalities. Based

upon that review, several revisions to the City of Benicia Investment Policy are recommended. Most of the proposed revisions are minor wording changes which make the City's policy consistent with the language in the Government Code. Staff is also proposing the addition of two additional investment options – negotiable certificates of deposit and medium-term notes to the list of permitted investments. The City's current investment options are more restrictive than the Government Code and also more restrictive than those of other local agencies. These two additional investment options carry very low risk, are permitted by the California Government Code and are common investments utilized by other municipalities. The final change to the Investment Policy was the removal of reference to the City Treasurer has having been delegated authority for oversight of the City's investment program. This change is consistent with the action taken by the City Council in October 2011 when the duties of the City Treasurer were redefined. The attached redlined version of the Investment Policy reflects the proposed revisions. The Finance Committee, on April 27, 2012, discussed the proposed revisions to the Investment Policy in detail and recommended that the City Council approve the amended policy.

Attachments:

- Resolution Approving City of Benicia Investment Policy
- City of Benicia Investment Policy (redlined version)
- City of Benicia Investment Policy
- Investment Policy Comparison

RESOLUTION NO. 12-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING THE CITY OF BENICIA INVESTMENT

WHEREAS, the City Council has determined that it is in the City's best interest to adopt and periodically review the City's Investment Policy in accordance with California State Government code Section 53600 et seq; and

WHEREAS, the Finance Committee and Interim Finance Director have reviewed the City Investment Policy and recommend approval of the Investment Policy with recommended changes; and

WHEREAS, the City Council last reviewed and amended the Investment Policy on October 20, 2009, recognizing the City's investment reporting practices are in accordance with California State Government Code Section 53600 et seq.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Benicia hereby approves the City's Investment Policy as presented.

* * * * * * * * * * *

On motion of Council Member , seconded by Council Member , the above Resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 15th day of May, 2012, and adopted by the following vote:

Ayes:

Noes:

Absent:

_____
Elizabeth Patterson, Mayor

Attest:

_____
Lisa Wolfe, City Clerk

VII.C.4

City of Benicia
Investment Policy

(Revised ~~October 20, 2009~~ May 15, 2012)

The City Council of the City of Benicia (the "City") has adopted this Investment Policy (the "Investment Policy") in order to establish the investment scope, objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments and transactions, diversification requirements, risk tolerance, and safekeeping and custodial procedures for the investment of the funds of the City. All City funds will be invested in accordance with this Investment Policy and with applicable sections of the California Government Code.

This Investment Policy was endorsed and adopted by the City Council of the City of Benicia on ~~October 20, 2009~~ May 15, 2012 -pursuant to City Council Resolution No.~~09-106~~ 12-_____. It replaces any previous investment policy of the City.

I. SCOPE

The provisions of this Investment Policy shall apply to all financial assets as accounted for in the City's Comprehensive Annual Financial Report.

All cash shall be pooled for investment purposes. The investment income derived from the pooled investment account shall be allocated to the contributing funds based upon the proportion of the respective average balances relative to the total pooled balance in the City's investment portfolio. Interest earnings shall be distributed to the individual funds not less than annually.

II. OBJECTIVES

The City's funds shall be invested in accordance with all applicable City Municipal Codes and resolutions, California statutes, and Federal regulations, and in a manner designed to accomplish the following objectives, which are listed in priority order:

~~The principal investment objectives of the City are:~~

1. Preservation of capital and protection of investment principal.
2. Maintenance of sufficient liquidity to meet anticipated cash flows.
3. Attainment of a market value rate of return.
4. Diversification to avoid incurring unreasonable market risks.
5. ~~Compliance with the City's Municipal Code and with all applicable City resolutions, California statutes and Federal regulations.~~

III. DELEGATION OF AUTHORITY

Management responsibility for the City's investment program is delegated ~~annually~~ by the City Council ~~to the Treasurer pursuant to California Government Code Section 53607, and has been further delegated~~ to the Finance Director and the Assistant Finance Director. The Finance Director has primary responsibility for daily management of the City's investment portfolio. No person may engage in an investment transaction except as expressly provided under the terms of this Investment Policy.

The Finance Director shall develop written administrative procedures and internal controls, consistent with this Investment Policy, for the operation of the City's investment program. Such procedures shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees of the City.

The City may engage the support services of outside investment advisors in regard to its investment program, so long as it can be clearly demonstrated that these services produce a net financial advantage or necessary financial protection of the City's financial resources.

The ~~Treasurer, the~~ Finance Director and the Assistant Finance Director, acting as an investment committee will meet monthly to review the day to day management of the City's investment portfolio. They will meet quarterly to discuss overall portfolio performance.

IV. PRUDENCE

The standard of prudence to be used for managing the City's investments shall be California Government Code Section 53600.3, the prudent investor standard which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that no investment is totally without risk and that the investment activities of the City are a matter of public record. Accordingly, the City recognizes that occasional measured losses may occur in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the City.

The Finance Director and authorized investment personnel acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that the deviations from expectations are reported in a timely fashion to the City Council and appropriate action is taken to control adverse developments.

V. ETHICS AND CONFLICTS OF INTEREST

~~Elected officials and~~ City employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or could impair or create the appearance of an impairment of their ability to make impartial investment decisions. ~~Elected officials and e~~Employees shall disclose to the City Council any business interests they have in financial institutions that conduct business with the City and they shall subordinate their personal investment transactions to those of the City. In addition, ~~the Treasurer,~~ the Finance Director, the Assistant Finance Director and others with delegated investment authority shall file a Statement of Economic Interests each year in accordance with California Government Code Section 87203 and regulations of the Fair Political Practices Commission and the City's Open Government Ordinance.

VI. AUTHORIZED SECURITIES AND TRANSACTIONS

All investments and deposits of the City shall be made in accordance with California Government Code Sections 16429.1, 53600-53609 and 53630-53686, except that in accordance with California Government Code Section 5903(e), proceeds of bonds and any moneys set aside or pledged to secure payment of the bonds may be invested in securities or obligations described in the ordinance, resolution, indenture, agreement, or other instrument providing for the issuance of the bonds. Any revisions or extensions of these code sections will be assumed to be part of this Investment Policy immediately upon being enacted. However, in the event that amendments to these sections conflict with this Investment Policy and past City investment practices, the City may delay adherence to the new requirements when it is deemed in the best interest of the City to do so. In such instances, after consultation with the City Attorney, the Finance Director will present a recommended course of action to the City Council for approval.

The City has further restricted the eligible types of securities and transactions as follows:

1. United States Treasury bills, notes, bonds, **and Certificates of Indebtedness**, or those for which the full faith and credit of the United States are pledged for payment of principal and interest,~~or strip~~s with a final maturity not exceeding five years from the date of trade settlement.

~~2.Federal Agency debentures and mortgage-backed securities with a final maturity not exceeding five years from the date of trade settlement issued by the Government National Mortgage Association (GNMA).~~

2. ~~Federal Instrumentality (government sponsored enterprise) debentures, discount notes, callable and step-up securities, with a final maturity not exceeding five years from the date of trade settlement.~~ Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises~~, such as Federal Home Loan Banks (FHLB), Federal National Mortgage Association (FNMA), Federal Farm Credit Banks (FFCB) and Federal Home Loan Mortgage Corporation (FHLMC),~~ with a final maturity not exceeding five years from the date of trade settlement.

~~Federal Instrumentality securities shall be rated at least AAA or the equivalent by a nationally recognized statistical rating organization (NRSRO) at the time of purchase.~~

~~4.~~3. Repurchase Agreements with a final termination date not exceeding 30 days collateralized by U.S. Treasury obligations, Federal Agency securities, or Federal Instrumentality securities listed in items 1, 2 and 3 above with the maturity of the collateral not exceeding 10 years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the City's approved Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the funds borrowed. Collateral shall be held in the City's custodian bank, as safekeeping agent, and the market value of the collateral securities shall be marked-to-the-market daily. Repurchase agreements with any one counterparty shall be limited to $1 million.

Repurchase Agreements shall be entered into only with broker/dealers recognized as a primary dealer by the Federal Reserve Bank of New York, or with broker/dealers that have a primary dealer within their holding company structure. Approved Repurchase Agreement counterparties shall have a short-term credit rating of at least A-1 or the equivalent and a long-term credit rating of at least A or the equivalent by a NRSRO. Repurchase agreement counterparties shall execute a City approved Master Repurchase Agreement with the City. The Finance Director shall maintain a copy of the City's approved Master Repurchase Agreement along with a list of broker/dealers who have executed same.

~~5.~~4. ~~Prime~~ Commercial Paper with a maturity not exceeding 270 days from the date of trade settlement with the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either sub-paragraph A. or sub-paragraph B. below:

A. The entity shall (1) be organized and operating in the United States as a general corporation, (2) have total assets in excess of $500,000,000 and (3) have debt other than commercial paper, if any, that is rated A, or higher, or the equivalent, by a NRSRO.

B. The entity shall (1) be organized within the United States as a special purpose corporation, trust, or limited liability company, (2) have program wide credit enhancements, including, but not limited to, over collateralization, letters of credit or surety bond and (3) have commercial paper that is rated A-1 or higher, or the equivalent, by a NRSRO.

The total investment in the commercial paper of any one issuer shall be limited to the lesser of 10% of the City's total portfolio or $1 million, and the aggregate investment in commercial paper shall not exceed 25% of the City's total portfolio. The City may purchase no more than 10 percent of the outstanding commercial paper of any single issuer.

5. Negotiable Certificates of Deposit (NCDs) issued by a nationally or state chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank; provided that the senior debt obligations of the issuing institution are rated in one of the two highest rating categories (without regard to any gradations within such categories by

numerical qualifier or otherwise) by a NRSRO. No more than 30% of the portfolio may be invested in NCDs.

6. Eligible Bankers Acceptances rated at least A-1 or the equivalent by each NRSRO that rates them at the time of purchase, with maturities not exceeding 180 days from the date of trade settlement; issued by a FDIC insured commercial bank whose senior long-term debt is rated at the time of purchase A or the equivalent by a NRSRO. The total investment in bankers' acceptances of any one issuer shall be limited to the lesser of 5% of the City's total portfolio or $3 million, and the aggregate investment in bankers acceptances shall not exceed 20% of the City's total portfolio.

7. Non-negotiable Certificates of Deposit with a maturity not exceeding five years, that are collateralized in accordance with the California Government Code, in those banks and savings and loans associations which meet the requirement for investment in negotiable certificate of deposit. The issuer firm should have been in existence for at least five years. The City may waive the first $250,000 of collateral security for such deposits if the institution is insured pursuant to federal law.~~in banks that meet the criteria set forth in Section X of this Investment Policy.~~ The aggregate amount invested in Certificates of Deposit shall not exceed 25% of the City's total portfolio.

8. Medium-term Notes. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. The City may invest in medium term corporate notes rated "AA" or higher, or the equivalent, by a nationally recognized statistical rating organization. A maximum of 30% of the City's portfolio may be invested in this category. No more than 5% of the City's investment portfolio may be invested in the securities of any one non-government issuer.

~~8.~~9. State of California's Local Agency Investment Fund (LAIF), created by California Government Code Section 16429.1.

10. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). ~~Money Market Funds registered under the Investment Company Act of 1940~~ that (1) are "no-load" (no commission or fee shall be charged on purchases or sales of shares); (2) have a constant net asset value per share of $1.00; (3) invest only in the securities and obligations authorized in the applicable California statutes. ~~and (4)~~Additionally, to be eligible for investment pursuant to this subdivision these companies shall either: (A.) have attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations or (B.) have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds and with assets under management in excess of $500,000,000.

11. ~~have a rating of at least AAA or the equivalent by a NRSRO.~~ The total investment in money market funds of any one issuer shall be limited to the lesser of 10% of the City's total

portfolio or $5 million, and the aggregate investment in money market funds shall not exceed 20% of the City's total portfolio.

Credit criteria and maximum percentages listed in this section refer to the credit of the issuing organization and/or maturity at the time the security is purchased. The City may from time to time be invested in a security whose rating is downgraded. In the event a rating drops below the minimum allowed rating category for that given investment type, the investment advisor shall notify the Finance Director and/or Designee and recommend a plan of action.

It is the intent of the City that the foregoing list of authorized securities and transactions is strictly interpreted. Any deviation from this list must be pre-approved by resolution of the City Council.

VII. PORTFOLIO MATURITIES, DIVERSIFICATION, and REALIGNMENTS

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The City will not invest in securities maturing more than five years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment at least three months prior to the date of investment.

Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

The City shall diversify its investments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. Nevertheless, the asset allocation in the investment portfolio should be flexible depending upon the outlook for the economy, the securities markets and the City's anticipated cash flow needs.

The City recognizes that occasional measured losses may occur in a diversified portfolio when securities are traded for other similar securities to improve yield, maturity, or credit risk. These losses shall be considered within the context of the long-term interest of the portfolio and may be incurred for accounting purposes, provided any of the following occurs with respect to the replacement security:

- Yield has been increased,
- Maturity has been adjusted to anticipate interest rate changes, or
- Credit quality of the investment has been improved.

Prior to purchasing securities for the City's portfolio, the credit rating of the security and the credit rating of the senior debt of the issuer, if applicable, shall be verified to assure compliance with investment policy guidelines. Securities that have been downgraded to below the minimum ratings will be sold or held at the Finance Director's discretion. The Finance Director is responsible for bringing the portfolio back into compliance as soon as practicable.

VIII. SELECTION OF BROKER/DEALERS

The Finance Director shall maintain a list of broker/dealers approved for investment purposes, and it shall be the policy of the City to purchase securities only from those brokers and the firms they represent. Each approved broker/dealer must possess an authorizing certificate from the California Commissioner of Corporations as required by Section 25210 of the California Corporations Code. The firms they represent must:

1. be recognized as primary dealers by the Federal Reserve Bank of New York or have a primary dealer within their holding company structure, or
2. report voluntarily to the Federal Reserve Bank of New York, or
3. qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

Broker/dealers will be selected by the Finance Director on the basis of their expertise in public cash management and their ability to provide services for the City's account.

Annually, each authorized broker/dealer shall submit a City approved Broker/Dealer Information Request form and the firm's most recent financial statements.

The City may purchase commercial paper from direct issuers even though they are not on the approved broker/dealer list as long as the purchase meets the criteria outlined in Item 5 of the Authorized Securities and Transactions section of this Investment Policy.

IX. COMPETITIVE TRANSACTIONS

Each investment transaction shall be competitively transacted with approved broker/dealers. At least three broker/dealers shall be contacted for each transaction and their bid or offering prices shall be recorded.

If the City is offered a security for which there is no other readily available competitive offering, then the Finance Director will document quotations for comparable or alternative securities.

X. SELECTION OF BANKS

The Finance Director shall maintain a list of FDIC insured banks approved to provide depository and other banking services for the City. To be eligible, a bank shall qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5 and shall secure deposits in excess of FDIC coverage in accordance with California Government Code Section 53652.

XI. SAFEKEEPING AND CUSTODY

The Finance Director shall select one or more banks to provide safekeeping and custodial services for the City, in accordance with the provisions of Section 53608 of the California Government Code. A Safekeeping Agreement approved by the City shall be executed with each custodian bank prior to utilizing that bank's safekeeping services.

Custodian banks will be selected on the basis of their ability to provide services for the City's account and the competitive pricing of their safekeeping related services.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. All securities shall be perfected in the name of the City. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices.

All investment securities~~, except non-negotiable Certificates of Deposit, Money Market Funds and LAIF~~ will be delivered by either book entry or physical delivery and will be held in third-party safekeeping by a City approved custodian bank, its correspondent bank or its Depository Trust Company (DTC) participant account.

The City's custodian shall be required to furnish the City a list of holdings on at least a monthly basis and safekeeping receipts or customer confirmations shall be issued for each transaction.

~~All Fed wireable book entry securities shall be held in the Federal Reserve system in a customer account for the custodian bank which will name the City as "customer."~~

~~All DTC eligible securities shall be held in the custodian bank's DTC participant account and the custodian bank shall provide evidence that the securities are held for the City as "customer."~~

~~All non-book entry (physical delivery) securities shall be held by the custodian bank or its correspondent bank and the custodian bank shall provide evidence that the securities are held by the bank for the City as "customer."~~

XII. PORTFOLIO PERFORMANCE

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance of the investment portfolio shall be compared to ~~the average yield on the Merrill Lynch 1-3 Year Treasury Index~~a benchmark with a duration similar to the City's portfolio duration target. ~~The Merrill Lynch 1-3 Year Treasury Index represents all U.S. Treasury securities maturing over one year, but less than three years. This maturity range is an appropriate benchmark based on the objectives of the City. When comparing the performance of the investment portfolio, all fees involved with managing i shall be included in the computation of its rate of return net of fees.~~

XIII. REPORTING

Quarterly, ~~the Treasurer,~~ the Finance Director and the ~~Audit and~~ Finance Committee shall submit to the City Manager and the City Council a report of the investment earnings and performance results of the City's investment portfolio. The report shall include the following information:

1. Investment type, issuer, date of maturity, par value and dollar amount invested in all securities, and investments and monies held by the City;
2. The weighted average maturity of the investment portfolio;
3. A description of investments that are under the management of contracted parties;
4. A market value as of the date of the report and the source of the valuation;
5. A statement of compliance with this Investment Policy or an explanation of non-compliance; and
6. A statement of the City's ability to meet expenditure requirements for the following six months or an explanation of why sufficient funds may not be available.

XIV. POLICY REVIEW

This Investment Policy shall be adopted by resolution of the City Council. It shall be reviewed at least annually by ~~the Treasurer,~~ the Finance Director and the ~~Audit and~~ Finance Committee to ensure it remains consistent with the City's investment objectives, current law and economic trends. Any revisions to this Investment Policy must be approved by the City Council.

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GLOSSARY OF CALIFORNIA GOVERNMENT CODE

The glossary below briefly defines each section of the California Government Code that is referenced in the City's policy and in the order in which they are cited. The City Council, on October 18, 2011, adopted Ordinance No. 11-09 transferring all statutory duties and responsibilities of the City Treasurer (with the exception of countersigning warrants and serving on the Finance Committee) which had not been previously transferred to the County, the City Manager or the Finance Director, to the City Clerk. The Investment Policy delegates responsibility for the daily management of the investment portfolio to the Finance Director and Assistant Finance Director.

Sections 53600 – 53609 are collectively referred to as Article I: Investment of Surplus

53600: Defines the term "local agency".

53600.3: Describes the standard of prudence in California for authorized persons.

53600.5: Defines ~~the primary, secondary, and third objectives of investing and managing public funds~~the prudent investor standard.

53600.6: Declares that the deposit and investment of public funds by local officials and agencies is an issue of statewide concern.

53601: Provides ~~guidelines~~ details for types of permitted securities for the investment of ~~money in a sinking fund~~public funds.

53601.1: Gives authority for investing in financial futures or financial option contracts.

53601.2: Defines "corporation" to include a limited liability company.

53601.5: Restricts investment purchases to be from authorized issuers and institutions.

53601.6: Restricts agencies from purchasing inverse floaters, range notes, or mortgage-derived, interest-only strips.

53601.8: Outlines the parameters under which a local agency may invest surplus funds in certificates of deposit.

53602: Lists the various types of indebtedness in which a legislative body is permitted to invest.

53603: Dictates how a legislative body may make a direct issue investment.

53604: Allows the legislative body authority to sell or exchange and then reinvest the proceeds of securities that have been purchased.

53605: Gives the legislative body to sell securities so that proceeds may be applied to the purposes for which the original purchase money was placed.

53606: Allows purchased bonds which were issued by the purchaser to be cancelled.

53607: Delegates authority to invest or reinvest funds of a local agency to the Treasurer for a one-year period.

53608: Defines the terms of safekeeping with a federal or state association.

53609: Outlines the ways in which deferred portions of an employee's compensation may be invested.

Sections 53630 – 53686 are collectively referred to as Article 2: Deposit of Funds

53630: Defines the following terms: local agency, Treasurer, depositor, agent of depository, security, pooled securities, administrator, savings association or federal association, federally insured industrial loan company, and corporation.

53630.1: Declares that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern.

53630.5: Defines depositories.

53631: Describes conditions established by the legislative body under which the Treasurer of a local agency may establish accounts at banks and deposit money in those accounts.

53632: Outlines the three classes of deposits.

53632.5: Outlines the three classes of security for deposits.

53633: States that the Treasurer shall determine the amount of money to be deposited as inactive, active, and interest-bearing active deposits.

53634: Defines the circumstances under which the Treasurer may place money in active deposits.

53635: Recognizes the distinct characteristics of investment pools.

53635.2: States that all money belonging to or in the custody of a local agency shall be deposited for safekeeping in state or national banks, savings associations, federal associations, credit unions, or federally insured industrial loan companies in California and selected by the Treasurer.

53635.7: Mandates that the legislative body shall discuss, consider, and deliberate each attempt to borrow $100,000 or more.

53636: States that money so deposited is deemed to be in the treasury of the local agency.

53637: Requires that the money be deposited in the institutions approved in 53635.2 with the objective of realizing maximum return.

53638: States that the deposit shall not exceed the shareholder's equity of any depository bank.

53639: Expresses that the depository shall bear the expenses of transportation of money to and from the depository.

53640: States that the depository shall handle, collect, and pay all checks, drafts, and other exchange without cost to the local agency.

53641: Requires the Treasurer to take and preserve a receipt, certificate of deposit, or other evidence of depository when money is deposited in a depository.

53642: Enables the money deposited to be drawn out by check or order of the Treasurer.

53643: Allows the Treasurer to deposit any part of the money as agreed upon between the Treasurer and the depository.

53644: Outlines the options allowed if an agreement is not made as provided for in 53643.

53646: Discusses requirements of a local agencies investment policy and investment reports.

53647: States how interest on deposited money shall be paid.

53647.5: Provides that interest earned on bail money deposited in a bank account shall be allocated for the support of the courts in that county.

53648: Regards the payment of interest of public moneys.

53648.5: Provides for the conditions under which a depository may be terminated.

53469: Allows the Treasurer to be responsible for the safekeeping of money.

53651: Defines eligible securities.

53651.2: Defines the provision with which a promissory note shall comply.

53651.4: Outlines the requirements of reports that depositories using eligible securities shall file.

53651.6: Lists the requirements of letters of credit for eligible securities.

53652: Outlines the collateral required to secure active and inactive deposits.

53653: Provides the conditions under which the Treasurer may waive security for a portion of deposits.

53654: Delineates the circumstances under which the depository may add or substitute securities in a pool.

53655: Defines the effect that the placement of securities by a depository with an agent of depository shall have.

53656: Defines how the Treasurer shall enter into a contract with a depository.

53657: Defines who shall act as an agent of depositories.

53658: Outlines how an agent of a depository shall hold and pool securities.

53659: Allows for an agent of depository that accepts securities to place such securities for safekeeping.

53660: Outlines the information that the Treasurer shall provide when deposits of a local agency are secured by pooled securities.

53661: Defines the responsibilities of the Commissioner of Financial Institutions.

53663: Defines the information that an agent of depository shall report in writing to the administrator after a withdrawal, substitution, or addition or pooled securities.

53664: States that the individual reports specified in Sections 53654, 53660, 53661, and 53663 are not public documents.

53666: Stipulates that the only liability that shall attach to the administrator as the result of the operation of this article is that which would attach as a result of other laws of this state.

53667: Discusses the expenses incurred by the administrator in conjunction with carrying out the duties and responsibilities assigned to the administrator.

53669: States that the Treasurer or other authorized official is not responsible for money while it is deposited pursuant to this article.

53676: States that the Treasurer is not responsible for securities delivered to and receipted for by any bank, savings and loan association, credit union, federally insured industrial loan company, or trust company.

53678: Calls for the charges for the handling and safekeeping of any such securities not to be charged against the Treasurer but to be paid for by the depository owning the securities.

53679: States how money belonging to a local agency under control of any of its officers shall be deposited.

53680: Mandates that any tax collector of a local agency shall immediately deposit with the Treasurer all money under his control, unless otherwise states.

53681: Stipulates that an officer of a local agency who deposits money belonging to a local agency in a manner other than prescribed in this article is subject to forfeiture of his office.

53682: Specifies contract requirements for monies being deposited.

53683: States how the consideration payable by the agency shall be paid by the Treasurer.

53684: Outlines how the Treasurer may deposit excess funds in investment pools.

53686: Discusses audits and reports related to the investment of local agency funds.

5903(e): States how the proceeds of bonds may be invested.

16429.1: Pertains to general requirements on how and where public money may be invested.

25210: Outlines the requirements of approved broker/dealers.

GFOA's GLOSSARY OF CASH MANAGEMENT TERMS

Accrued Interest - The accumulated interest due on a bond as of the last interest payment made by the issuer.

Agency - A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

Amortization - The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

Average Life - The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

Basis Point - A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., "1/4" of 1 percent is equal to 25 basis points.

Bid - The indicated price at which a buyer is willing to purchase a security or commodity.

Book Value - The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Callable Bond - A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

Call Price - The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk - The risk to a bondholder that a bond may be redeemed prior to maturity.

Cash Sale/Purchase - A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Collateralization - Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security.

Commercial Paper - An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

Convexity - A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Coupon Rate - The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate."
Credit Quality - The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Risk - The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Current Yield (Current Return) - A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Delivery Versus Payment (DVP) - A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

Derivative Security - Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Discount - The amount by which the par value of a security exceeds the price paid for the security.

Diversification - A process of investing assets among a range of security types by sector, maturity, and quality **rating.**

Duration - A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Fair Value - The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds (Fed Funds) - Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

Federal Funds Rate - Interest rate charged by one institution lending federal funds to the other.

Government Securities - An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

Interest Rate - See "Coupon Rate."
Interest Rate Risk - The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value.

Internal Controls - An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

1. **Control of collusion** - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. **Separation of transaction authority from accounting and record keeping** - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. **Custodial safekeeping** - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. **Avoidance of physical delivery securities** - Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. **Clear delegation of authority to subordinate staff members** - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. **Written confirmation of transactions for investments and wire transfers** - Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. **Development of a wire transfer agreement with the lead bank and third-party custodian** - The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

Inverted Yield Curve - A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

Investment Company Act of 1940- Federal legislation which sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Policy - A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Investment-grade Obligations - An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

Liquidity - An asset that can be converted easily and quickly into cash.

Local Government Investment Pool (LGIP) - An investment by local governments in which their money is pooled as a method for managing local funds.

Mark-to-market - The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk - The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value - Current market price of a security.

Maturity - The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

Money Market Mutual Fund - Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Mutual Fund - An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the following Securities and Exchange Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.
6. Have all individuals who sells SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus which is updated and filed by the SEC annually.

Mutual Fund Statistical Services - Companies that track and rate mutual funds, e.g., IBC/Donoghue, Lipper Analytical Services, and Morningstar.

National Association of Securities Dealers (NASD) - A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

Net Asset Value - The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.) [(Total assets) - (Liabilities)]/(Number of shares outstanding)

No Load Fund - A mutual fund which does not levy a sales charge on the purchase of its shares.

Nominal Yield - The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

Offer - An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask price."

Par - Face value or principal value of a bond, typically $1,000 per bond.

Positive Yield Curve - A chart formation that illustrates short-term securities having lower yields than long-term securities.

Premium - The amount by which the price paid for a security exceeds the security's par value.

Prime Rate - A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

Principal - The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prospectus - A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements.

Prudent Person Rule - An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

Regular Way Delivery - Securities settlement that calls for delivery and payment on the third business day following the trade date (T+3); payment on a T+1 basis is currently under consideration. Mutual funds are settled on a same day basis; government securities are settled on the next business day.

Reinvestment Risk - The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

Repurchase Agreement (repo or RP) - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.
Reverse Repurchase Agreement (Reverse Repo) - An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Rule 2a-7 of the Investment Company Act - Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13- month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar ($1.00).

Safekeeping - Holding of assets (e.g., securities) by a financial institution.

Serial Bond - A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

Sinking Fund - Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

Swap - Trading one asset for another.

Term Bond - Bonds comprising a large part or all of a particular issue which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Total Return - The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return

Treasury Bills - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of $10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Notes - Intermediate U.S. government debt securities with maturities of one to 10 years and issued in denominations ranging from $1,000 to $1 million or more.

Treasury Bonds - Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of $1,000. Currently, the longest outstanding maturity for such securities is 30 years.

Uniform Net Capital Rule - SEC Rule 15C3-1 outlining capital requirements for broker/dealers.

Volatility - A degree of fluctuation in the price and valuation of securities.

"Volatility Risk" Rating - A rating system to clearly indicate the level of volatility and other non-credit risks associated with securities and certain bond funds. The ratings for bond funds range from those that have extremely low sensitivity to changing market conditions and offer the greatest stability of the returns ("aaa" by S&P; "V-1" by Fitch) to those that are highly sensitive with currently identifiable market volatility risk ("ccc-" by S&P, "V-10" by Fitch).

Weighted Average Maturity (WAM) - The average maturity of all the securities that comprise a portfolio. According to SEC rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

When Issued (WI) - A conditional transaction in which an authorized new security has not been issued. All "when issued" transactions are settled when the actual security is issued.

Yield - The current rate of return on an investment security generally expressed as a percentage of the security's current price.

Yield-to-call (YTC) - The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date. Yield Curve - A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

Yield-to-maturity - The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

Zero-coupon Securities - Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

This glossary has been adapted from an article, entitled "Investment terms for everyday use," that appeared in the April 5, 1996, issue of Public Investor, GFOA's subscription investment newsletter.

City of Benicia
Investment Policy
(Revised May 15, 2012)

The City Council of the City of Benicia (the "City") has adopted this Investment Policy (the "Investment Policy") in order to establish the investment scope, objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments and transactions, diversification requirements, risk tolerance, and safekeeping and custodial procedures for the investment of the funds of the City. All City funds will be invested in accordance with this Investment Policy and with applicable sections of the California Government Code.

This Investment Policy was endorsed and adopted by the City Council of the City of Benicia on May 15, 2012 pursuant to City Council Resolution No. 12-_____. It replaces any previous investment policy of the City.

I. SCOPE

The provisions of this Investment Policy shall apply to all financial assets as accounted for in the City's Comprehensive Annual Financial Report.

All cash shall be pooled for investment purposes. The investment income derived from the pooled investment account shall be allocated to the contributing funds based upon the proportion of the respective average balances relative to the total pooled balance in the City's investment portfolio. Interest earnings shall be distributed to the individual funds not less than annually.

II. OBJECTIVES

The City's funds shall be invested in accordance with all applicable City Municipal Codes and resolutions, California statutes, and Federal regulations, and in a manner designed to accomplish the following objectives, which are listed in priority order:

1. Preservation of capital and protection of investment principal.
2. Maintenance of sufficient liquidity to meet anticipated cash flows.
3. Attainment of a market value rate of return.
4. Diversification to avoid incurring unreasonable market risks.

III. DELEGATION OF AUTHORITY

Management responsibility for the City's investment program is delegated by the City Council to the Finance Director and the Assistant Finance Director. The Finance Director has primary

responsibility for daily management of the City's investment portfolio. No person may engage in an investment transaction except as expressly provided under the terms of this Investment Policy.

The Finance Director shall develop written administrative procedures and internal controls, consistent with this Investment Policy, for the operation of the City's investment program. Such procedures shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees of the City.

The City may engage the support services of outside investment advisors in regard to its investment program, so long as it can be clearly demonstrated that these services produce a net financial advantage or necessary financial protection of the City's financial resources.

The Finance Director and the Assistant Finance Director, acting as an investment committee will meet monthly to review the day to day management of the City's investment portfolio. They will meet quarterly to discuss overall portfolio performance.

IV. PRUDENCE

The standard of prudence to be used for managing the City's investments shall be California Government Code Section 53600.3, the prudent investor standard which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that no investment is totally without risk and that the investment activities of the City are a matter of public record. Accordingly, the City recognizes that occasional measured losses may occur in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the City.

The Finance Director and authorized investment personnel acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that the deviations from expectations are reported in a timely fashion to the City Council and appropriate action is taken to control adverse developments.

V. ETHICS AND CONFLICTS OF INTEREST

City employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or could impair or create the appearance of an impairment of their ability to make impartial investment decisions. Employees shall disclose to the City Council any business interests they have in financial institutions that

conduct business with the City and they shall subordinate their personal investment transactions to those of the City. In addition, the Finance Director, the Assistant Finance Director and others with delegated investment authority shall file a Statement of Economic Interests each year in accordance with California Government Code Section 87203 and regulations of the Fair Political Practices Commission and the City's Open Government Ordinance.

VI. AUTHORIZED SECURITIES AND TRANSACTIONS

All investments and deposits of the City shall be made in accordance with California Government Code Sections 16429.1, 53600-53609 and 53630-53686, except that in accordance with California Government Code Section 5903(e), proceeds of bonds and any moneys set aside or pledged to secure payment of the bonds may be invested in securities or obligations described in the ordinance, resolution, indenture, agreement, or other instrument providing for the issuance of the bonds. Any revisions or extensions of these code sections will be assumed to be part of this Investment Policy immediately upon being enacted. However, in the event that amendments to these sections conflict with this Investment Policy and past City investment practices, the City may delay adherence to the new requirements when it is deemed in the best interest of the City to do so. In such instances, after consultation with the City Attorney, the Finance Director will present a recommended course of action to the City Council for approval.

The City has further restricted the eligible types of securities and transactions as follows:

1. United States Treasury bills, notes, bonds, and Certificates of Indebtedness, or those for which the full faith and credit of the United States are pledged for payment of principal and interest with a final maturity not exceeding five years from the date of trade settlement.

2. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises with a final maturity not exceeding five years from the date of trade settlement.

3. Repurchase Agreements with a final termination date not exceeding 30 days collateralized by U.S. Treasury obligations, Federal Agency securities, or Federal Instrumentality securities listed in items 1, 2 and 3 above with the maturity of the collateral not exceeding 10 years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the City's approved Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the funds borrowed. Collateral shall be held in the City's custodian bank, as safekeeping agent, and the market value of the collateral securities shall be marked-to-the-market daily. Repurchase agreements with any one counterparty shall be limited to $1 million.

   Repurchase Agreements shall be entered into only with broker/dealers recognized as a primary dealer by the Federal Reserve Bank of New York, or with broker/dealers that have a primary dealer within their holding company structure. Approved Repurchase Agreement counterparties shall have a short-term credit rating of at least A-1 or the equivalent and a long-term credit rating of at least A or the equivalent by a NRSRO. Repurchase agreement

counterparties shall execute a City approved Master Repurchase Agreement with the City. The Finance Director shall maintain a copy of the City's approved Master Repurchase Agreement along with a list of broker/dealers who have executed same.

4. Commercial Paper with a maturity not exceeding 270 days from the date of trade settlement with the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either sub-paragraph A. or sub-paragraph B. below:

   A. The entity shall (1) be organized and operating in the United States as a general corporation, (2) have total assets in excess of $500,000,000 and (3) have debt other than commercial paper, if any, that is rated A, or higher, or the equivalent, by a NRSRO.

   B. The entity shall (1) be organized within the United States as a special purpose corporation, trust, or limited liability company, (2) have program wide credit enhancements, including, but not limited to, over collateralization, letters of credit or surety bond and (3) have commercial paper that is rated A-1 or higher, or the equivalent, by a NRSRO.

   The total investment in the commercial paper of any one issuer shall be limited to the lesser of 10% of the City's total portfolio or $1 million, and the aggregate investment in commercial paper shall not exceed 25% of the City's total portfolio. The City may purchase no more than 10 percent of the outstanding commercial paper of any single issuer.

5. Negotiable Certificates of Deposit (NCDs) issued by a nationally or state chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank; provided that the senior debt obligations of the issuing institution are rated in one of the two highest rating categories (without regard to any gradations within such categories by numerical qualifier or otherwise) by a NRSRO. No more than 30% of the portfolio may be invested in NCDs.

6. Eligible Bankers Acceptances rated at least A-1 or the equivalent by each NRSRO that rates them at the time of purchase, with maturities not exceeding 180 days from the date of trade settlement; issued by a FDIC insured commercial bank whose senior long-term debt is rated at the time of purchase A or the equivalent by a NRSRO. The total investment in bankers' acceptances of any one issuer shall be limited to the lesser of 5% of the City's total portfolio or $3 million, and the aggregate investment in bankers acceptances shall not exceed 20% of the City's total portfolio.

7. Non-negotiable Certificates of Deposit with a maturity not exceeding five years, that are collateralized in accordance with the California Government Code, in those banks and savings and loans associations which meet the requirement for investment in negotiable certificate of deposit. The issuer firm should have been in existence for at least five years. The City may waive the first $250,000 of collateral security for such deposits if the institution is insured pursuant to federal law. The aggregate amount invested in Certificates of Deposit shall not exceed 25% of the City's total portfolio.

8. Medium-term Notes. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. The City may invest in medium term corporate notes rated "AA" or higher, or the equivalent, by a nationally recognized statistical rating organization. A maximum of 30% of the City's portfolio may be invested in this category. No more than 5% of the City's investment portfolio may be invested in the securities of any one non-government issuer.

9. State of California's Local Agency Investment Fund (LAIF), created by California Government Code Section 16429.1.

10. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). that (1) are "no-load" (no commission or fee shall be charged on purchases or sales of shares); (2) have a constant net asset value per share of $1.00; (3) invest only in the securities and obligations authorized in the applicable California statutes. Additionally, to be eligible for investment pursuant to this subdivision these companies shall either: (A.) have attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations or (B.) have an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds and with assets under management in excess of $500,000,000.

11. The total investment in money market funds of any one issuer shall be limited to the lesser of 10% of the City's total portfolio or $5 million, and the aggregate investment in money market funds shall not exceed 20% of the City's total portfolio.

Credit criteria and maximum percentages listed in this section refer to the credit of the issuing organization and/or maturity at the time the security is purchased. The City may from time to time be invested in a security whose rating is downgraded. In the event a rating drops below the minimum allowed rating category for that given investment type, the investment advisor shall notify the Finance Director and/or Designee and recommend a plan of action.

It is the intent of the City that the foregoing list of authorized securities and transactions is strictly interpreted. Any deviation from this list must be pre-approved by resolution of the City Council.

VII. PORTFOLIO MATURITIES, DIVERSIFICATION, and REALIGNMENTS

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The City will not invest in securities maturing more than five years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment at least three months prior to the date of investment.

Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

The City shall diversify its investments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. Nevertheless, the asset allocation in the investment portfolio should be flexible depending upon the outlook for the economy, the securities markets and the City's anticipated cash flow needs**.**

The City recognizes that occasional measured losses may occur in a diversified portfolio when securities are traded for other similar securities to improve yield, maturity, or credit risk. These losses shall be considered within the context of the long-term interest of the portfolio and may be incurred for accounting purposes, provided any of the following occurs with respect to the replacement security:

- Yield has been increased,
- Maturity has been adjusted to anticipate interest rate changes, or
- Credit quality of the investment has been improved.

Prior to purchasing securities for the City's portfolio, the credit rating of the security and the credit rating of the senior debt of the issuer, if applicable, shall be verified to assure compliance with investment policy guidelines. Securities that have been downgraded to below the minimum ratings will be sold or held at the Finance Director's discretion. The Finance Director is responsible for bringing the portfolio back into compliance as soon as practicable.

VIII. SELECTION OF BROKER/DEALERS

The Finance Director shall maintain a list of broker/dealers approved for investment purposes, and it shall be the policy of the City to purchase securities only from those brokers and the firms they represent. Each approved broker/dealer must possess an authorizing certificate from the California Commissioner of Corporations as required by Section 25210 of the California Corporations Code. The firms they represent must:

1. be recognized as primary dealers by the Federal Reserve Bank of New York or have a primary dealer within their holding company structure, or
2. report voluntarily to the Federal Reserve Bank of New York, or
3. qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

Broker/dealers will be selected by the Finance Director on the basis of their expertise in public cash management and their ability to provide services for the City's account.

Annually, each authorized broker/dealer shall submit a City approved Broker/Dealer Information Request form and the firm's most recent financial statements.

The City may purchase commercial paper from direct issuers even though they are not on the approved broker/dealer list as long as the purchase meets the criteria outlined in Item 5 of the Authorized Securities and Transactions section of this Investment Policy.

IX. COMPETITIVE TRANSACTIONS

Each investment transaction shall be competitively transacted with approved broker/dealers. At least three broker/dealers shall be contacted for each transaction and their bid or offering prices shall be recorded.

If the City is offered a security for which there is no other readily available competitive offering, then the Finance Director will document quotations for comparable or alternative securities.

X. SELECTION OF BANKS

The Finance Director shall maintain a list of FDIC insured banks approved to provide depository and other banking services for the City. To be eligible, a bank shall qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5 and shall secure deposits in excess of FDIC coverage in accordance with California Government Code Section 53652.

XI. SAFEKEEPING AND CUSTODY

The Finance Director shall select one or more banks to provide safekeeping and custodial services for the City, in accordance with the provisions of Section 53608 of the California Government Code. A Safekeeping Agreement approved by the City shall be executed with each custodian bank prior to utilizing that bank's safekeeping services.

Custodian banks will be selected on the basis of their ability to provide services for the City's account and the competitive pricing of their safekeeping related services.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. All securities shall be perfected in the name of the City. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices.

All investment securities will be delivered by either book entry or physical delivery and will be held in third-party safekeeping by a City approved custodian bank, its correspondent bank or its Depository Trust Company (DTC) participant account.

The City’s custodian shall be required to furnish the City a list of holdings on at least a monthly basis and safekeeping receipts or customer confirmations shall be issued for each transaction.

XII. PORTFOLIO PERFORMANCE

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance of the investment portfolio shall be compared to a benchmark with a duration similar to the City's portfolio duration target.

XIII. REPORTING

Quarterly, the Finance Director and the Finance Committee shall submit to the City Manager and the City Council a report of the investment earnings and performance results of the City's investment portfolio. The report shall include the following information:

1. Investment type, issuer, date of maturity, par value and dollar amount invested in all securities, and investments and monies held by the City;
2. The weighted average maturity of the investment portfolio;
3. A description of investments that are under the management of contracted parties;
4. A market value as of the date of the report and the source of the valuation;
5. A statement of compliance with this Investment Policy or an explanation of non-compliance; and
6. A statement of the City's ability to meet expenditure requirements for the following six months or an explanation of why sufficient funds may not be available.

XIV. POLICY REVIEW

This Investment Policy shall be adopted by resolution of the City Council. It shall be reviewed at least annually by the Finance Director and the Finance Committee to ensure it remains consistent with the City's investment objectives, current law and economic trends. Any revisions to this Investment Policy must be approved by the City Council.

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GLOSSARY OF CALIFORNIA GOVERNMENT CODE

The glossary below briefly defines each section of the California Government Code that is referenced in the City's policy and in the order in which they are cited. The City Council, on October 18, 2011, adopted Ordinance No. 11-09 transferring all statutory duties and responsibilities of the City Treasurer (with the exception of countersigning warrants and serving on the Finance Committee) which had not been previously transferred to the County, the City Manager or the Finance Director, to the City Clerk. The Investment Policy delegates responsibility for the daily management of the investment portfolio to the Finance Director and Assistant Finance Director.

Sections 53600 – 53609 are collectively referred to as Article I: Investment of Surplus

53600: Defines the term "local agency".

53600.3: Describes the standard of prudence in California for authorized persons.

53600.5: Defines the prudent investor standard.

53600.6: Declares that the deposit and investment of public funds by local officials and agencies is an issue of statewide concern.

53601: Provides details for types of permitted securities for the investment of public funds.

53601.1: Gives authority for investing in financial futures or financial option contracts.

53601.2: Defines "corporation" to include a limited liability company.

53601.5: Restricts investment purchases to be from authorized issuers and institutions.

53601.6: Restricts agencies from purchasing inverse floaters, range notes, or mortgage-derived, interest-only strips.

53601.8: Outlines the parameters under which a local agency may invest surplus funds in certificates of deposit.

53602: Lists the various types of indebtedness in which a legislative body is permitted to invest.

53603: Dictates how a legislative body may make a direct issue investment.

53604: Allows the legislative body authority to sell or exchange and then reinvest the proceeds of securities that have been purchased.

53605: Gives the legislative body to sell securities so that proceeds may be applied to the purposes for which the original purchase money was placed.

53606: Allows purchased bonds which were issued by the purchaser to be cancelled.

53607: Delegates authority to invest or reinvest funds of a local agency to the Treasurer for a one-year period.

53608: Defines the terms of safekeeping with a federal or state association.

53609: Outlines the ways in which deferred portions of an employee's compensation may be invested.

Sections 53630 – 53686 are collectively referred to as Article 2: Deposit of Funds

53630: Defines the following terms: local agency, Treasurer, depositor, agent of depository, security, pooled securities, administrator, savings association or federal association, federally insured industrial loan company, and corporation.

53630.1: Declares that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern.

53630.5: Defines depositories.

53631: Describes conditions established by the legislative body under which the Treasurer of a local agency may establish accounts at banks and deposit money in those accounts.

53632: Outlines the three classes of deposits.

53632.5: Outlines the three classes of security for deposits.

53633: States that the Treasurer shall determine the amount of money to be deposited as inactive, active, and interest-bearing active deposits.

53634: Defines the circumstances under which the Treasurer may place money in active deposits.

53635: Recognizes the distinct characteristics of investment pools.

53635.2: States that all money belonging to or in the custody of a local agency shall be deposited for safekeeping in state or national banks, savings associations, federal associations, credit unions, or federally insured industrial loan companies in California and selected by the Treasurer.

53635.7: Mandates that the legislative body shall discuss, consider, and deliberate each attempt to borrow $100,000 or more.

53636: States that money so deposited is deemed to be in the treasury of the local agency.

53637: Requires that the money be deposited in the institutions approved in 53635.2 with the objective of realizing maximum return.

53638: States that the deposit shall not exceed the shareholder's equity of any depository bank.

53639: Expresses that the depository shall bear the expenses of transportation of money to and from the depository.

53640: States that the depository shall handle, collect, and pay all checks, drafts, and other exchange without cost to the local agency.

53641: Requires the Treasurer to take and preserve a receipt, certificate of deposit, or other evidence of depository when money is deposited in a depository.

53642: Enables the money deposited to be drawn out by check or order of the Treasurer.

53643: Allows the Treasurer to deposit any part of the money as agreed upon between the Treasurer and the depository.

53644: Outlines the options allowed if an agreement is not made as provided for in 53643.

53646: Discusses requirements of a local agencies investment policy and investment reports.

53647: States how interest on deposited money shall be paid.

53647.5: Provides that interest earned on bail money deposited in a bank account shall be allocated for the support of the courts in that county.

53648: Regards the payment of interest of public moneys.

53648.5: Provides for the conditions under which a depository may be terminated.

53469: Allows the Treasurer to be responsible for the safekeeping of money.

53651: Defines eligible securities.

53651.2: Defines the provision with which a promissory note shall comply.

53651.4: Outlines the requirements of reports that depositories using eligible securities shall file.

53651.6: Lists the requirements of letters of credit for eligible securities.

53652: Outlines the collateral required to secure active and inactive deposits.

53653: Provides the conditions under which the Treasurer may waive security for a portion of deposits.

53654: Delineates the circumstances under which the depository may add or substitute securities in a pool.

53655: Defines the effect that the placement of securities by a depository with an agent of depository shall have.

53656: Defines how the Treasurer shall enter into a contract with a depository.

53657: Defines who shall act as an agent of depositories.

53658: Outlines how an agent of a depository shall hold and pool securities.

53659: Allows for an agent of depository that accepts securities to place such securities for safekeeping.

53660: Outlines the information that the Treasurer shall provide when deposits of a local agency are secured by pooled securities.

53661: Defines the responsibilities of the Commissioner of Financial Institutions.

53663: Defines the information that an agent of depository shall report in writing to the administrator after a withdrawal, substitution, or addition or pooled securities.

53664: States that the individual reports specified in Sections 53654, 53660, 53661, and 53663 are not public documents.

53666: Stipulates that the only liability that shall attach to the administrator as the result of the operation of this article is that which would attach as a result of other laws of this state.

53667: Discusses the expenses incurred by the administrator in conjunction with carrying out the duties and responsibilities assigned to the administrator.

53669: States that the Treasurer or other authorized official is not responsible for money while it is deposited pursuant to this article.

53676: States that the Treasurer is not responsible for securities delivered to and receipted for by any bank, savings and loan association, credit union, federally insured industrial loan company, or trust company.

53678: Calls for the charges for the handling and safekeeping of any such securities not to be charged against the Treasurer but to be paid for by the depository owning the securities.

53679: States how money belonging to a local agency under control of any of its officers shall be deposited.

53680: Mandates that any tax collector of a local agency shall immediately deposit with the Treasurer all money under his control, unless otherwise states.

53681: Stipulates that an officer of a local agency who deposits money belonging to a local agency in a manner other than prescribed in this article is subject to forfeiture of his office.

53682: Specifies contract requirements for monies being deposited.

53683: States how the consideration payable by the agency shall be paid by the Treasurer.

53684: Outlines how the Treasurer may deposit excess funds in investment pools.

53686: Discusses audits and reports related to the investment of local agency funds.

5903(e): States how the proceeds of bonds may be invested.

16429.1: Pertains to general requirements on how and where public money may be invested.

25210: Outlines the requirements of approved broker/dealers.

GFOA's GLOSSARY OF CASH MANAGEMENT TERMS

Accrued Interest - The accumulated interest due on a bond as of the last interest payment made by the issuer.

Agency - A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

Amortization - The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

Average Life - The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

Basis Point - A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., "1/4" of 1 percent is equal to 25 basis points.

Bid - The indicated price at which a buyer is willing to purchase a security or commodity.

Book Value - The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Callable Bond - A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

Call Price - The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk - The risk to a bondholder that a bond may be redeemed prior to maturity.

Cash Sale/Purchase - A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Collateralization - Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security.

Commercial Paper - An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

Convexity - A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Coupon Rate - The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate." **Credit Quality** - The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Risk - The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Current Yield (Current Return) - A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Delivery Versus Payment (DVP) - A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

Derivative Security - Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Discount - The amount by which the par value of a security exceeds the price paid for the security.

Diversification - A process of investing assets among a range of security types by sector, maturity, and quality **rating.**

Duration - A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Fair Value - The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds (Fed Funds) - Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

Federal Funds Rate - Interest rate charged by one institution lending federal funds to the other.

Government Securities - An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

Interest Rate - See "Coupon Rate."
Interest Rate Risk - The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value.

Internal Controls - An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

1. **Control of collusion** - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. **Separation of transaction authority from accounting and record keeping** - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. **Custodial safekeeping** - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. **Avoidance of physical delivery securities** - Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. **Clear delegation of authority to subordinate staff members** - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. **Written confirmation of transactions for investments and wire transfers** - Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. **Development of a wire transfer agreement with the lead bank and third-party custodian** - The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

Inverted Yield Curve - A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

Investment Company Act of 1940- Federal legislation which sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Policy - A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Investment-grade Obligations - An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

Liquidity - An asset that can be converted easily and quickly into cash.

Local Government Investment Pool (LGIP) - An investment by local governments in which their money is pooled as a method for managing local funds.

Mark-to-market - The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk - The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value - Current market price of a security.

Maturity - The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

Money Market Mutual Fund - Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Mutual Fund - An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the following Securities and Exchange Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.
6. Have all individuals who sells SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus which is updated and filed by the SEC annually.

Mutual Fund Statistical Services - Companies that track and rate mutual funds, e.g., IBC/Donoghue, Lipper Analytical Services, and Morningstar.

National Association of Securities Dealers (NASD) - A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

Net Asset Value - The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.) [(Total assets) - (Liabilities)]/(Number of shares outstanding)

No Load Fund - A mutual fund which does not levy a sales charge on the purchase of its shares.

Nominal Yield - The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

Offer - An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask price."

Par - Face value or principal value of a bond, typically $1,000 per bond.

Positive Yield Curve - A chart formation that illustrates short-term securities having lower yields than long-term securities.

Premium - The amount by which the price paid for a security exceeds the security's par value.

Prime Rate - A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

Principal - The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prospectus - A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements.

Prudent Person Rule - An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

Regular Way Delivery - Securities settlement that calls for delivery and payment on the third business day following the trade date (T+3); payment on a T+1 basis is currently under consideration. Mutual funds are settled on a same day basis; government securities are settled on the next business day.

Reinvestment Risk - The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

Repurchase Agreement (repo or RP) - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.
Reverse Repurchase Agreement (Reverse Repo) - An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Rule 2a-7 of the Investment Company Act - Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13- month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar ($1.00).

Safekeeping - Holding of assets (e.g., securities) by a financial institution.

Serial Bond - A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

Sinking Fund - Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

Swap - Trading one asset for another.

Term Bond - Bonds comprising a large part or all of a particular issue which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Total Return - The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return

Treasury Bills - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of $10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Notes - Intermediate U.S. government debt securities with maturities of one to 10 years and issued in denominations ranging from $1,000 to $1 million or more.

Treasury Bonds - Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of $1,000. Currently, the longest outstanding maturity for such securities is 30 years.

Uniform Net Capital Rule - SEC Rule 15C3-1 outlining capital requirements for broker/dealers.

Volatility - A degree of fluctuation in the price and valuation of securities.

"Volatility Risk" Rating - A rating system to clearly indicate the level of volatility and other non-credit risks associated with securities and certain bond funds. The ratings for bond funds range from those that have extremely low sensitivity to changing market conditions and offer the greatest stability of the returns ("aaa" by S&P; "V-1" by Fitch) to those that are highly sensitive with currently identifiable market volatility risk ("ccc-" by S&P, "V-10" by Fitch).

Weighted Average Maturity (WAM) - The average maturity of all the securities that comprise a portfolio. According to SEC rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

When Issued (WI) - A conditional transaction in which an authorized new security has not been issued. All "when issued" transactions are settled when the actual security is issued.

Yield - The current rate of return on an investment security generally expressed as a percentage of the security's current price.

Yield-to-call (YTC) - The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date. Yield Curve - A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

Yield-to-maturity - The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

Zero-coupon Securities - Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

This glossary has been adapted from an article, entitled "Investment terms for everyday use," that appeared in the April 5, 1996, issue of Public Investor, GFOA's subscription investment newsletter.

Investment Policy Comparison
April 2012

CA Government Code Section 53600 - 53610	City of Benicia	City of Fairfield	City of Vacaville	City of Vallejo	City of Napa
U.S. Treasury Notes, Bonds, Bills	X	X	X	X	X
U.S.. Government Agency Issues	X	X	X	X	X
State Treasury Notes, Bonds		X	X	X	
Local Agency Notes, Bonds		X	X	X	
Bankers' Acceptances (max 180 day maturity; 40% portfolio)	X	X	X	X	X
Commercial Paper (Prime) rated "A-1 or better (max 270 day maturity; 25% of portfolio)	X	X	X	X	X
Negotiable Certificates of Deposit (max 30% of portfolio)	recommended	X	X	X	X
Non-Negotiable Certificates of Deposit (max 25% of portfolio)	X	X	X	X	X
Repurchase Agreements	X	X	X	X	X
LAIF	X	X	X	X	X
Money Market Funds	X	X	X		X
Medium-term Notes (max 30% of portfolio)	recommended	X	X	X	X
Mutual Funds (diversified management companies)	X	X	X	X	
Joint Powers Authority		X	X	X	X
Mortgage Backed Securities		X	X	X	

AGENDA ITEM
CITY COUNCIL MEETING DATE - MAY 15, 2012
CONSENT CALENDAR

DATE : May 1, 2012

TO : City Manager

FROM : Interim Finance Director

SUBJECT : **REVIEW AND ACCEPTANCE OF THE INVESTMENT REPORT FOR THE QUARTER ENDED MARCH 31, 2012**

RECOMMENDATION:
Accept, by motion, the Investment Report for the quarter ended March 31, 2012.

EXECUTIVE SUMMARY:
The investment portfolio is in compliance with the City's Investment Policy and with California law. Additionally, the City has adequate investments to meet its expenditure needs for the next six months. The Finance Committee has reviewed this report and has recommended acceptance by the City Council.

BUDGET INFORMATION:
This report has no impact on the City's budget.

GENERAL PLAN:
There is no impact on the City's General Plan.

STRATEGIC PLAN:
Relevant Strategic Plan Issues and Strategies:

- Strategic Issue #3: Strengthening Economic and Fiscal Conditions
  - Strategy #4: Manage City finances prudently

BACKGROUND:
The City's investment portfolio consists of cash balances in checking accounts (less outstanding checks), Local Agency Investment Fund, treasury bills, federal agency notes and trustee accounts which manage the installment payments and reserves for bonds issued by the City. The City's investment portfolio is in compliance with Government Code Sections 53600 et seq. and the City's Investment Policy. The attached schedules identify the City's investments by purchase date, maturity date, investment type, issuer of investment and cost.

Attachment:

- Investment Report for the quarter ended March 31, 2012

VII.D.2

City of Benicia
Investment Report
As of March 31, 2012

Type of Investment	Name of Issuer	Purchase Date	Maturity Date	Current Yield	Par Value	Cost of Investment	Current Market Value
On Demand							
L.A.I.F.	L.A.I.F.			0.380%	$ 2,633,788.93	$ 2,633,788.93	$ 2,636,978.75
Checking	Bank of America			0.600%	5,111,069.58	5,111,069.58	5,111,069.58
Money Market	Union Bank			0.000%	93,564.50	93,564.50	93,564.50
Money Market	Union Bank			0.000%	221,135.08	221,135.08	221,135.08
Subtotal					8,059,558.09	8,059,558.09	8,062,747.91
Up to 6 Months							
US Obligation	FNMA	4-Oct-07	18-May-12	4.840%	750,000.00	756,780.00	754,650.00
US Obligation	FHLB	11-Jun-09	20-Jun-12	1.870%	450,000.00	445,365.00	451,678.50
US Obligation	FFCB	25-Sep-07	1-Aug-12	5.160%	500,000.00	509,923.50	508,425.00
Comml Paper	Kells Funding LLC	14-Mar-12	24-Aug-12	0.600%	500,000.00	498,664.31	498,520.00
Subtotal					2,200,000.00	2,210,732.81	2,213,273.50
6 Months to 1 Year							
US Obligation	FNMA	15-Jan-10	22-Feb-13	1.730%	750,000.00	749,260.88	759,862.50
US Obligation	FHLB	22-Mar-11	20-Mar-13	1.600%	700,000.00	712,242.30	709,380.00
Subtotal					1,450,000.00	1,461,503.18	1,469,242.50
1 Year to 2 Years							
US Obligation	FHLMC	4-Mar-10	15-Apr-13	1.600%	1,000,000.00	998,600.00	1,014,230.00
US Obligation	FHLMC	22-Mar-11	15-Apr-13	1.600%	700,000.00	711,956.00	709,961.00
US Obligation	FHLMC	26-Apr-10	29-May-13	3.370%	1,200,000.00	1,260,252.00	1,245,036.00
US Obligation	FHLB	20-Jul-11	28-Aug-13	0.500%	850,000.00	848,988.50	852,116.50
US Obligation	FHLB	3-Aug-11	9-Sep-13	1.110%	750,000.00	758,985.00	758,542.50
US Obligation	FHLMC	24-Jan-11	25-Feb-14	1.350%	1,500,000.00	1,502,790.00	1,531,710.00
US Obligation	FFCB	16-Aug-11	5-Mar-14	2.070%	750,000.00	782,550.00	771,660.00
US Obligation	US Treasury	1-Apr-11	15-Mar-14	1.230%	875,000.00	874,965.82	890,312.50
Subtotal					7,625,000.00	7,739,087.32	7,773,568.50
2 Years to 3 Years							
US Obligation	US Treasury	26-Mar-10	30-Apr-14	1.820%	275,000.00	271,315.43	283,508.50
US Obligation	FHLB	10-Jun-11	28-May-14	1.350%	500,000.00	507,305.00	510,655.00
US Obligation	FHLMC	11-Jul-11	11-Jul-14	1.120%	500,000.00	500,000.00	501,010.00
US Obligation	US Treasury	25-Aug-11	15-Aug-14	0.500%	750,000.00	752,988.29	751,350.00
US Obligation	FHLMC	24-Aug-11	27-Aug-14	0.990%	750,000.00	758,490.00	759,697.50

City of Benicia
Investment Report
As of March 31, 2012

Type of Investment	Name of Issuer	Purchase Date	Maturity Date	Current Yield	Par Value	Cost of Investment	Current Market Value
US Obligation	FNMA	28-Jan-11	16-Sep-14	2.830%	1,000,000.00	1,050,010.00	1,061,660.00
US Obligation	FHLMC	14-Sep-11	19-Sep-14	0.500%	1,100,000.00	1,096,642.58	1,099,373.00
US Obligation	FNMA	19-Sep-11	19-Sep-14	0.700%	500,000.00	499,705.00	499,870.00
US Obligation	FNMA	7-Nov-11	7-Nov-14	1.000%	1,000,000.00	1,000,000.00	1,002,360.00
US Obligation	US Treasury	11-Jan-12	15-Dec-14	0.250%	750,000.00	747,802.73	745,485.00
US Obligation	FHLMC	29-Dec-11	19-Dec-14	1.000%	500,000.00	501,400.00	500,320.00
US Obligation	US Treasury	29-Feb-12	28-Feb-15	2.260%	760,000.00	803,951.56	800,378.80
Subtotal					8,385,000.00	8,489,610.59	8,515,667.80
3 Years to 5 Years							
US Obligation	FHLB	10-Jun-11	8-Jun-15	1.870%	500,000.00	502,418.00	501,220.00
US Obligation	US Treasury	15-Mar-12	31-Jul-15	1.690%	325,000.00	337,695.31	337,008.75
US Obligation	FNMA	9-Sep-11	9-Sep-15	1.000%	500,000.00	500,000.00	499,695.00
US Obligation	FNMA	14-Sep-11	26-Oct-15	1.580%	1,050,000.00	1,079,578.47	1,081,563.00
US Obligation	FHLMC	24-Feb-12	24-Feb-16	1.000%	700,000.00	702,898.00	697,368.00
US Obligation	FHLMC	21-Mar-12	21-Mar-16	0.990%	500,000.00	500,515.00	504,420.00
US Obligation	US Treasury	18-Aug-11	31-Jul-16	1.460%	500,000.00	512,382.82	513,010.00
US Obligation	FHLMC	29-Dec-11	2-Nov-16	1.690%	500,000.00	502,000.00	502,030.00
US Obligation	FNMA	11-Jan-12	15-Nov-16	1.360%	500,000.00	505,234.99	505,915.00
US Obligation	FNMA	28-Dec-11	28-Dec-16	1.000%	1,000,000.00	999,250.00	1,002,200.00
US Obligation	US Treasury	27-Feb-12	31-Jan-17	0.880%	600,000.00	599,882.81	596,298.00
Subtotal					6,675,000.00	6,741,855.40	6,740,727.75
Total (before fiscal agent accounts)					$ 34,394,558.09	$ 34,702,347.39	$ 34,775,227.96
Fiscal Agent Accounts						5,381,821.72	5,381,821.72
TOTAL INVESTMENT PORTFOLIO						$ 40,084,169.11	$ 40,157,049.68
INVESTMENTS WITH PFM						$ 14,534,314.08	$ 14,617,823.05
INVESTMENTS WITH CUTWATER						$ 12,423,174.80	$ 12,409,356.58
WEIGHTED AVERAGE MATURITY OF THE INVESTMENT PORTFOLIO						2.42	Years

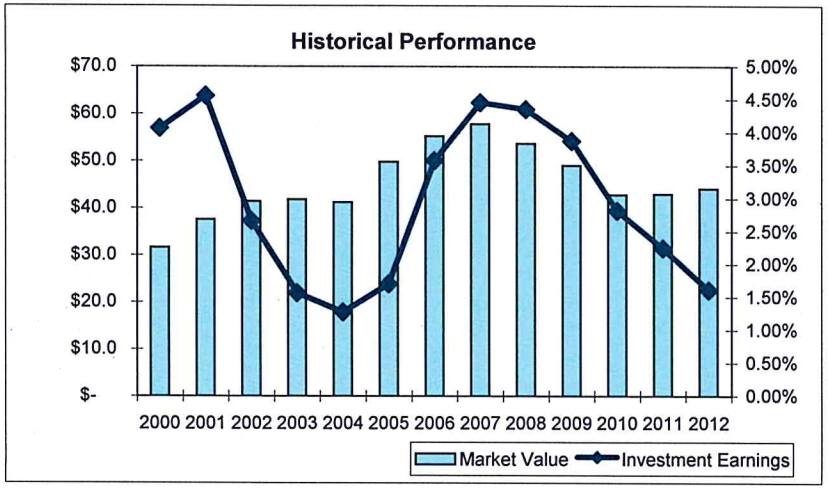
The City of Benicia complies with Government Code Sections 53600 et seq. and the City's Investment Policy. The source of market value is Union Bank of California. The City has the ability to meet expenditure requirements for the next six months. This report, to the best of my knowledge, is accurate representation of the City of Benicia's investments.

Bill Zenoni, Interim Finance Director

City of Benicia
Historical Portfolio Comparison

Market Value (Millions)					
Fiscal Year / Quarter	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual Average
2000	$ 28.4	$ 31.2	$ 31.8	$ 35.1	$ 31.6
2001	33.0	36.7	37.7	42.8	37.5
2002	39.3	41.5	40.3	44.6	41.4
2003	39.7	43.4	39.5	44.8	41.8
2004	39.3	42.8	41.1	41.8	41.3
2005	38.7	53.8	50.0	56.6	49.8
2006	46.9	54.9	55.1	64.3	55.3
2007	57.4	59.3	54.4	60.1	57.8
2008	51.9	54.7	51.4	56.8	53.7
2009	48.1	52.1	47.3	48.7	49.1
2010	42.6	43.7	39.4	45.7	42.9
2011	37.6	46.2	35.7	52.6	43.0
2012	46.6	45.7	40.2		44.2

Investment Earnings					
Fiscal Year / Quarter	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual Average
2000	3.53%	4.17%	4.15%	4.41%	4.06%
2001	4.76%	4.82%	4.58%	4.07%	4.55%
2002	3.62%	2.72%	2.27%	2.01%	2.66%
2003	1.90%	1.61%	1.41%	1.34%	1.57%
2004	1.38%	1.28%	1.24%	1.20%	1.28%
2005	1.31%	1.43%	1.74%	2.33%	1.70%
2006	2.52%	3.76%	3.84%	4.16%	3.57%
2007	4.34%	4.44%	4.46%	4.57%	4.45%
2008	4.56%	4.48%	4.20%	4.15%	4.35%
2009	4.01%	4.07%	4.03%	3.36%	3.87%
2010	3.17%	2.83%	2.65%	2.60%	2.81%
2011	2.51%	2.38%	2.15%	1.95%	2.25%
2012	1.76%	1.64%	1.43%		1.61%



Investment Earnings - Dollars						
Fiscal Year / Quarter	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Mark to Market *	Annual Average
2008	319,769	789,398	474,720	327,578	403,879	578,836
2009	275,114	580,504	577,776	469,555	267,309	542,565
2010	299,040	294,913	226,519	289,374	(196,842)	228,251
2011	267,030	235,311	165,343	162,677	(352,938)	119,356
2012	46,173	132,626	not available			89,400

* Mark to market is the difference between current year minus prior year's mark to market gain or loss.

F:\Investment Reports\2011.12 Investment Reports.xls\Historical

VII.D.6

AGENDA ITEM
CITY COUNCIL MEETING DATE - MAY 15, 2012
CONSENT CALENDAR

DATE : May 2, 2012

TO : City Council

FROM : City Attorney

SUBJECT : **DENIAL OF THE CLAIM AGAINST THE CITY BY ERIC HARRISON AND REFERRAL TO INSURANCE CARRIER**

RECOMMENDATION:
Deny the claim against the City by Eric Harrison.

EXECUTIVE SUMMARY:
Claimant alleges that a City tree fell on his car causing damage. City staff has confirmed the tree located at 146 East E. Street is not a City tree.

BUDGET INFORMATION:
The amount of the claim is for $2,091.42.

GENERAL PLAN:
N/A.

STRATEGIC PLAN:
N/A. There is no relevant Strategic Plan Goal that relates to this agenda item.

BACKGROUND:
Upon rejection of the claim made by the insurance carrier, the City Clerk should issue a rejection notice using ABAG's Form Letter Number 3 of the ABAG Plan Claim Procedures Manual and process a proof of service by mail form (located in the forms directory). A copy of the rejection notice and proof of service by mail form should be sent to Jim Nagal (ABAG Claims Examiner) and the City Attorney.

Attachment:
- Claim against the City form

VII.E.2

RECEIVED
APR - 9 2012
CITY CLERK'S OFFICE
CITY OF BENICIA

CLAIM AGAINST THE CITY OF BENICIA

Please return to the City Clerk, 250 East L Street, Benicia, CA 94510

Complete the following, adding additional sheets as necessary.

1. CLAIMANT'S NAME (Print): Eric Harrison
2. CLAIMANT'S ADDRESS: [redacted] (Street or P.O. Box Number, City, State, Zip Code)

   HOME PHONE: [redacted] WORK PHONE: _____
3. AMOUNT OF CLAIM: $ 2091.42 (Attach copies of bills/estimates)

   If amount claimed is more than $10,000, indicate where jurisdiction rests:
   Limited Civil Case _____
   Unlimited Civil Case _____
4. Address to which notices are to be sent, if different from lines 1 and 2 (Print):
   Claim # 1021010984 Farmers Ins - Mid Century Ins
   (Name)
   PO. Box 268994 Oklahoma City, CA 93126
   (Street or P.O. Box Number, City, State, Zip Code)
5. DATE OF INCIDENT: 2/18/2012 TIME OF INCIDENT: 4:00 Am

   LOCATION OF INCIDENT: 146 East E Street Benicia, CA
6. Describe the incident or accident including your reason for believing that the City is liable for your damages: Insds vehicle was parked at above location and tree fell on vehicle
7. Describe all damages which you believe you have incurred as a result of the incident:
   scratches, dent
8. Names of public employee(s) causing the damages you are claiming:

Melissa Beasley as Subrogee 4/4/2012
Signature of Claimant By Eric Harrison Date

Any person who, with intent to defraud, presents any false or fraudulent claim may be punished by imprisonment or fine or both.

Note: YOU must file a claim in compliance with Government Code Section 911.2.

(revised 12/18/02)

VII.E.4

AGENDA ITEM
CITY COUNCIL MEETING DATE - MAY 15, 2012
CONSENT CALENDAR

DATE : May 7, 2012

TO : City Manager

FROM : Administrative Services Director

SUBJECT : **APPROVE THE AMENDMENTS TO THE FIREFIGHTER ENGINEER JOB DESCRIPTION**

RECOMMENDATION:
Adopt the resolution approving the amendments to the Firefighter Engineer Job Description.

EXECUTIVE SUMMARY:
A number of updates to the job specification for Firefighter/Engineer have been suggested by the Benicia Firefighters Association in order to better reflect current requirements and departmental practices. The Fire Chief and Human Resources reviewed the proposed revisions and then presented to the Civil Service Commission on April 24, 2012. The Commission suggested several additional minor revisions, which are incorporated in the proposed amendments to the job specification.

STRATEGIC PLAN:
Relevant Strategic Plan Issues and Strategies:
N/A

BUDGET:
There is no additional cost to the City associated with the proposed job description amendments.

BACKGROUND:
The Benicia Firefighters Association suggested a number of updates to the job description for Firefighter/Engineer, which included clarifying the appropriate special requirements, both as mandated by the California State Department of Motor Vehicles, as well as relative to the ability to serve as an Acting Firefighter Engineer with the Benicia Fire Department prior to applying for a permanent position as such.

Additionally, it was noted that the section entitled Appointment no longer applies to this position, and so that section was eliminated and the relevant

language regarding probationary period moved to the section entitled Medical and Performance Standards.

On April 24th, the Civil Service Commission reviewed the proposed revisions, and approved them, along with adding a few additional revisions to help clarify various statements within the job specification. A redlined version of the amended document is attached.

Attachments:

- Resolution
- Firefighter Engineer Job Description – Redlined Copy
- Firefighter Engineer Job Description – Clean Copy

RESOLUTION NO. 12-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING THE AMENDMENTS TO THE FIREFIGHTER ENGINEER JOB DESCRIPTION

WHEREAS, the Firefighter Engineer job description was last revised in March 1987; and

WHEREAS, this job description required a number of updates in order to reflect current requirements and departmental practices relative to this position; and

WHEREAS, the proposed updates were reviewed and approved by the Civil Service Commission on April 24, 2012.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby approves the proposed amendments to the Firefighter Engineer job description.

*****

On motion of Council Member , and seconded by Council Member , the above Resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 15th day of May, 2012 and adopted by the following vote.

Ayes:

Noes:

Absent:

_____
Elizabeth Patterson, Mayor

Attest:

_____
Lisa Wolfe, City Clerk

VII.F.4

CITY OF BENICIA
FIREFIGHTER ENGINEER

DEFINITION:

Under general supervision to engage in firefighting, medical aid and all other suppression and prevention activities in protecting life and property; to drive, operate and maintain all fire department apparatus, aerial ladders, Quints and equipment; to assist and participate in training programs, inspections and related fire prevention activities, public education, and do related work as required or assigned.

DISTINGUISHING CHARACTERISTICS:

This position encompasses the full range of Firefighter Engineer duties. The Firefighter Engineer will serve in a dual role and perform the duties of a Firefighter, as necessary, when assigned apparatus is not utilized in the pumping mode.

EXAMPLES OF DUTIES:

Responds to fire alarms, emergency medical calls, emergency rescue, public service calls, or other alarms which necessitate the mitigating of a situation which threatens life or property; drives and locates equipment in the proper place at the scene; effects rescues; lays hose lines and operates apparatus pumps, aerial apparatus and Quints; attacks fires and directs fire streams; applies Basic Life Support techniques, assist in the emergency transporting of patients; operates communications equipment; performs a variety of routine station maintenance and repair tasks, including the inspection and minor repair of equipment; cleans stations, quarters and equipment, maintains a clean and orderly condition in and about the stations; studies and reviews fire department rules and regulations, standard operating procedures, fire hazards and firefighting techniques; participates in drills, training sessions and exercises; performs mechanical repairs on firefighting apparatus or equipment; conducts or participates in fire inspections and related fire prevention activities; may be assigned to prepare various reports; may be required to respond to alarms during off-duty hours when on-duty staff needs to be augmented; meets the public and deals with various officials and citizens in furthering the public relations of the department~~; as assigned serves as Acting Lieutenant or Acting Captain and performs assigned related duties~~.

SPECIAL REQUIREMENTS:

Possess and maintain ~~a valid Class II California Operator's License issued~~ the required licenses as mandated by the California State Department of Motor Vehicles to drive fire apparatus.

Possess and maintain a valid EMT-1A certificate.

Completion of ~~the~~ Fire Apparatus Driver Operator 1A & 1B, ~~State of California~~

~~Certification~~California State Fire Training. ~~within nine (9) months of appointment.~~

Qualified as an Acting Fire Fighter Engineer with the Benicia Fire Department.

Possess and maintain a valid CPR card.

ALL LICENSES AND CERTIFICATIONS MUST BE MAINTAINED AS A CONDITION OF EMPLOYMENT.

DESIRABLE QUALIFICATIONS:

Knowledge of:

Principles, practices and procedures of modern firefighting and the protection of lives and property;

Rules and regulations of the Fire Department and operation and equipment used in modern firefighting activities;

Standard Operating Procedures;

Basic Life Support techniques, rescue, and resuscitation equipment and practices;

Pumps and fire apparatus mechanical systems;

Local water mains, types of fire hydrants and their maintenance.

and

Ability to:

Operate apparatus and maintain firefighting vehicles and other equipment;

Learn practical fireground hydraulics, compute engine and nozzle pressures;

Drive a fire truck safely and skillfully in accordance with traffic laws and ordinances;

Analyze fire and driving conditions under normal or emergency situations, and adopt an effective course of action;

Learn local streets, routes of travel, and routes from station, and location of public buildings;

Learn geography, including the location of major fire hydrants of the City;

~~Think and act quickly in~~Exhibits the appropriate response in emergency situations, including accurately and quickly analyzing situations; exercising sound judgment under pressure; identifying and adeptly resolving problems;

Learn the Uniform Fire Code, and sections of the Municipal Code applicable to fire prevention activities, to apply fire safety codes and regulations;

To operate a variety of rescue equipment;

Establish and maintain cooperative working relationships with supervisors, employees, management and the general public;

Conduct public education training for the general public, and private industry.

EXPERIENCE:

Two years of experience comparable to that of a Firefighter or Firefighter/Paramedic with the City of Benicia.

EDUCATION:

Graduation from high school or the equivalent (i.e., GED).

~~**APPOINTMENT:**~~

~~The Firefighter Engineer will serve a one year probationary period and will be required to complete the Fire Engineer Study Guide. At the eight (8) month of appointment, the probationary Firefighter Engineer will be tested by a Qualifications Appraisal Board.~~

NATURE OF WORK:

This position will often require the performance of hazardous tasks under emergency ~~conditions which~~conditions, which may require strenuous exertion under such ~~handicaps~~ environmental conditions as smoke and cramped surroundings.

Emergency orders and directions are given by superior officers but the work requires initiative and a thorough individual understanding of firefighting methods.

The position will require the ability and desire to promote and preserve a good relationship with the general public.

MEDICAL AND PERFORMANCE STANDARDS:

Prior to appointment to this position, must meet job related medical, psychological, vision

and physical performance standards. May be required -after employment to pass periodic medical examinations and physical performance tests and to participate in an ongoing physical fitness program.

Following appointment, the Firefighter Engineer will serve a one-year probationary period.

OTHER CHARACTERISTICS:

Willingness to attend meetings and training classes; willingness to work a 24-hour shift, overtime, weekends on call and on holidays, under adverse or hazardous conditions; willing to work in any station in the City on short notice; willing to perform repetitive work to completion; conform to all rules and regulations of the Fire Department.

~~The Firefighter Engineer will serve a one year probationary period.~~

POSITION INFORMATION:

Originated: Feb. 1980; ~~revised~~ Revised March 1987; Revised April 2012
Approved by Civil Service Commission: April 24, 2012
Approved by City Council:
FLSA: Exempt
Bargaining Unit: BFA
Civil Service Classified/Non-Classified: Classified

CITY OF BENICIA
FIREFIGHTER ENGINEER

DEFINITION:

Under general supervision to engage in firefighting, medical aid and all other suppression and prevention activities in protecting life and property; to drive, operate and maintain all fire department apparatus, aerial ladders, Quints and equipment; to assist and participate in training programs, inspections and related fire prevention activities, public education, and do related work as required or assigned.

DISTINGUISHING CHARACTERISTICS:

This position encompasses the full range of Firefighter Engineer duties. The Firefighter Engineer will serve in a dual role and perform the duties of a Firefighter, as necessary, when assigned apparatus is not utilized in the pumping mode.

EXAMPLES OF DUTIES:

Responds to fire alarms, emergency medical calls, emergency rescue, public service calls, or other alarms which necessitate the mitigating of a situation which threatens life or property; drives and locates equipment in the proper place at the scene; effects rescues; lays hose lines and operates apparatus pumps, aerial apparatus and Quints; attacks fires and directs fire streams; applies Basic Life Support techniques, assist in the emergency transporting of patients; operates communications equipment; performs a variety of routine station maintenance and repair tasks, including the inspection and minor repair of equipment; cleans stations, quarters and equipment, maintains a clean and orderly condition in and about the stations; studies and reviews fire department rules and regulations, standard operating procedures, fire hazards and firefighting techniques; participates in drills, training sessions and exercises; performs mechanical repairs on firefighting apparatus or equipment; conducts or participates in fire inspections and related fire prevention activities; may be assigned to prepare various reports; may be required to respond to alarms during off-duty hours when on-duty staff needs to be augmented; meets the public and deals with various officials and citizens in furthering the public relations of the department.

SPECIAL REQUIREMENTS:

Possess and maintain the required licenses as mandated by the California State Department of Motor Vehicles to drive fire apparatus.

Possess and maintain a valid EMT-1A certificate.

Completion of Fire Apparatus Driver Operator 1A & 1B, California State Fire Training.

Qualified as an Acting Fire Fighter Engineer with the Benicia Fire Department.

Possess and maintain a valid CPR card.

ALL LICENSES AND CERTIFICATIONS MUST BE MAINTAINED AS A CONDITION OF EMPLOYMENT.

DESIRABLE QUALIFICATIONS:

Knowledge of:

Principles, practices and procedures of modern firefighting and the protection of lives and property;

Rules and regulations of the Fire Department and operation and equipment used in modern firefighting activities;

Standard Operating Procedures;

Basic Life Support techniques, rescue, and resuscitation equipment and practices;

Pumps and fire apparatus mechanical systems;

Local water mains, types of fire hydrants and their maintenance.

and

Ability to:

Operate apparatus and maintain firefighting vehicles and other equipment;

Learn practical fireground hydraulics, compute engine and nozzle pressures;

Drive a fire truck safely and skillfully in accordance with traffic laws and ordinances;

Analyze fire and driving conditions under normal or emergency situations, and adopt an effective course of action;

Learn local streets, routes of travel, and routes from station, and location of public buildings;

Learn geography, including the location of major fire hydrants of the City;

Exhibits the appropriate response in emergency situations, including accurately and quickly analyzing situations; exercising sound judgment under pressure; identifying and adeptly resolving problems;

Learn the Uniform Fire Code, and sections of the Municipal Code applicable to fire prevention activities, to apply fire safety codes and regulations;

To operate a variety of rescue equipment;

Establish and maintain cooperative working relationships with supervisors, employees, management and the general public;

Conduct public education training for the general public, and private industry.

EXPERIENCE:

Two years of experience comparable to that of a Firefighter or Firefighter/Paramedic with the City of Benicia.

EDUCATION:

Graduation from high school or the equivalent (i.e., GED).

NATURE OF WORK:

This position will often require the performance of hazardous tasks under emergency conditions, which may require strenuous exertion under such environmental conditions as smoke and cramped surroundings.

Emergency orders and directions are given by superior officers but the work requires initiative and a thorough individual understanding of firefighting methods.

The position will require the ability and desire to promote and preserve a good relationship with the general public.

MEDICAL AND PERFORMANCE STANDARDS:

Prior to appointment to this position, must meet job related medical, psychological, vision and physical performance standards. May be required after employment to pass periodic medical examinations and physical performance tests and to participate in an ongoing physical fitness program.

Following appointment, the Firefighter Engineer will serve a one-year probationary period.

OTHER CHARACTERISTICS:

Willingness to attend meetings and training classes; willingness to work a 24-hour shift, overtime, weekends on call and on holidays, under adverse or hazardous conditions; willing to work in any station in the City on short notice; willing to perform repetitive work to completion; conform to all rules and regulations of the Fire Department.

POSITION INFORMATION:

Originated: Feb. 1980; Revised March 1987; Revised April 2012
Approved by Civil Service Commission: April 24, 2012
Approved by City Council:
FLSA: Exempt
Bargaining Unit: BFA
Civil Service Classified/Non-Classified: Classified

AGENDA ITEM
CITY COUNCIL MEETING DATE - MAY 15, 2012
CONSENT CALENDAR

DATE : May 9, 2012

TO : City Council

FROM : City Attorney

SUBJECT : **DENIAL OF THE CLAIM AGAINST THE CITY BY SAMUEL TODD SEGALL AND REFERRAL TO INSURANCE CARRIER**

RECOMMENDATION:
Deny the claim against the City by Samuel Todd Segall.

EXECUTIVE SUMMARY:
This is a claim by an individual who was arrested for DUI violation. We recommend denial of this claim because claimant fails to state any legal cause of action.

BUDGET INFORMATION:
The amount of this claim in unknown at this time.

GENERAL PLAN:
N/A.

STRATEGIC PLAN:
N/A-there is not a relevant Strategic Plan Goal that relates to this agenda item.

BACKGROUND:
Upon rejection of the claim, the City Clerk should issue a rejection notice using ABAG's Form Letter No. 3 of the ABAG claims Procedures Manuel and process with the proof of service by mail (located in the forms directory). A copy of the rejection notice and proof of service by mail should be sent to Jim Nagal (ABAG Claims Examiner) and the City Attorney.

Attachments:
- Refusal for Cause Without Dishonor
- Fault and Opportunity to Cure

VII.G.2

COPY

NOTICE
Time Sensitive
Please Seek Legal Advice

A Security (15 USC)
A USSEC Tracer Flag
Not a point of Law

Fedex Express US Airbill 8768 2920 5016

Date: April 21, 2012

Sam Segall

Respondents: Sandra Spagnoli d.b.a. SANDRA SPAGNOLI, CHIEF OF POLICE
Benicia Police Department
200 East L Street
Benicia, CA 94510

Brian Collins d.b.a. BRIAN COLLINS, OFFICER
Benicia Police Department
200 East L Street
Benicia, CA 94510

Private between the parties.
On and for the public and private record.
Notice to agent is notice to principal. Notice to principal is notice to agent.
Applicable to all successor and assigns.
Non –Negotiable

REFUSAL FOR CAUSE WITHOUT DISHONOR

Re: A paper inscribed with '097688...NOTICE TO APPEAR', hereinafter "097688" (enclosed).
A paper inscribed with 'DMV...APS...DS 367, hereinafter -"DMV-APS" (enclosed).

Dear Sandra Spagnoli and Brian Collins,

This notice is made within the jurisdiction of full commercial liability.

Equality is PARAMOUNT and MANDATORY under law.

I do not give you license to make legal determinations for me.

Enclosed please find the original of the above referenced and defined 097688 and DMV-APS returned Refused for Cause Without Dishonor [See California Commercial Code § 3501]. 097688 and DMV-APS are incomplete [C. Com. C. § 3115.]. The papers are returned timely according to all applicable rules.

What consideration and or performance have been provided to which I am indebted by an instrument that bears my signature [C. Com. C § 3401 (a).]? Please exhibit the instrument that contains my signature, obligating me to your demand, under agreement [C. Com. C. § 1-201 (3)], or an affidavit from first-hand personal knowledge affirmed or sworn before a duly authorized witness, hereinafter "Affidavit," that I consented without duress and without reservation of rights to be obligated to you and or there was a breach of peace and or trespass and or damaged real party in interest.

I demand that you provide me, in addition to the signed contract alleged above and or the above requested Affidavit, the name and identity of the man certifying by Affidavit that an obligation is owed, the date of the assessment, and the authority of the man to make the assessment,.

Before you proceed any further in your collection activity, please furnish me with an Affidavit as to the implementing regulation that gives the statutes or codes you are relying on, the force of law that applies to me. Please include a copy of the Delegation of Authority Order that gives you assessment, lien, and levy authority. Please also provide me with proof of your claim that you maintain a security interest [C. Com. C. § 1-201 (37) (A).], and that I am

VII.G.3

COPY

surety thereof [See United States House Joint Resolution 192, June 5, 1933 – Public Law 73-10].

YOU HAVE UNTIL MAY 4, 2012 WITH WHICH TO COMPLY FROM RECEIPT OF THIS NOTICE [C. COM. C. § 1-204], UNLESS YOU REQUEST AN EXTENSION OF TIME FOR GOOD CAUSE SHOWN.

A lack of response on your part means a fault [C. Com. C.§ 1201 (16)] exists, creating fraud through material misrepresentation which vitiates all forms, contracts, agreements, etc., expressed or implied, from the beginning [C. Com. C.§ 1103], in addition to your acquiescence by silence to a bar of future action by you related hereto due to waiver, latches and estoppel, and that all related liabilities and issues of controversy and fact alleged by you related hereto are settled, discharge and closed within full commercial liability res judicata and stare decisis.

Please make all required notifications as to your receipt of this notice to prevent fraud and commercial injury.

I am looking forward to hearing from you again, soon, in order to resolve any ambiguity regarding our mutual duties, and obligations.

NOTICE IS GIVEN

April 21, 2012

Without recourse. All rights reserved,

By: _____
Authorized representative

Enc: A paper inscribed with '097688....NOTICE TO APPEAR'.
A paper inscribed with 'DMV.....APS....DS 367'.

On the twenty-first day of April the year two thousand and twelve, Anno Domini, Samuel Todd of the family segall appeared with the undersigned who identified him and before whom he affirmed this document with signature.

By: _____
Susan Sheldon Lee

By: _____
Jim Duffy

By: _____
Stefanie Naifeh

VII.G.4

COPY

NOTICE
Time Sensitive
Please Seek Legal Advice

A Security (15 USC)
A USSEC Tracer Flag
Not a point of Law

Fedex Express US Airbill 8768 2920 5233

Date: May 4, 2012

Sam Segall

Respondents: Sandra Spagnoli d.b.a. SANDRA SPAGNOLI, CHIEF OF POLICE
Benicia Police Department
200 East L Street
Benicia, CA 94510

Brian Collins d.b.a. BRIAN COLLINS, OFFICER
Benicia Police Department
200 East L Street
Benicia, CA 94510

Private between the parties.
On and for the public and private record.
Notice to agent is notice to principal. Notice to principal is notice to agent.
Applicable to all successor and assigns.
Non –Negotiable

FAULT AND OPPORTUNITY TO CURE

Re: Notice – Refusal for Cause Without Dishonor, Form Number SS-RFC-BPD-097688, hereinafter "Notice" (enclosed).

Dear Sandra Spagnoli and Brian Collins,

Enclosed please find confirmation of your receipt on April 24, 2012 of the above referenced and defined Notice.

You were provided until May 4, 2012 to respond to Notice but have not, as has been witnessed by a notary.

You are at fault in re Notice.

As an operation of law you have agreed by silent acquiescence that fraud through material misrepresentation has vitiated all forms, contracts, agreements, etc., expressed or implied, from the beginning that you may have alleged or claimed via those enclosures returned to you with Notice, and that you are barred by waiver, latches and estoppel from any future action or claims related to those enclosures, and that all related liabilities and issues of controversy and fact alleged by you in re those enclosures are settled, discharge and closed res judicata and stare decisis.

You now have a duty to make all required changes and communications as a result of your fault.

If your failure to respond was an oversight, mistake or otherwise unintentional, you are provided two (2) days, exclusive of the day of receipt, to serve a response as demanded within Notice at the above provide return mail location.

Your failure to cure your fault will constitute, as an operation of law, the FINAL admission by you through silent acquiesce that fraud through material misrepresentation has vitiated all forms, contracts, agreements, etc., expressed or implied, from the beginning that you may have alleged or claimed via those enclosures returned to you with Notice, and that you are barred from future actions and claims related to those enclosures due to waiver, latches and estoppel, and that all related liabilities and issues of controversy and fact alleged or claimed by you related to those enclosures are settled, discharge and closed res judicata and stare decisis.

COPY

Based upon your default to Notice, you may not argue, controvert, or otherwise protest the administrative findings entered thereby in any subsequent administrative or judicial proceeding.

Please make all required notifications as to your receipt of this notice to prevent fraud and injury.

I am looking forward to hearing from you again, soon, in order to resolve any ambiguity regarding our mutual duties and obligations.

NOTICE IS GIVEN

May 4, 2012

All rights reserved,

By: _____
Authorized representative

Enc: Copy - Above referenced and defined Notice, Form Number SS-RFC-BPD-097688
Copy - Proof of Service in re above referenced and defined Notice
Copy - Federal Express US Airbill 8768 2920 5016 in re above referenced and defined Notice
Copy - Federal Express delivery confirmation in re above referenced and defined Notice

On the fourth day of May of the year two thousand and twelve, Anno Domini, Samuel Todd of the family segall appeared with the undersigned who identified him and before whom he affirmed this document with signature.

By: _____
Susan Sheldon Lee

By: _____
Jim Duffy

By: _____
Stefanie Naifeh

VII.G.6

AGENDA ITEM
CITY COUNCIL MEETING DATE - MAY 15, 2012
BUSINESS ITEMS

DATE : May 9, 2012

TO : City Manager

FROM : Administrative Services Director

SUBJECT : **APPROVE THE EXTENSION TO THE JULY 1, 2010 TO JUNE 30, 2012 AGREEMENT BETWEEN THE CITY OF BENICIA AND BENICIA DISPATCH ASSOCIATION**

RECOMMENDATION:
Adopt the resolution approving the Contract Extension Agreement modifying the existing 2010-2012 Memorandum of Understanding (MOU) with the Benicia Dispatch Association (BDA). If approved, and unless otherwise modified by the Contract Extension Agreement, all terms of the MOU shall be extended from July 1, 2012 to June 30, 2013.

EXECUTIVE SUMMARY:
In 2010 and 2011, City of Benicia employees took a combined reduction in total compensation of approximately 10%. These concessions assisted the City in addressing budget shortfalls in both fiscal years and achieving ongoing structural savings. Given that the City's fiscal status appears relatively stable for the remainder of the current budget period, in a large part due to the previous, ongoing compensation reductions made by all City employees, the City has offered, and BDA has agreed, to extend the current contract for one additional year, to June 30, 2013, with no increases or further reductions to compensation for the remainder of the term.

STRATEGIC PLAN:
Relevant Strategic Plan Issues and Strategies:
Strategic Issue #3: Strengthening Economic and Fiscal Conditions

BUDGET:
There is no additional cost to the City associated with the proposed Contract Extension Agreement.

BACKGROUND:
During the past two fiscal years, all City of Benicia employees, including the City Council, City Clerk, City Manager, and City Attorney, took compensation concessions amounting to nearly $2 million dollars in ongoing structural savings

to the City. These concessions greatly assisted the City in addressing budget shortfalls in both the prior and current fiscal years. For the remainder of this current 2011-13 budget, it is expected, based on a detailed review of financial projections, that the City's revenues and expenditures will remain relatively flat, and on target with what was budgeted in the City's two-year budget for 2011-13.

In light of the current fiscal environment, BDA has agreed to extend their current contract for one additional year with no further reductions, but also no increases, to compensation. The City has agreed to drop the clause regarding reopening the contract to negotiate concessions as current fiscal circumstances are such that this language is not warranted for such a short contract period. Additionally, language has been added to clarify that the City's contribution toward employee health care remains the same as 2011-12. BDA will also receive the same credit of time off for the Christmas holiday week as is being offered to the other groups that have agreed to prior concessions and extending the current contract.

Attachments:

- Resolution
- Contract Extension Agreement with BDA

RESOLUTION NO. 12-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING CONTRACT EXTENSION AGREEMENT TO THE JULY 1, 2010 TO JUNE 30, 2012 AGREEMENT WITH BENICIA DISPATCH ASSOCIATION

WHEREAS, the existing Memorandum of Understanding (MOU) between the City of Benicia and Benicia Dispatch Association (BDA) cover salaries and other conditions of employment for the period of July 1, 2010 to June 30, 2012; and

WHEREAS, the City concluded negotiations with BDA on May 4, 2012; and

WHEREAS, BDA has agreed to the Contract Extension Agreement modifying the existing Memorandum of Understanding (MOU) to extend the term one additional year, through June 30, 2013; and

WHEREAS, unless otherwise modified by the Contract Extension Agreement, which is attached as Exhibit A, all terms of the existing MOU shall be extended from July 1, 2012 – June 30, 2013.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby approves the Contract Extension Agreement with the BDA, extending the term of the current MOU to June 30, 2013.

*****

On motion of Council Member , and seconded by Council Member , the above Resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 15th day of May, 2012 and adopted by the following vote.

Ayes:

Noes:

Absent:

_____
Elizabeth Patterson, Mayor

Attest:

_____
Lisa Wolfe, City Clerk

VIII.A.4

Amended Agreement
Between
City of Benicia
and
Benicia Dispatch Association (BDA)
Regarding Contract Extension

May 4, 2012

The City of Benicia, hereby referred to as "City," and the Benicia Dispatch Association (BDA) employees, hereby referred to as "BDA," execute this Contract Extension Agreement modifying the existing Memorandum of Understanding (MOU) with the term of July 1, 2010 – June 30, 2012. Unless otherwise modified by this contract extension agreement, all terms of the MOU shall be extended from July 1, 2012 – June 30, 2013.

The City and BDA agree to the following:

1. Section 26.1, Health and Welfare, shall be amended to add a paragraph as follows:

   For fiscal year 2012-13, the parties agree that the City will continue to contribute the following amounts toward medical premiums:

Employee:	$622/month
Employee plus One:	$1,244/month
Employee plus Family:	$1,655.20/month

2. Section 29.1 and 29.2, under Closing Clauses, shall be amended as follows:

29.1 The effective date of this agreement shall be July 1, 2010, and the agreement shall remain in effect through June 30, 201~~2~~3. All other provisions of the MOU, including side letters, remain the same unless otherwise modified by the provisions of this agreement.

~~29.2 During the term of the agreement, if the Council, after a noticed public hearing, deems additional reductions are necessary to balance the City's budget, the parties agree to reopen the contract for the narrow and specific purpose of meeting and conferring over concessions identified by the City as needed to prevent layoffs of BDA members.~~

3. See attached staff report regarding Christmas week closure days. This applies to BDA upon approval of the contact extension by the City Council.

This Contract Extension Agreement shall become effective upon ratification by BDA and adoption by the City Council on its regular agenda, in conformance with the Brown Act.

Dated:_____

For BDA:

_____
Teresa Olson
President

_____
Bud Stone
Rains Lucia Stern PC

_____
Sarah Schooley
Vice President

_____
Suzanne Kaluza
Secretary

_____
Kelly Botello
Treasurer

Dated:_____

For the City:

_____
Brad Kilger
City Manager

_____
Anne Cardwell
Administrative Services Director

APPROVED AS TO FORM BY
City Attorney:

_____
Heather Mc Laughlin

AGENDA ITEM
CITY COUNCIL MEETING: MAY 1, 2012
BUSINESS ITEM

DATE : April 25, 2012

TO : Mayor & City Council

FROM : City Manager

SUBJECT : **APPROVE THE EXTENSIONS TO THE JULY 1, 2010 TO JUNE 30, 2012 AGREEMENTS BETWEEN THE CITY OF BENICIA AND LOCAL #1 AND BENICIA PUBLIC SERVICES EMPLOYEES ASSOCIATION (BPSEA) AND AUTHORIZE THE RECOMMENDED ADMINISTRATIVE ACTION**

RECOMMENDATION:
Adopt the resolution approving the Contract Extension Agreements modifying the existing 2010-2012 Memorandums of Understanding (MOUs) with Local #1 and Benicia Public Services Employees Association (BPSEA) and extending all terms of the respective MOUs from July 1, 2012 to June 30, 2013; and adopt the resolution authorizing the City Manager to take the administrative action necessary to effectuate the one-time closure of City Hall/Community Center during the Christmas holiday week in recognition of those groups agreeing to extend their contracts.

EXECUTIVE SUMMARY:
In 2010 and 2011, City of Benicia employees took a combined reduction in total compensation of approximately 10%. These concessions assisted the City in addressing budget shortfalls in both fiscal years and achieving ongoing structural savings. Given that the City's fiscal status appears relatively stable for the remainder of the current budget period, in a large part due to the previous, ongoing compensation reductions made by City employees, the City has offered, and both Local #1 and BPSEA have agreed, to extend the current contracts for one additional year, to June 30, 2013, with no increases or further reductions to compensation for the remainder of the term. Further, in recognition of those groups that agreed to concessions and the current extension of those agreed upon concessions, staff is recommending that the City Council authorize the closing of non-essential operations for the week of Christmas, December 24-28, 2012.

STRATEGIC PLAN:
Relevant Strategic Plan Issues and Strategies:
Strategic Issue #3: Strengthening Economic and Fiscal Conditions

BUDGET:
There is no additional cost to the City associated with the proposed Contract Extension Agreements.

BACKGROUND:
During the past two fiscal years, all City of Benicia employees, including the City Council, City Clerk, City Manager, and City Attorney, took compensation concessions amounting to nearly $2 million dollars in ongoing structural savings to the City. These concessions greatly assisted the City in addressing budget shortfalls in both the prior and current fiscal years. For the remainder of this current 2011-13 budget, it is expected, based on a detailed review of financial projections, that the City's revenues and expenditures will remain relatively flat, and on target with what was budgeted in the City's two-year budget for 2011-13. The ongoing reductions in compensation from the various employee groups will help the City stay on target with its budget projections.

In light of the current fiscal environment, both Local #1 and BPSEA have agreed to extend their current contracts for one additional year with no further reductions, but also no increases, to compensation. As with the management groups, the City has also agreed to drop the clause in Local #1's agreement regarding reopening the contract to negotiate concessions as current fiscal circumstances are such that this language is not warranted for such a short contract period. Additionally, language has been added to clarify that the City's contribution toward employee health care remains the same as 2011-12 for both groups.

As an expression of appreciation to those employee groups (senior managers, mid-managers, police mid-managers, Local #1 and BPSEA) who agreed to the prior concessions and who also agree to the current extension, with no increases, City staff is recommending that the City Council authorize the closing of non-essential operations for the week of Christmas, December 24-28, 2012, and credit those employees who are members of those units, but unable to be off during that period, the equivalent amount of leave to be "use or lose" by June 30, 2013. (These days have no cash value and cannot be cashed out.) This closure and the associated leave time is recommended to be one-time and non-precedent setting, and again, its purpose is to recognize the cooperation of those employee units that have agreed to the contract extension.

It is anticipated that this action will have very minimal impact on services to the community, as City Hall services are typically not well utilized during this holiday

week, and will also achieve some savings from reduced energy costs. It is proposed that the Community Center also be closed that week as there is not typically any recreation programming occurring at that time. The library hours for that holiday week are currently being evaluated, but it is anticipated a partial closure will be implemented for that facility in order to lessen any impact on residents. Public safety, water and wastewater facilities will remain open, and parks and facilities would continue to receive any necessary maintenance services.

Attachments:

- Resolution and Exhibit A – Extension Local #1 and BPSEA
- Resolution - Closure

RESOLUTION NO. 12-49

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA AUTHORIZING THE CITY MANAGER TO TAKE THE ADMINISTRATIVE ACTION NECESSARY TO EFFECTUATE THE ONE-TIME CLOSURE OF CITY HALL/COMMUNITY CENTER DURING THE CHRISTMAS HOLIDAY WEEK IN RECOGNITION OF THOSE GROUPS AGREEING TO EXTEND THEIR CONTRACTS

WHEREAS, as an expression of appreciation to those employee groups who agreed to the prior concessions and who also agree to the current extension, with no increases, City staff is recommending that the City Council authorize the closing of non-essential operations for the week of Christmas, December 24-28, 2012; and

WHEREAS, a credit will be applied to those employees who are members of those units, but unable to be off during that period, which equates to the equivalent amount of leave to be "use or lose" by June 30, 2013; and

WHEREAS, this action will have very minimal impact on services to the community, as City Hall services are typically not well utilized during this holiday week, and will also achieve some savings from reduced energy costs; and

WHEREAS, public safety, water and wastewater facilities will remain open, and parks and facilities would continue to receive any necessary maintenance services for the December 24-28, 2012 holiday week.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby authorizes the City Manager to take the administrative action necessary to effectuate the one-time closure of the City Hall/Community Center and whole or partial closure of the Library during the Christmas Holiday week.

****

On motion of Council Member **Hughes**, and seconded by Council Member **Strawbridge**, the above Resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 1st day of May, 2012 and adopted by the following vote.

Ayes: **Council Members Campbell, Hughes, Schwartzman, Strawbridge and Mayor Patterson**

Noes: **None**

Absent: **None**

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

VIII.A.12

AGENDA
CITY COUNCIL MEETING DATE - MAY 15, 2012
BUSINESS ITEMS

DATE : May 2, 2012

TO : City Council

FROM : City Manager

SUBJECT : **UPDATE ON COMMUNITY SUSTAINABILITY COMMISSION FUNDING RECOMMENDATION FOR PUMP STATION 3 SOLAR PROJECT PROPERTY**

RECOMMENDATION:
Direct staff to bring this matter back for Council action following a final recommendation by the Community Sustainability Commission regarding funding arrangements for the Pump Station 3 solar property.

EXECUTIVE SUMMARY:
At Council direction, staff is updating the Council on a request submitted to the Community Sustainability Commission (CSC) for a $256,909 loan from the Valero/Good Neighbor Steering Committee Settlement Agreement Fund to help pay for purchase of the Pump Station 3 solar project property. CSC has determined that the purchase is a project that meets criteria required to allow funding, and directed staff to submit the request in the form of a grant application at the May 21 CSC meeting.

BUDGET INFORMATION:
Financing for the overall renewable energy project includes $300,000 toward the $556,909 cost of the land. Council has approved a $256,909 loan from the Waste Water Enterprise Fund that could be replaced with Valero/Good Neighbor funds. There is no impact to the General Fund.

SUMMARY:
At its April 24 meeting, the Council:

- Adopted a resolution approving a $556,909 purchase of 1.76 acres from Valero for solar panels for Pump Station 3;
- Directed staff to submit a request to CSC for a $256,909 no-interest loan from the Valero/Good Neighbor Steering Committee Settlement Agreement Fund to be repaid within five years; and
- Authorized a $256,909 loan from the Wastewater Enterprise Fund, to be a bridge loan if CSC approves a GNSC Fund loan or repaid within five years

if CSC doesn't approve a GNSC loan at interest based on return on City investments (currently 1.6%)

At its April 27 meeting, the CSC found that use of Valero/Good Neighbor Steering Committee Settlement Agreement funds to purchase the Pump Station 3 solar array land meets the required criteria established in Section H of the Agreement in that the project:

1. is greenhouse gas reducing, sustainable and energy efficient and supports the City's Climate Action Plan; and
2. will provide a greater value than proposed water reduction projects.

Specifically, CSC found that the project supports Climate Action Plan:

- Objective E-2 – Increase Amount of Renewable Energy in Benicia;
- Strategy E-2.3 – Renewable Energy for City Facilities; and
- Objective E-3 – Increase Amount of Solar Energy Production in Benicia

In addition, CSC found that the project supports the overarching General Plan Goal of sustainability; and Strategic Plan:

- Strategic Issue 2 – Protecting and Enhancing the Environment;
- Strategy 2.1 – Reduce greenhouse gas emissions and energy consumption; and
- Action 2.1 (d) – Facilitate private construction of at least one alternative energy project.

Staff is preparing a grant application for the $256,909 loan proposal for CSC to consider at its May 21 meeting. At is April 27 meeting, CSC determined that all requests for Valero/Good Neighbor funding (even if for loan purposes) should be submitted as grant applications using the form adopted in 2012 by CSC. Commissioners at the meeting discussed the merits of funding the purchase truly as a grant (as compared to a loan), a subject expected to be explored further at the May 21 CSC meeting.

Attachment:

- Draft Minutes – April 27, 2012 CSC

DRAFT

BENICIA COMMUNITY SUSTAINABILITY COMMISSION

CITY HALL COMMISSION ROOM

SPECIAL MEETING MINUTES

Friday, April 27, 2012
5:00 P.M.

I. OPENING OF MEETING

A. Pledge of Allegiance

B. Roll Call of Commissioners

Present: Commissioners Fiscalini, Kerridge, Lamoreux, Shannon, Tupfer, and Chair Beutel
Absent: None
Present: Ex-Officio Member Bardet
Absent: Ex-Officio Members Muehlbauer (excused), Scott (excused), and Switzer

Staff Present: Brad Kilger, City Manager
Heather McLaughlin, City Attorney
Charlie Knox, PWCDD Director
Bill Zenoni, Interim Finance Director
Gina Eleccion, Management Analyst

C. Reference to Fundamental Rights of Public

II. OPPORTUNITY FOR PUBLIC COMMENT

A. WRITTEN COMMENT - None

B. PUBLIC COMMENT - None

III. AGENDA ITEM

A. PUMP STATION 3 SOLAR ARRAY LAND PURCHASE –

At its April 24 meeting, the City Council will have considered whether to utilize Valero/Good Neighbor Steering Committee Settlement Agreement funds for purchase of the Pump Station 3 solar property. Paragraph H of the Settlement Agreement calls for a Community Sustainability Commission recommendation regarding use of these funds.

Brad Kilger, City Manager, thanked the Commission for their flexibility in scheduling this meeting. Charlie Knox, PWCDD Director, presented an overview of the April 24th City Council meeting related to this item. A PowerPoint presentation was shown.

Commissioners stated that they wanted an accurate accounting of the settlement agreement funds. Commissioners discussed the following:

1. Location of Pump Station 3 – Rose Drive and East 2nd Street.
2. Engineering of panels. Change in design would require cutting more trees.
3. Service area to Pump Station 3 – serves all of Benicia.
4. Pollution from Valero on arrays (black carbon).
5. CEQA Exemptions. Staff noted there was a Categorical Exemption by the Historic Preservation Review Commission for the City Hall site. The other sites were exempt.
6. Loan and break-even point. Staff noted that loan would be repaid within 5 years. Use of Waste Water funds. The project generates savings right away.
7. Lack of specificity in settlement agreement regarding loans.
8. Notification of residents.
9. Using some of $85,000 for renewable projects for this project.

The public hearing was opened.

Dana Dean, Good Neighbor Steering Committee – Spoke on the fundamentals of the project and funding. She appreciates the bridge loan. The City is the custodian of the funds. Water conservation is the main piece of the settlement agreement. City must follow the grant process it established. A Request for Proposals should be released for water savings projects.

John Lazorik, Valero – Spoke on behalf of Chris Howe. He clarified the process, and noted that there are no discretionary funds. Money is deposited for approved projects and there is no money for Valero to loan.

The public hearing was closed.

There was unanimous agreement by the commissioners that the project meets the criteria required by Section H of the settlement agreement:

> "The City's Sustainability Commission shall review and recommend to the City Council for approval additional projects for funding which provide verifiable water reduction by the City, community residents, BUSD, Valero and businesses in Benicia…Priority shall be given to water reduction projects but additional projects that are greenhouse gas reducing, sustainable or energy efficient and support the City's Climate Action Plan may be considered and recommended for approval if the Sustainability Commission finds that the project will provide a greater value than proposed water reduction projects."

Commissioners discussed the loan versus grant and would like to clarify the accounting before making a decision.

On motion of Commissioner Kerridge, seconded by Commissioner Shannon, the Commission found this project:

1. Supports the overarching General Plan goal of Sustainability.
2. Supports City Council 2011-13 Strategic Plan:
   - Strategic Issue 2 – Protecting and Enhancing the Environment
     - Strategy 2.1 – Reduce greenhouse gas (GHG) emissions and energy consumption
     - Action 2.1 (d) – Facilitate private construction of at least one alternative energy project.

3. Is greenhouse gas reducing, sustainable or energy efficient, and supports the Climate Action Plan:
   - Pump 3 = 25% of GHG reduction and energy efficiency gain of the overall solar project.
   - Supports CAP Objective E-2 – Increase Amount of Renewable Energy in Benicia.
   - Supports CAP Strategy E-2.3 – Renewable Energy for City Facilities
   - Supports CAP Objective E-3 – Increase Amount of Solar Energy Production in Benicia.

4. Provides a greater value than proposed water reduction projects (not including Valero CRP II).

The Commission directed staff to return with a grant application for the project for the May 21st meeting.

The above motion, with findings and direction, was approved by the following vote:

Ayes:	Commissioners Fiscalini, Kerridge, Lamoreux, Shannon, Tupfer, and Chair Beutel
Noes:	None
Absent:	None

Chair Beutel noted that the final energy symposium will be held on May 3rd. In addition, she noted that passing of Virginia Schaefer, a lifelong supporter of sustainable issues.

IV. ADJOURNMENT

Chair Beutel adjourned the meeting at 6:54 p.m.

AGENDA ITEM
CITY COUNCIL MEETING DATE - MAY 15, 2012
BUSINESS ITEMS

DATE : May 8, 2012

TO : City Manager

FROM : Interim Finance Director

SUBJECT : **FISCAL YEAR 2011-12 BUDGET UPDATE**

RECOMMENDATION:
Receive information on revenues and expenditures as of April 30, 2012.

EXECUTIVE SUMMARY:
The City Council received a report on the status of the 2011-12 Budget on February 7, 2012. Staff has completed a review of revenues and expenditures as of April 30, 2012. With ten months of the fiscal year completed, General Fund revenue is being received as anticipated and departments are operating within their approved budget allocation.

BUDGET INFORMATION:
No budget adjustment is required at this time

STRATEGIC PLAN:
Relevant Strategic Plan Goals and Strategies:
- Strategic Issue #3: Strengthening Economic and Fiscal Conditions
  - Strategy #4: Manage City finances prudently

BACKGROUND:
The City Council, on June 28, 2011, adopted the City's budget for the 2011-12 and 2012-13 fiscal years. The City Council reviewed the budget on February 7, 2012 and approved minor adjustments to revenue and expenditure appropriations for Fiscal Year 2011-12.

The FY 2011-12 General Fund Budget, as currently adopted, provides for revenue of $30.856 million to fund expenditures of $30.867 million with the remaining shortfall of $10,655 funded from reserve funds. As of April 30, 2012, the City had received $26.7 million or 87 percent of the budgeted revenue. With two months remaining in the current fiscal year, *preliminary* projections indicate that revenue will total approximately $30.75 million by the end of the fiscal year or 99.7 percent of the amount budgeted. This would result in a variance of only 0.3 percent or $107,795. These revenue estimates are conservative and are based

on information available at this early date. Revenues projected to potentially be slightly under budget in the categories of property tax, utility users tax, franchise fees, business license tax, property transfer tax and charges for City services totaling $412,580 should be mostly offset by higher than anticipated revenues totaling $304,785 received from sales tax, vehicle code fines (fine, forfeitures & penalties), motor vehicle license fees (revenue from other agencies) and miscellaneous revenue.

Expenditures through April 30th totaled $23.5 million or 77 percent of the approved budget. Based upon information available at this time, it is projected that General Fund expenditures will total $29.1 million by the end of the fiscal year or $1.2 million under the budgeted amount. The major portion of this projected savings ($ 804,000) is due to one-time savings from vacant positions. These savings cannot be counted on to continue into next fiscal year when the positions will be filled.

These preliminary projections forecast a net one-time surplus (revenues less expenditures) of $1.1 million for FY 2011-12. A detailed worksheet of General Fund revenue and expenditures is attached. It should be noted that these are preliminary projections, which will be adjusted as additional information becomes available during the remaining weeks of the fiscal year.

While it appears that the City's revenue base has begun to stabilize, there are no significant increases in revenue forecasted for the foreseeable future. Staff has been a detailed analysis of projected revenues and expenditures for the 2012-13 fiscal year. This information will be presented to the City Council on June 19, 2012. At that same meeting, the City Council will review proposed adjustments to the Master Fee Schedule and will consider recommendations for addressing shortfalls in several funds including the Transit Fund, Insurance Fund and various Internal Service funds. A special study session to discuss the status of the Marina Fund will be scheduled shortly after the beginning of the new fiscal year.

Attachment:

- General Fund Revenue and Expenditure Summary

General Fund Summary as of April 30, 2012

		FY 2011-12				
		Budget 2011-12	YTD Actual As of 04/30/2012	% of Budget	Projected thru 6/30/2012	Projected Variance
Revenues						
Property Tax		12,768,710	12,445,195	97%	12,700,000	(68,710)
Sales Tax		5,942,450	4,514,380	76%	6,100,000	157,550
Utility Users Tax		5,151,375	3,999,305	78%	5,053,500	(97,875)
Franchise Fees		1,666,115	1,238,670	74%	1,558,600	(107,515)
Business License Tax		485,000	409,069	84%	445,000	(40,000)
Transient Occupancy Tax		290,000	143,045	49%	290,000	0
Property Transfer Tax		90,000	62,571	70%	80,000	(10,000)
License & Permits		295,000	222,240	75%	295,000	0
Fines, Forfeitures & Penalties		79,000	124,370	157%	140,000	61,000
Use of Money/Property		446,560	425,735	95%	446,560	0
Revenue From Other Agencies		2,045,590	2,078,420	102%	2,100,000	54,410
Charges for Current Services		1,358,480	878,500	65%	1,270,000	(88,480)
Other Revenue		88,175	112,450	128%	120,000	31,825
Interfund Transfer-In		92,815	69,610	75%	92,815	0
FY 10-11 Carryover		57,405			57,405	0
Revenue Total	**$**	**30,856,675**	**26,723,560**	**87%**	**30,748,880**	**(107,795)**
Expenditures By Department						
City Attorney		593,540	380,062	64%	492,700	(100,840)
City Council		102,685	85,400	83%	101,500	(1,185)
City Clerk		72,810	61,250	84%	72,500	(310)
City Treasurer		112,600	83,932	75%	108,600	(4,000)
City Manager		669,025	549,198	82%	660,800	(8,225)
Community Grants & Programs		420,370	333,527	79%	420,370	0
Economic Development		486,810	316,732	65%	413,500	(73,310)
Finance		659,685	531,445	81%	656,500	(3,185)
Human Resources		325,780	189,718	58%	250,400	(75,380)
Information Systems		390,625	310,619	80%	380,100	(10,525)
Library		1,119,235	868,476	78%	1,109,700	(9,535)
Fire		6,700,460	5,084,104	76%	6,368,400	(332,060)
Police		8,388,070	6,615,400	79%	7,988,070	(400,000)
PW & Community Development		2,282,525	1,674,735	73%	2,100,000	(182,525)
Parks & Community Services		4,677,770	3,587,087	77%	4,562,496	(115,274)
Insurances		811,235	734,718	91%	799,700	(11,535)
Non-Departmental		1,752,080	1,725,820	99%	1,867,100	115,020
Interfund Transfer-Out		735,785	408,239	55%	735,785	0
Expenditure Total	**$**	**30,301,090**	**23,540,462**	**78%**	**29,088,221**	**(1,212,869)**
Capital Projects & Non-Recurring						
Non-Recurring Expenditures		566,240	80,885		566,240	0
Total Expenditures		**30,867,330**	**23,621,347**		**29,654,461**	**(1,212,869)**
Net Contribution/(Loss)		**(10,655)**			**1,094,419**	

VIII.c.4

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 8, 2012

TO : Mayor Patterson

FROM : City Manager

SUBJECT : **MAYORS' COMMITTEE MEETING**

The following information is provided for your committee report at the May 15, 2012 City Council meeting.

The Mayors' Committee meetings are held on the third Wednesday of each month at 6:30 pm. The last meeting was held on April 18, 2012, and the agenda from that meeting and the minutes from the February 15, 2012 meeting are attached. The next meeting date is May 16, 2012 at Pietro's #1 in Vacaville, and the agenda for that meeting is not currently available.

Attachments:

- April 18, 2012 Agenda
- February 15, 2012 minutes

VIII.D.1.2

SOLANO COUNTY
MAYORS' COMMITTEE
MEETING

Pietro's #1
407 Cernon Street
Vacaville, California

Wednesday
April 18, 2012
6:00 PM

AGENDA

1. **Roll Call/Call to Order**

2. **Introductions by Mayor Hardy**

3. **Public Comment**
   (Members of the public may address the Committee on matters not listed on the agenda, but within the jurisdiction of the Committee.)

4. **Business:**
   - A. **Approval of Minutes for the February 15, 2012 Mayor's Committee Special meeting.**
   - B. **Roundtable Discussion of City Issues of Mutual Interest.**

5. **Adjournment**

SOLANO COUNTY
MAYORS' SPECIAL COMMITTEE MEETING

Pietro's #1
407 Cernon Street
Vacaville, California

Wednesday
February 15, 2012
6:00 PM

MINUTES

4. Roll Call/Call to Order

Chairperson/Mayor Hardy called the meeting to order.

Mayors Present:

Steve Hardy, Mayor of Vacaville
Jack Batchelor, Jr., Mayor of Dixon
Elizabeth Patterson, Mayor of Benicia
Harry Price, Mayor of Fairfield
Pete Sanchez, Mayor of Suisun City

Others in Attendance:

Laura Kuhn, City Manager of Vacaville

5. Introductions by Mayor Hardy

All attendees were acknowledged and welcomed by Mayor Hardy.

6. Public Comment
(Members of the public may address the Committee on matters not listed on the agenda, but within the jurisdiction of the Committee.)

There were no speakers under public comment.

4. Business:

C. Approval of Minutes for the December 7, 2011, Mayor's Committee Special meeting.

Minutes of the December 7, 2011 meeting were approved.

D. Roundtable Discussion of City Issues of Mutual Interest.

General discussion of issues.

E. Discussion and confirmation of Mayor's Committee/Conference annual meeting schedule (proposed schedule attached)

The schedule of meetings was approved, with the commitment to go to meetings every two months rather than monthly. Elizabeth Patterson requested that the agendas include tours and presentations. The group agreed that the tours should highlight areas of interest by the group and hosted within the Mayor's city that chairs the meeting. Mayor Hardy indicated that there may be a need to start meetings earlier than 6:00 p.m. in order to facilitate a tour.

5. Adjournment

Meeting adjourned to April 18, 2012

VIII.D.1.6

AGENDA ITEM
CITY COUNCIL MEETING: May 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 4, 2012

TO : Mayor Patterson
Council Member Strawbridge

FROM : City Attorney

SUBJECT : **ABAG COMMITTEE MEETING**

The following information is provided for your committee report at the May 15, 2012 council meeting:

- The Spring Assembly was held on Thursday, April 19, 2012 at the Oakland Marriott City Center from 8:30 a.m. to 2:30 p.m.
- The draft minutes for this meeting are not yet available.
- The date for the Fall Assembly has not been announced yet.

VIII.D.2.2

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 2, 2012

TO : Council Member Campbell
Council Member Strawbridge

FROM : Interim Finance Director

SUBJECT : **FINANCE COMMITTEE REPORT**

The following information is provided for your committee report at the May 15, 2012 Council meeting

The Finance Committee held a meeting on April 27, 2012. The draft minutes from that meeting are attached for your review. The next meeting will be held on Friday May 25, 2012 at 8:00 am. The agenda for the May 25th meeting is also attached.

Attachment:

- April 27, 2012 Finance Committee Meeting Draft Minutes
- May 25, 2012 Finance Committee Meeting Agenda

VIII.D.3.2

FINANCE COMMITTEE
****DRAFT** REGULAR MEETING MINUTES**
APRIL 27, 2012 - 8:00AM

1. **Call to Order at 8:03 AM**

2. **Roll Call**
   Attended by Chairperson Dennis Lowry; Committee Members: Chris Carvalho, Michael Clarke, Larry Grossman and Lee Wines; Council Members Tom Campbell and Christina Strawbridge; City Treasurer Bob Langston. Staff present: Brad Kilger, Abby Urrutia and Bill Zenoni. Consultant's present: Carlos Oblites, Public Financial Management.

3. **Notice to the Public**
   Advised by Chairperson Lowry

4. **Approval of Agenda**
   On motion of Committee Member Wines, seconded by Committee Member Clarke, the Committee approved the Agenda, as presented, on roll call by the following vote:

   Ayes: Carvalho, Clarke, Grossman, Wines, Lowry
   Noes: (None)

5. **Approval of Minutes from the meeting held on March 23, 2012**
   On motion of Committee Member Clarke, seconded by Committee Member Carvalho, the Committee approved the minutes of the March 23, 2012 meeting on roll call by the following vote:

   Ayes: Carvalho, Clarke, Grossman, Wines, Lowry
   Noes: (None)

6. **Review March 31, 2012 Investment Report**
   Bill Zenoni presented the Investment Report for the quarter ended March 31, 2012 and explained that all funds were invested in compliance with the approved Investment Policy. Carlos Oblites of Public Financial Management , one of the City's investment managers, responded to questions on the yield of certain investments and the strategy to extend the average maturity of the investment portfolio. Committee Member Grossman requested that future reports include information on the investment portfolio yield to maturity.
   On motion of Committee Member Clarke, seconded by Committee member Wines, the Committee recommend that the City Council accept the Investment Report as written on roll call by the following vote:

   Ayes: Carvalho, Clarke, Grossman, Wines, Lowry
   Noes: (None)

7. **Annual Review and Update of Investment Policy**
   Bill Zenoni explained that the City Council last approved the Investment Policy in October 2009. The Investment Policy was reviewed by the Finance Committee in July 2011, although the amendments recommended by the Committee at that time have not yet been presented to the City Council. The Committee discussed proposed amendments to the approved Investment Policy, including wording modifications to make the policy more consistent with the language of the California Government Code and the addition of two additional investment options – negotiable certificates of deposit and medium-term notes.

Carlos Oblites explained that that these two investment options are permitted by the California Government Code, are widely utilized by other government agencies and are secure investment vehicles that carry little risk.
On motion of Committee Member Wines, seconded by Committee member Clarke, the Committee recommend that the Investment Policy, as amended, be presented to the City Council for approval on roll call by the following vote:

Ayes: Carvalho, Clarke, Grossman, Wines, Lowry
Noes: (None)

8. **Update on Status of Reformatting Monthly Financial Report**
Bill Zenoni reported that the City's software provider (SunGard Bi-Tech) provided a demonstration of the new financial software to a group of City employees on April 5th. Mr. Zenoni explained that the new system will provide improved reporting capabilities and will also be used as a tool for long range financial forecasting.

9. **Update on Status of Updating Long Range Budget Model Projections**
The Committee reviewed a proposed format for the long range budget model. The report will be formatted with revenue and expenditure categories consistent with the format of the audited financial statements. The Committee discussed the need for developing key assumptions and for having a financial model that can be updated on a regular basis as financial conditions change. It was agreed that staff will make preliminary run of the model in June after the FY 2012-13 revenue and expenditure projections have been updated.

10. **Review Financial Report for the Month of March 2012**
The Committee reviewed the financial report for the month of March. The Committee also reviewed a summary report of revenues and expenditures through April 30, 2012. Bill Zenoni explained that revenues received to date are very close to the budgeted amount and that all departments are operating within their approved budget allocation. A status report on the Fiscal Year 2011-12 Budget will be presented to the City Council on May 15, 2012.

11. **Review Warrant Registersfor Month of March 2012**
The Committee reviewed the warrant registers for the month of March. Chairperson Lowry again encouraged the Committee to submit their questions to staff in advance of the meeting. It was agreed that in the future responses to questions would be provided to all Committee members.

12. **Review Draft Policies**
Chairperson Lowry provided the Committee with an updated listing of the status of financial policies either currently existing or those policies to be developed. Bill Zenoni distributed and discussed policies that have been previously approved including a fund balance policy, balanced operating budget policy, capital asset policy, petty cash policy, travel policy and purchasing policy. Mr. Zenoni explained that staff will be reviewing these existing policies over the next several months and will be developing recommended updates. The Committee also reviewed several policies which are in preliminary draft form. It was agreed that the Committee members would further review the draft policies and provide comments to Bill Zenoni prior to the next meeting. Further discussion of the draft financial policies, including comments received from the Committee members, will be agendized for the May 25, 2012 Finance Committee meeting.

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13. Public Comment

There was no public comment.

14. Adjournment

There being no further business, the meeting was adjourned at 10:15 AM.

The FIN… helping to steady the course through challenging financial waters.

VIII.D.3.6

FINANCE COMMITTEE
REGULAR MEETING AGENDA
COMMISSION ROOM
MAY 25, 2012 - 8:00AM

1. **Call to Order**

2. **Roll Call**

3. **Pledge of Allegiance**

4. **Notice to the Public**

ACTION ITEMS

5. **Approval of Agenda**

6. **Approval of Minutes from the meeting held on April 27, 2012**

DISCUSSION ITEMS

7. **Update on Status of Reformatting Monthly Financial Report**

8. **Update on Status of Updating Long Range Budget Model Projections**

9. **Update on General Obligation Bond Refinancing**

10. **Review Financial Reports for the Month of April 2012**
    The Finance Committee reviews monthly financial reports.
    Recommendation: Review Monthly Financial Report

11. **Review Warrant Register for Month of April 2012**
    A monthly audit of payments to vendors that supply services to the City of Benicia. Members of the Finance Committee review the warrant register and request that further information be provided by staff as necessary. It is encouraged that Committee Members submit their questions to the Finance Director prior to the meeting.
    Recommendation: Review Warrant Register

12. **Review Draft Policies**

13. **Public Comment**

14. **Adjournment**

The FIN… helping to steady the course through challenging financial waters.

Public Participation

The Benicia Finance Committee welcomes public participation.

Pursuant to the Brown Act, each public agency must provide the public with an opportunity to speak on any matter within the subject matter jurisdiction of the agency and which is not on the agency's agenda for that meeting. The Finance Committee allows speakers to speak on non-agendized matters under public comment, and on agendized items at the time the agenda item is addressed at the meeting. Comments are limited to no more than 5 minutes per speaker. By law, no action may be taken on any item raised during the public comment period although informational answers to questions may be given and matters may be referred to staff for placement on a future agenda of the Finance Committee.

Should you have material you wish to enter into the record, please submit it to the Finance Director.

Disabled Access

In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate in this meeting, please contact the Human Resources Department, the ADA Coordinator, at (707) 746-4211. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Meeting Procedures

All items listed on this agenda are for Committee discussion and/or action. In accordance with the Brown Act, each item is listed and includes, where appropriate, further description of the item and/or a recommended action. The posting of a recommended action does not limit, or necessarily indicate, what action may be taken by the Finance Committee.

Pursuant to Government Code Section 65009, if you challenge a decision of the Finance Committee in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Finance Committee at, or prior to, the public hearing. You may also be limited by the ninety (90) day statue of limitations in which to challenge in court certain administrative decisions and orders (Code of Civil Procedure 1094.6) to file and serve a petition for administrative writ of mandate challenging any final City decisions regarding planning or zoning.

The decision of the Finance Committee is final as of the date of its decision unless judicial review is initiated pursuant to California Code of Civil Procedures Section 1094.5. Any such petition for judicial review is subject to the provisions of California Code of Civil Procedure Section 1094.6.

Posted at City Hall on May 17, 2012 at 5:00 pm by the Interim Finance Director.

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 8, 2012

TO : Mayor Patterson
Vice Mayor Campbell

FROM : City Manager

SUBJECT : **LEAGUE OF CALIFORNIA CITIES**

The following information is provided for your committee report at the May 15, 2012 City Council meeting.

The next North Bay Division meeting is scheduled for July 19, 2012 in Novato, and the agenda for that meeting is not currently available.

VIII.D.4.2

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 8, 2012

TO : Council Member Strawbridge
Council Member Hughes

FROM : City Manager

SUBJECT : **CITY COUNCIL/SCHOOL BOARD LIAISON COMMITTEE**

The following information is provided for your committee report at the May 15, 2012 City Council meeting.

This committee meets quarterly at the Benicia Community Center located at 370 East L Street. The next meeting will be held on June 7, 2012 at 8:30 am. The agenda for that meeting is not currently available.

VIII.D.5.2

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE	:	May 8, 2012
TO	:	Vice Mayor Campbell Council Member Schwartzman
FROM	:	City Manager
SUBJECT	:	**SKY VALLEY OPEN SPACE COMMITTEE**

The following information is provided for your committee report at the May 15, 2012 Council meeting.

The Sky Valley Open Space Committee meets quarterly. The first meeting of 2012 (Feb 1) was cancelled due to a lack of agenda items. The second meeting of 2012 (May 2) was also cancelled due to a lack of agenda items.

The next scheduled meeting is set to take place on August 1, 2012. Thereafter, the last meeting for 2012 is set to occur on November 7, 2012.

VIII.D.6.2

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 3, 2012

TO : Mayor Patterson
Council Member Strawbridge

FROM : City Manager

SUBJECT : **SOLANO EDC BOARD OF DIRECTORS**

The following information is provided for your committee report at the May 15, 2012 Council meeting.

The last Board of Directors meeting was held on Wednesday, March 21, 2011. The agenda was previously issued. The minutes are not yet available.

The next Board of Directors meeting is scheduled for Wednesday, May 16, 2012 at 9:00 am at Jelly Belly Candy Company. The agenda for that meeting is not yet available.

Attachment:

- None

VIII.D.7.2

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 8, 2012

TO : Mayor Patterson
Council Member Schwartzman

FROM : Director of Public Works and Community Development

SUBJECT : **SOLANO TRANSPORTATION AUTHORITY**

The following information is provided for your committee report at the May 15, 2012 City Council meeting.

STA Board meetings are held in the Suisun City Hall Council Chambers.
The STA Board meeting minutes from the April 11, 2012 meeting and the agenda for the May 9, 2012 are attached.

The next meeting is scheduled for June 13, 2012 at Suisun City Hall and the agenda is for that meeting is not currently available.

Attachments:

- April 11, 2012 Minutes
- May 9, 2012 Agenda

VIII.D.8.2

Solano Transportation Authority

STA BOARD MEETING AGENDA

5:30 p.m., Closed Session
6:00 p.m., Regular Meeting
Wednesday, May 9, 2012
Suisun City Hall Council Chambers
701 Civic Center Drive
Suisun City, CA 94585

Mission Statement: To improve the quality of life in Solano County by delivering transportation system projects to ensure mobility, travel safety, and economic vitality.

Public Comment: Pursuant to the Brown Act, the public has an opportunity to speak on any matter on the agenda or, for matters not on the agenda, issues within the subject matter jurisdiction of the agency. Comments are limited to no more than 2 minutes per speaker unless modified by the Board Chair, Gov't Code § 54954.3(a). By law, no action may be taken on any item raised during the public comment period (Agenda Item IV) although informational answers to questions may be given and matters may be referred to staff for placement on a future agenda of the agency. **Speaker cards are required in order to provide public comment. Speaker cards are on the table at the entry in the meeting room and should be handed to the STA Clerk of the Board. Public comments are limited to 2 minutes or less.**

Americans with Disabilities Act (ADA): This agenda is available upon request in alternative formats to persons with a disability, as required by the ADA of 1990 (42 U.S.C. §12132) and the Ralph M. Brown Act (Cal. Govt. Code §54954.2). Persons requesting a disability related modification or accommodation should contact Johanna Masiclat, Clerk of the Board, at (707) 424-6008 during regular business hours at least 24 hours prior to the time of the meeting.

Staff Reports: Staff reports are available for inspection at the STA Offices, One Harbor Center, Suite 130, Suisun City during regular business hours, 8:00 a.m. to 5:00 p.m., Monday-Friday. You may also contact the Clerk of the Board via email at jmasiclat@sta-snci.com. **Supplemental Reports:** Any reports or other materials that are issued after the agenda has been distributed may be reviewed by contacting the STA Clerk of the Board and copies of any such supplemental materials will be available on the table at the entry to the meeting room.

Agenda Times: Times set forth on the agenda are estimates. Items may be heard before or after the times shown.

ITEM **BOARD/STAFF PERSON**

I. CLOSED SESSION:

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION: Solano Transportation Authority/Solano County v. Michelle Valine, et al.

B. PERSONNEL: Public Employee Performance Review – STA Executive Director

C. CONFERENCE WITH LABOR NEGOTIATOR: Agency Negotiator: STA Board Chair; Employee Organization: Unrepresented Employee- STA Executive Director

(5:30 – 6:00 p.m.)

STA BOARD MEMBERS

Jack Batchelor, Jr. Chair	Steve Hardy Vice-Chair	Elizabeth Patterson	Harry Price	Jan Vick	Pete Sanchez	Osby Davis	Jim Spering
City of Dixon	**City of Vacaville**	**City of Benicia**	**City of Fairfield**	**City of Rio Vista**	**City of Suisun City**	**City of Vallejo**	**County of Solano**

STA BOARD ALTERNATES

Rick Fuller	Ron Rowlett	Alan Schwartzman	Rick Vaccaro	Janith Norman	Mike Hudson	Erin Hannigan	John Vasquez

The complete STA Board Meeting Packet is available on STA's Website at www.sta.ca.gov

II. CALL TO ORDER/PLEDGE OF ALLEGIANCE Chair Batchelor
(6:00 – 6:05 p.m.)

III. CONFIRM QUORUM/ STATEMENT OF CONFLICT Chair Batchelor
An official who has a conflict must, prior to consideration of the decision; (1) publicly identify in detail the financial interest that causes the conflict; (2) recuse himself/herself from discussing and voting on the matter; (3) leave the room until after the decision has been made. Cal. Gov't Code § 87200.

IV. APPROVAL OF AGENDA

V. OPPORTUNITY FOR PUBLIC COMMENT
(6:05 – 6:10 p.m.)

VI. EXECUTIVE DIRECTOR'S REPORT – Pg. 1 Daryl Halls
(6:10 – 6:15 p.m.)

VII. COMMENTS FROM CALTRANS, THE METROPOLITAN TRANSPORTATION COMMISSION (MTC), AND STA
(6:15 – 6:25 p.m.)

A. Capitol Corridor Update David Kutrosky
B. Directors Report:
1. **Planning** Robert Macaulay
2. **Projects** Janet Adams
3. **Transit/Rideshare** Judy Leaks/Liz Niedziela

VIII. CONSENT CALENDAR
Recommendation:
Approve the following consent items in one motion.
(Note: Items under consent calendar may be removed for separate discussion.)
(6:25 - 6:30 p.m.)

A. Minutes of the STA Board Meeting of April 11, 2012 Johanna Masiclat
Recommendation:
Approve STA Board Meeting Minutes of April 11, 2012.
Pg. 7

B. Draft Minutes of the TAC Meeting of April 25, 2012 Johanna Masiclat
Recommendation:
Approve Draft TAC Meeting Minutes of April 25, 2012.
Pg. 15

C. Unmet Transit Needs for Fiscal Year (FY) 2011-12 Update Liz Niedziela
Recommendation:
Approve the following:
1. *The FY 2011-12 Unmet Transit Needs response as specified in Attachment B allowing edits and clarification as requested by MTC staff; and*
2. *Authorize the Executive Director to submit the FY 2011-12 Unmet Transit Needs response to MTC.*

Pg. 21

D. 2013 Transportation Improvement Program (TIP) Development Sam Shelton

Recommendation:
Authorize the Executive Director to submit the 2013 Transportation Improvement Program (TIP) for Solano County's projects to the Metropolitan Transportation Commission (MTC) as shown in Attachment A.
Pg. 47

E. Solano County Project Initiation Document (PID) 3-Year Work Plan for Caltrans Janet Adams

Recommendation:
Approve the following:
1. *Adopt the Solano County 3-year Project Initiation Document Work Plan and submit to Caltrans; and*
2. *Authorize the Executive Director to submit Solano County's 3 year Project Initiation Document Work Plan to Caltrans.*

Pg. 61

F. STA Bicycle and Pedestrian Transportation Plans Project List Amendments Sara Woo

Recommendation:
Approve amendments to the following:
1. *Solano Countywide Bicycle Transportation Plan priority projects list as specified in Attachment A;*
2. *Solano Countywide Pedestrian Transportation Plan priority projects list as specified in Attachment B;*
3. *Tier 2 Priority Bicycle Projects List as specified in Attachment C; and*
4. *Tier 2 Priority Pedestrian Projects List as specified in Attachment D.*

Pg. 65

G. Proposed Revisions to the Solano County Transit ("SolTrans") Joint Powers Agreement Bernadette Curry

Recommendation:
Authorize the Executive Director to execute an amendment to the SolTrans Joint Powers Agreement to amend the language to specifically allow SolTrans to claim TDA funds.
Pg. 73

H. Additional Eastern Solano Congestion Mitigation Air Quality (ECMAQ) Funding for STA's Safe Routes to School (SR2S) Program Sam Shelton

Recommendation:
Approve the programming of $169,000 of Cycle One Eastern Solano Congestion Mitigation and Air Quality (ECMAQ) funding for the STA's Safe Routes to School (SR2S) Program.
Pg. 75

I. Allocation of Fiscal Year (FY) 2012-13 Transportation Development Act (TDA) Funds — Liz Niedziela

Recommendation:
Approve Resolution No. 2012-06 authorizing the filing of a claim with MTC for the allocation of $403,064 TDA funds for FY 2012-13.
Pg. 77

IX. ACTION FINANCIAL ITEMS

A. Lifeline Advisory Committee Recommendation for Lifeline Funding — Liz Niedziela

Recommendation:
Approve the Lifeline Advisory Committee's Funding Recommendation for allocation of Solano Lifeline funding as specified in Attachment A.
(6:25 – 6:30 p.m.)
Pg. 81

X. ACTION NON-FINANCIAL ITEMS

A. Legislative Update — Jayne Bauer

Recommendation:
Adopt a support position for SB 1189 (Hancock).
(6:30 – 6:35 p.m.)
Pg. 87

B. State Route (SR) 12 Draft Final Report — Robert Macaulay

Recommendation:
Authorize the Chair to submit a letter requesting the recommendations specified in Attachment B be addressed in the SR 12 Draft Final Report and forward to Caltrans.
(6:35 – 6:45 p.m.)
Pg. 135

C. Bay Area Transit Sustainability Project (TSP) — Liz Niedziela

Recommendation:
Approve the following:

1. *Request MTC to approve a funding formula that holds small operators harmless as part of the Transit Performance Initiative investment program to be developed; and*
2. *Support MTC's Transit Sustainability Project recommendation as outlined in MTC Resolution No. 2040 Attachment B with the deletion of the sentence stated above.*

(6:45 – 6:55 p.m.)
Pg. 153

XI. INFORMATIONAL - DISCUSSION

A. SolanoExpress 2011-12 Mid-Year Ridership Report — Liz Niedziela

(6:55 – 7:05 p.m.)
Pg. 199

B. **Solano Seniors and People with Disabilities Transportation Advisory Committee Recommended Strategies Progress Update** — Liz Niedziela
(7:05 – 7:10 p.m.)
Pg. 207

C. **Role of Ridesharing in the Solano County Intercity Transit System** — Judy Leaks
(7:10 – 7:15 p.m.)
Pg. 211

INFORMATIONAL - NO DISCUSSION

D. **California State Association of Counties (CSAC)/League Statewide Local Streets and Roads (LS&R) Needs Assessment, Surveys and Contributions** — Sam Shelton
Pg. 215

E. **Yolo Solano Air Quality Management District Clean Air Grant Program Update** — Robert Guerrero
Pg. 225

F. **Local Transportation Development Act (TDA) and Members Contributions for Fiscal Year (FY) 2012-13** — Susan Furtado
Pg. 229

G. **Funding Opportunities Summary** — Sara Woo
Pg. 235

H. **STA Board and Advisory Committee Meeting Schedule for Calendar Year 2012** — Johanna Masiclat
Pg. 239

XII. BOARD MEMBERS COMMENTS

XIII. ADJOURNMENT

The next regular meeting of the STA Board is scheduled at **6:00 p.m., Wednesday, June 13, 2012, Suisun City Hall Council Chambers.**

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SOLANO TRANSPORTATION AUTHORITY
Board Minutes for Meeting of
April 11, 2012

I. CALL TO ORDER

Chair Batchelor called the regular meeting to order at 6:00 p.m. A quorum was confirmed.

MEMBERS PRESENT:	Jack Batchelor, Chair	City of Dixon
	Elizabeth Patterson	City of Benicia
	Harry Price	City of Fairfield
	Jan Vick	City of Rio Vista
	Pete Sanchez	City of Suisun City
	Osby Davis	City of Vallejo
	Jim Spering	County of Solano
MEMBERS ABSENT:	Steve Hardy	City of Vacaville
STAFF PRESENT:	Daryl K. Halls	Executive Director
	Bernadette Curry	Legal Counsel
	Janet Adams	Deputy Executive Director/Director of Projects
	Robert Macaulay	Director of Planning
	Johanna Masiclat	Clerk of the Board
	Liz Niedziela	Transit Manager
	Judy Leaks	Program Manager
	Robert Guerrero	Senior Planner
	Sara Woo	Associate Planner
ALSO PRESENT:	***In Alphabetical Order by Last Name:***	
	Tom Biggs	Atkins Engineering
	Dan Kasperson	City of Suisun City
	Karen Koelling	Member of the Public
	Wayne Lewis	City of Fairfield
	Trevor Marshall	Representative, Konica Minolta
	Brian McLean	Vacaville City Coach
	Mike Roberts	City of Benicia

Dale Pfeiffer	Solano EDC
Alvina Sheeley	Member of the Public
Matt Tuggle	County of Solano
Brian Warbis	Representative, Konica Minolta

III. CONFIRM QUORUM/STATEMENT OF CONFLICT

A quorum was confirmed by the Clerk of the Board. There was no Statement of Conflict declared at this time.

IV. APPROVAL OF AGENDA

On a motion by Board Member Patterson, and a second by Board Member Sanchez, the STA Board approved the agenda.

V. OPPORTUNITY FOR PUBLIC COMMENT

None presented.

VI. EXECUTIVE DIRECTOR'S REPORT

Daryl Halls provided an update on the following topics:

- CTC Approves $24 Million Funding Swap for I-80/I-680/SR 12 Interchange to Keep Next Phase of Project on Track
- Focus on Future of SR 12 Corridor As Two Studies Conclude Their Work
- Board Workshop on OneBayArea Grant Funds
- Board to Consider Approval of Solano County Transportation For Sustainable Communities Plan
- Approval of SolTrans Transition Funds
- Two-Year Safe Routes to School Work Plan to Improve Safety and Health for Solano County's Children
- SNCI Program Organizes More New Vanpool Starts
- Status of STA's Overall Work Program (OWP) for FY 2011-12 and FY 2012-13
- STA Board to Thank Retired STA Staff

VII. COMMENTS FROM METROPOLITAN TRANSPORTATION COMMISSION (MTC), CALTRANS, AND STAFF:

A. MTC Report:

None presented.

B. Caltrans Report:

None presented.

C. STA Reports:

1. **Proclamation of Appreciation for Karen Koelling**
2. **STA Directors Report:**
   a. **Planning**
   b. **Projects**
   c. **Transit/Rideshare**

VIII. CONSENT CALENDAR

On a motion by Board Member Sanchez, and a second by Board Member Patterson, the STA Board approved Consent Calendar Items A through J.

A. Minutes of the STA Board Meeting of March 14, 2012

Recommendation:
Approve STA Board Meeting Minutes of March 14, 2012.

B. Draft Minutes of the TAC Meeting of March 28, 2012

Recommendation:
Approve Draft TAC Meeting Minutes of March 28, 2012.

C. Fiscal Year (FY) 2011-12 Second Quarter Budget Report

Recommendation:
Receive and file.

D. Authorization for New Copier Lease for STA

Recommendation:
Authorize the Executive Director to enter into a four-year copier lease agreement with Konica Minolta Business Solutions, Inc. for equipment specified in Attachment B in an amount not to exceed $56,024.

E. Authorization of Consultant Contracts and Agreements to Prepare Climate Action Plans

Recommendation:
Authorize the Executive Director to execute the following documents:

1. A contract amendment with AECOM for the preparation of Energy Chapters of Climate Action Plans (ECCAP) for Solano County, in an amount not-to-exceed $244,750, subject to an award of a PG&E grant for the same purpose, and an agreement with PG&E to receive the funds and prepare the ECCAP;
2. An agreement with Solano County to allow STA to receive funds from a California Strategic Growth Council grant for the purpose of developing a Climate Action Plan and Implementation Plan for Solano County, subject to an award of a California Strategic Growth Council grant for the same purpose; and
3. A contract amendment with AECOM, in an amount not to exceed $273,755, for the development of a Climate Action Plan and Implementation Plan for Solano County.

F. Fiscal Year (FY) 2012-13 Transportation Development Act (TDA) Article 3 Expenditure

Recommendation:
Approve FY 2012-13 TDA Article 3 Resolution No. 2012-05 for Bicycle and Pedestrian projects as specified in Attachment A.

G. SolTrans Transitional Cost Facilitation and Allocation of Lifeline Proposition 1B Funds

Recommendation:
Approve the following:

1. A fund swap of $1 million Lifeline Proposition 1B for $1 million State Transportation Assistance Funds (STAF) for SolTrans intercity bus replacement;

2. The STAF funds in the amount of $1 million currently reserved for the intercity bus replacement be used for SolTrans one-time transitional cost and these funds be conditional on SolTrans adopting a sustainable operating plan and the Lifeline Prop 1B funds in the amount of $1 million be allocated to SolTrans to complete the purchase of three intercity buses that have reached their useful life in 2015; and
3. To allocate the remaining Lifeline Proposition 1B funds in the amount of $537,328 to Fairfield and Suisun Transit for their local bus replacement.

H. Contract Amendment - State Route (SR) 12 Jameson Canyon Design Support During Construction

Recommendation:
Authorize the Executive Director to execute a contract amendment with Mark Thomas & Company Inc. to provide design services during construction on the SR 12 Jameson Canyon project in an amount not-to-exceed $1,847,000 for an additional three year term.

I. Appointment of Paratransit Coordinating Council (PCC) Member

Recommendation:
Appoint Kyrre Nerner Helmersen, Transit User, to the Paratransit Coordinating Council for a three-year term.

J. Grant Co-sponsorship for State Route (SR) 12 Jameson Canyon Shuttle Service

Recommendation:
Approve an additional $40,840 local match from STAF funding for a total of $92,690 as a local match for Caltrans' Section 5311(f) for the proposed SR 12 Jameson Canyon Shuttle Service.

IX. ACTION - FINANCIAL ITEMS

A. Safe Routes to School (SR2S) Two-Year Work Plan for Fiscal Year (FY) 2011-12 and FY 2012-13 (Revised)

Judy Leaks presented the Safe Routes to School (SR2S) 2-Year Work Plan for Fiscal Year (FY) 2011-12 and 2012-13. She cited that the SR2S 2-Year Work Plan is based on the proposed 4-Year Work Plan that includes the $500,000 Walking School Bus (WSB) Grant and the anticipated $600,000 MTC OneBayArea Grant (OBAG) Safe Routes funding. She noted that a $500,000 WSB Grant has been incorporated in FY 2012-13 and extended through FY's 2013-14 and 2014-15. She added that in order to stretch SR2S program funding through FY 2014-15, the budget for FY 2011-12 and FY 2012-13 was slightly reduced from the December 2010 adopted Work Plan. She also noted that many of these SR2S grant funds are restricted to particular activities, making it difficult to shift funding between "education and encouragement" activities, "enforcement" activities, "planning" activities, and special projects such as the SR2S Plan Update and Mapping projects.

Public Comments:
None presented.

Board Comments
Board Member Price suggested staff put together a video presentation that could be shared at public and private schools to make everyone aware of how beneficial the walking school bus can be particularly in light of the increasing obesity amongst the students.

Recommendation:
Approve the following:

1. Solano SR2S 2-year Work Plan for Fiscal Years 2011-12 and 2012-13; and
2. Authorize the Executive Director to enter into agreement amendments with the Yolo-Solano Air Quality Management District (YSAQMD), the Bay Area Air Quality Management District (BAAQMD), the Metropolitan Transportation Commission (MTC), the California Department of Transportation (Caltrans), and Solano County Public Health to operate and deliver project and program tasks described in the SR2S 2-year Work Plan for Fiscal Years 2011-12 and 2012-13 as described in Attachment A.

On a motion by Board Member Patterson, and a second by Board Member Price, the STA Board unanimously approved the recommendation.

X. ACTION – NON-FINANCIAL ITEMS

A. Legislative Update

Robert Macaulay reviewed two of STA 2012 Legislative Priorities: #5 seeks to make technical corrections to the state enacted pursuant to the STA's 2009 sponsored bill providing eligibility for the STA to directly claim the share of the Transportation Development Act (TDA) funds available to cities and the county, consistent with the STA Board's adopted policy of 2.7% and #7 seeks support initiatives to pursue the 55% voter threshold for county transportation infrastructure measures consistent with the STA Board's adopted Legislative Platform. Consistent with these priorities, staff recommends a position of support for Assembly Bill (AB) 2679 and support for Assembly Constitutional Amendment (ACA) 23.

Public Comments:
None presented.

Board Comments
None presented.

Recommendation:
Approve the following legislative bill positions:

- Support AB 2679 (Assembly Committee on Transportation).
- Support ACA 23 (Perea)

On a motion by Board Member Patterson, and a second by Board Member Price, the STA Board unanimously approved the recommendation.

B. Solano County Transportation for Sustainable Communities Plan

Robert Guerrero presented the Solano County Transportation for Sustainable Communities Plan. He cited that the new Plan incorporates the concepts from the TLC Plan and includes the policies and concepts from Priority Development Areas (PDAs) submitted by the seven cities to the Association of Bay Area Governments (ABAG) as part of the regional program. He added that the priority projects identified in this Plan will be eligible for funding from the forthcoming OBAG program.

Public Comments:
None presented.

Board Comments
Board Member Patterson requested clarification on the process of approving staff's recommendation. Daryl Halls responded that staff is seeking approval of the Solano County Transportation for Sustainable Communities Plan, but the Plan approval tonight is not urgent. In addition, he cited that staff provided the STA Board with a list of definitions from other agencies with regards to the definition of sustainability, with the proposed STA definition listed at the end.

Board Member Patterson requested more time to review staff's list of definitions and more time to fix the technical issues with the description of Benicia's Intermodal Station and then come back for final approval at the next meeting. She cited that local definition has merit but has to be balanced with making sure that it does not stray too far from what is accepted at the State level to avoid any potential misunderstanding as the projects apply for grants as an example.

Board Member Price asked if the Board would consider appointing a subcommittee to discuss the definition of sustainability. Board Members Davis, Spering, and Vick opposed this approach and proposed moving forward with the approval of the Plan.

Board Member Patterson asked why the words "endure and balance" was included in the definition. Robert Macaulay explained that the word endure is found in several of the definitions he researched and that balance is consistent with the 3'Es (Economy, Environment, and Equity) approach that has been adopted by MTC.

After further discussion, the STA Board approved the Plan and requested that any technical corrections to the Benicia projects would be brought back at a future meeting.

Recommendation:
Approve the Solano County Transportation for Sustainable Communities Plan.

On a motion by Board Member Vick, and a second by Board Member Spering, the STA Board unanimously approved the recommendation with the understanding that any technical corrections will be brought back at a future meeting to amend into the Plan.

C. State Route (SR) 12 Update

1. **SR 12 Corridor Study**
2. **SolanoEDC's Economic Analysis of SR 12 Corridor**

Robert Macaulay reported that the Corridor Study and Economic Study for SR 12 are nearing completion. He noted that the funding agreements for the Corridor Study require a draft report to be publicly released by the end of April 2012, and a final report by the end of June 2012. He added that both studies are scheduled for discussion at the May 2012 STA Board meeting. He also cited that the STA and San Joaquin County of Governments (SJCOG) also plan to schedule a SR 12 Corridor Advisory Committee meeting in late April/early May involving elected officials from the Counties of Solano, San Joaquin, and Sacramento to consider releasing the draft SR 12 Corridor Plan for public input.

Eric Cordoba and Tom Biggs presented the SR 12 Comprehensive Corridor Evaluation and Corridor Management Plan. They outlined the Work Plan and Major Milestones of the 53-mile, multi-jurisdictional corridor. They also reviewed the future conditions analysis, corridor improvement strategies, technical findings, and the next steps of the SR 12 Corridor Study. In addition, they listed the development of short-term and long-term recommendations in preparation to draft a final report and schedule the public outreach between April and June 2012.

Dale Pfeiffer presented a status report of the SR 12 Corridor and Economic Study. He reviewed the current status of the economic study process. He also listed the next steps to identifying the major economic opportunities for the region and some key strategies and opportunities which the SR 12 region can use to optimize desired outcomes resulting from the highway development.

Public Comments:
None presented.

Board Comments
None presented.

Recommendation:
Authorize the STA Chair to forward a letter to SR 12 Corridor partnership to include language in the SR 12 Corridor Study referencing the importance of SR 12 Solano County's economic and to include information from the SR 12 Economic Study in the Corridor Study when it becomes available.

On a motion by Board Member Price, and a second by Board Member Vick, the STA Board unanimously approved the recommendation.

D. OneBayArea Grant (OBAG) Projects and Priorities

Robert Macaulay presented the OBAG grant funds proposal in Solano County for the next three years (FY 2012-13, 2013-14, and 2014-15). He noted that MTC proposed to add a fourth year to the OBAG program due in part to the delay in approval by the Congress of a new Federal Transportation Authorization bill. He cited that under the current proposal, Solano County would receive $16 million in OBAG funds, and if a fourth year is added, this could increase to $20 million. He listed the existing commitments accounted for as STA Planning, Solano Napa Commuter Information, and the Dixon West B Street Undercrossing. He cited that the STA TAC recommended that 60% of the OBAG funds remaining after existing commitments are accounted for be dedicated to Local Streets & Roads Maintenance "Fix it First". He added that the Consortium and TAC will have a joint meeting on April 25th to discuss transit operations and maintenance funding needs.

Public Comments:
None presented.

Board Comments
None presented.

Recommendation:
Approve the following:

1. The funding of the Existing STA Board Commitments for OBAG funding at the amounts identified in Attachment C for STA's CMA Planning, the SNCI Program and Dixon's West B Street Pedestrian Undercrossing project; and
2. A recommendation to designate 60% of the remaining OBAG funds to maintain Local Streets and Roads.

On a motion by Board Member Patterson, and a second by Board Member Price, the STA Board unanimously approved the recommendation.

XI. INFORMATIONAL – WORKSHOP

A. Status Report on STA's Overall Work Plan (OWP) for Fiscal Year (FY) 2011-12 and FY 2012-13 and Development of FY 2012-13 and 2013-14 OWP

Daryl Halls presented STA's OWP for FY 2011-12 and provided an update to the development of the OWP for Fiscal Year (FY) 2012-13 and FY 2012-13 and 2013-14. He noted that the STA's OWP for FY 2012-13 and FY 2012-14 will be brought back to the STA Board for approval at their June 2012 meeting.

NO DISCUSSION

B. Project Initiation Document (PID) 3-Year Work Plan for Caltrans

C. STA Complete Streets Policy

D. Funding Opportunities Summary

E. STA Board and Advisory Committee Meeting Schedule for Calendar Year 2012

XII. BOARD MEMBER COMMENTS

Chair Batchelor read a letter received by the STA from Congressman John Garamendi dated April 2, 2012 regarding the Congressional appropriations for FY 2013. The letter was to convey the needs of local stakeholders to the Appropriations Committee while it debates funding for many vital programs. He added that the appropriations submission process to the Committee is now underway but does not guarantee any funding.

XIII. ADJOURNMENT

The meeting was adjourned at 7:45 p.m.

The next regular meeting of the STA Board is scheduled at **6:00 p.m., Wednesday, May 9, 2012, Suisun City Hall Council Chambers.**

Attested by:

/April 4, 2012
Johanna Masiclat **Date**
Clerk of the Board

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 8, 2012

TO : Mayor Patterson
Vice Mayor Campbell

FROM : Director of Public Works and Community Development

SUBJECT : **SOLANO COUNTY WATER AGENCY**

The following information is provided for your committee report at the May 15, 2012 City Council meeting.

The agenda for the May 10, 2012 meeting is attached. The SCWA also has a Delta Committee that typically meets each month directly before the regular SCWA meeting. The next meeting date is June 4, 2012 and the agenda for that meeting is not currently available.

Attachments:

- SCWA Agenda for May 10, 2012

VIII.D.9.2

SOLANO COUNTY WATER AGENCY

BOARD OF DIRECTORS MEETING

DATE: **Thursday, May 10, 2012**

TIME: **6:30 p.m. (Note earlier start time due to CCCC meeting at 7:00 p.m.)**

PLACE: **Berryessa Room**
Solano County Water Agency Office
810 Vaca Valley Parkway, Suite 203
Vacaville

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **APPROVAL OF AGENDA**

4. **PUBLIC COMMENT**

   Limited to 5 minutes for any one item not scheduled on the Agenda.

5. **CONSENT ITEMS**

   (A) Minutes: Approval of the Minutes of the Board of Directors meeting of April 12, 2012 is recommended.

   (B) Expenditure Approvals: Approval of the April checking account register is recommended.

   (C) Assembly Bill 2443 – Invasive Mussels: Support of Assembly Bill 2443 (Williams), Quagga and Zebra Mussel Infestation Prevention Program is recommended.

6. **BOARD MEMBER REPORTS**

   RECOMMENDATION: For information only.

7. **GENERAL MANAGER'S REPORT**

   RECOMMENDATION: For information only.

810 Vaca Valley Parkway, Suite 203
Vacaville, California 95688
Phone (707) 451-6090 • FAX (707) 451-6099
www.scwa2.com

SOLANO WATER
WASTE NOT • WANT NOT

8. BUDGET REVIEW COMMITTEE

RECOMMENDATION: Chairman to appoint a committee to review draft SCWA FY 2012-2013 budget to make a recommendation to the Board.

9. CLOSED SESSION

With respect to every item of business to be discussed in closed session pursuant to Section 54956.9:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LIGITATION

Solano County Water Agency, Napa County Flood Control and Water Conservation District, City of Yuba City, and County of Butte v. State Department of Water Resources; Sacramento Superior Court Case No. 34-2008-00016388 CU-BC-GDS

10. TIME AND PLACE OF NEXT MEETING

Thursday, June 14, 2012 at 7:00 pm at the SCWA office.

The Full Board of Directors packet with background materials for each agenda item can be viewed on the Agency's website at www.scwa2.com.

Any materials related to items on this agenda distributed to the Board of Directors of Solano County Water Agency less than 72 hours before the public meeting are available for public inspection at the Agency's offices located at the following address: 810 Vaca Valley Parkway, Suite 203, Vacaville, CA 95688. Upon request, these materials may be made available in an alternative format to persons with disabilities.

May.2012.bod.agd.doc

SOLANO COUNTY WATER AGENCY

BOARD OF DIRECTORS MEETING MINUTES

MEETING DATE: April 12, 2012

The Solano County Water Agency Board of Directors met this evening at the Solano County Water Agency. Present were:

Mayor Elizabeth Patterson, City of Benicia
Mayor Jack Batchelor, City of Dixon
Mayor Harry Price, City of Fairfield
Mayor Jan Vick, City of Rio Vista
Mayor Pete Sanchez, City of Suisun City
Mayor Steve Hardy, City of Vacaville
Mayor Osby Davis, City of Vallejo
Supervisor Barbara Kondylis, Solano County District 1
Supervisor Jim Spering, Solano County District 3
Supervisor John Vasquez, Solano County District 4
Director Bob Bishop, Solano Irrigation District
Manager Don Holdener, Maine Prairie Water District
Director Dale Crossley, Reclamation District 2068

CALL TO ORDER

The meeting was called to order at 7:00 P.M. by Chairman Bob Bishop.

APPROVAL OF AGENDA

On a motion Mayor Sanchez and a second by Mayor Price, the Board unanimously approved the agenda.

PUBLIC COMMENT

There were no public comments.

CONSENT ITEMS

On a motion by Mayor Sanchez and a second by Manager Holdener the Board unanimously approved the following consent items:

(A) Minutes

(B) Expenditure Approvals

(C) Ulatis Project Easement Quitclaim

(D) Bay Area Proposition 84 Integrated Regional Water Management Grant

BOARD MEMBER REPORTS

There were no Board Member reports.

GENERAL MANAGER'S REPORT

There were no additions to the General Manager's written report.

DELTA REPORT AND COLLABORATIVE PLANNING OF HABITAT PROJECTS IN CACHE SLOUGH

An administrative draft of the Bay Delta Conservation Plan (BDCP) has been issued. The document acknowledges some shortfalls in meeting the requirements of the Federal and State Endangered Species Acts (ESA) for some species including smelt and salmon. These requirements must be met prior to a public draft. Future modifications to the BDCP to meet

the ESA requirements could reduce water supply benefits of BDCP affecting its viability. Of particular interest to Solano, the scientific analysis in the BDCP questions whether increased tidal wetland habitat projects will benefit the species. The BDCP includes a financing section that is partially dependent on a State water bond which must be approved by voters. Federal and State officials plan to resolve these outstanding issues by June and issue a public draft. The Governor and the Secretary of the Interior plan to identify a preferred BDCP alternative in July, which would be subject to completion of the public process. In December 2012 the final BDCP is planned to be issued with the ESA permits for BDCP issued in February 2013. During this timeframe each of the State and Federal water contractors must decide whether the BDCP project is affordable or if they can live without the increased water supply benefit. The water contractors also want assurances from the State and Federal agencies the increased supply amounts would be guaranteed for the 50 year term of BDCP. The water contractors will finance the water conveyance part of BDCP, but the source of funding for the habitat enhancements would be State water bonds, Federal contributions or additional water contractor funding.

There are some short term opportunities, including the State and Federal water contractors agreeing to pay for cooperative studies of habitat, economic, and flood control projects in Cache Slough. On a motion by Supervisor Spering and a second by Mayor Price the Board unanimously approved authorizing staff to participate with Solano County and the State, through the BDCP in a study for cooperative planning of habitat projects in Cache Slough and the authorization for the Agency to spend $25,000 towards this endeavor. This motion also approves the staff to participate with Solano County on other cooperative studies as opportunities arise.

CLOSED SESSION

Pursuant to Section 54956.9 the Board entered a closed session at 7:18 to discuss the following:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LIGITATION

Solano County Water Agency, Napa County Flood Control and Water Conservation District, City of Yuba City, and County of Butte v. State Department of Water Resources; Sacramento Superior Court Case No. 34-2008-00016388 CU-BC-GDS

The Board exited closed session at 7:48. There were no reportable actions from the Closed Session

TIME AND PLACE OF NEXT MEETING

The next regularly scheduled meeting will be Thursday, May 10, 2012 at 6:30 - 7:00 P.M. at the Solano County Water Agency offices.

ADJOURNMENT

This meeting of the Solano County Water Agency Board of Directors was adjourned at 7:50 P.M.

David B. Okita, General Manager
and Secretary to the Board of Directors of the
Solano County Water Agency

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 3, 2012

TO : Vice Mayor Campbell
Council Member Schwartzman

FROM : Director of Public Works and Community Development

SUBJECT : **TRAFFIC, PEDESTRIAN AND BICYCLE SAFETY (TPBS) COMMITTEE**

The following is provided for your committee report at the May 15, 2012 Council meeting.

On February 1, 2012, the Traffic, Pedestrian, Bicycle & Safety (TPBS) Committee hosted the first meeting of the Safe Routes to School Task Force. The Task Force will oversee the update to the citywide Safe Routes to School Plan and audits at three Benicia schools. The Task Force has performed walking audits at the Benicia Middle School, Robert Semple Elementary School and Matthew Turner Elementary School.

The next Safe Routes to School Task Force Meeting is in the process of being scheduled in mid-May.

The last TPBS Committee meeting was held on April 19, 2012. The agenda for this meeting is attached and the draft minutes are in process.

VIII.D.10.2

City of Benicia
TRAFFIC PEDESTRIAN &
BICYCLE SAFETY (TPBS) COMMITTEE
Regular Meeting

7:00 pm
Thursday, April 19, 2012
***NOTE ROOM CHANGE*: CITY COUNCIL CHAMBERS**

AGENDA

I. Call To Order
- A. Roll Call
- B. Pledge of Allegiance
- C. Fundamental rights statement

II. Approval of Minutes
- A. August 25, 2011 Special Meeting Minutes

III. Public Comments

IV. Verbal Update
1. Capital Improvement Projects Scheduled for the Upcoming Months

V. Action Items

1. <u>Request for Installation of an All-Way Stop at the Intersection of East 5th Street & East J Street</u>: (7:10 to 7:40 pm)
Recommendation: Based on public input, the TPBS Committee discuss and recommend alternative traffic safety measures to an all-way stop.

2. <u>Rose Drive Traffic Calming Project Kick-Off</u> (7:40 to 9:00 pm)
In this kick-off meeting, Fehr & Peers, the City's traffic calming consultant, will introduce the project, describe the traffic calming process and toolkit, hear the concerns of the residents, and then develop a draft concept plan.

VI. Adjournment

Public Participation

The Traffic Pedestrian and Bicycle Safety (TPBS) Committee welcomes public participation.

Pursuant to the Brown Act, each public agency must provide the public with an opportunity to speak on any matter within the subject matter jurisdiction of the agency and which is not on the agency's agenda for that meeting. The TPBS Committee allows speakers to speak on agendized and non-agendized matters under public comment. Comments are limited to no more than 5 minutes per speaker. By law, no action may be taken on any item raised during the public comment period although informational answers to questions may be given and matters may be referred to staff for placement on a future agenda of the TPBS Committee.

Disabled Access

In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate in this meeting, please contact Anne Cardwell, the ADA Coordinator at (707) 746-4200. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Meeting Procedures

All items listed on this agenda are for the TPBS Committee discussion and/or action. In accordance with the Brown Act, each item is listed and includes, where appropriate, further description of the item and/or a recommended action. The posting of a recommended action does not limit, or necessarily indicate, what action may be taken by the TPBS Committee.

Public Records

The agenda packet for this meeting is available at the Public Works & Community Development Department, City Clerk's Office and the Benicia Public Library during regular work hours. To the extent feasible, the packet is also available on the City's web page at *www.ci.benicia.ca.us* under the heading "Agendas and Minutes." ***If you wish to submit written information on an agenda item, please submit to Kathy Trinque, Administrative Secretary, by 5:00 pm, Wednesday, April 18, 2012 for distribution to Committee Members***.

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 8, 2012

TO : Vice Mayor Campbell
Council Member Schwartzman

FROM : City Manager

SUBJECT : **TRI-CITY AND COUNTY COOPERATIVE PLANNING GROUP**

The following information is provided for your committee report at the May 15, 2012 Council meeting.

There has been no meeting since the last Council committee report in April.

The next scheduled meeting will occur on Monday June 11, 2012. Thereafter, the remaining meetings for 2012 will occur on:

- Monday, September 10, 2012
- Monday, December 10, 2012

VIII.D.11.2

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 8, 2012

TO : Mayor Patterson
Council Member Hughes

FROM : City Manager

SUBJECT : **VALERO COMMUNITY ADVISORY PANEL (CAP)**

The following information is provided for your committee report at the May 15, 2012 Council meeting.

The CAP meets quarterly at 6:30 p.m. at the refinery at 610 Industrial Way. The next meeting date has not been determined.

VIII.D.12.2

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORT

DATE : May 9, 2012

TO : Mayor Elizabeth Patterson
Council Member Christina Strawbridge
Council Member Mark Hughes

FROM : Youth Action Coalition

SUBJECT : **YOUTH ACTION COALITION**

The Benicia Youth Action Coalition last met on April 25, 2012, the minutes are not yet available.

VIII.D.13.2

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 8, 2012

TO : City Council

FROM : Mayor Patterson

SUBJECT : **ABAG/CAL FED TASK FORCE/BAY AREA WATER FORUM**

The following information is provided for your committee report at the May 15, 2012 City Council meeting.

The Bay Area Water Forum's last meeting was held on March 26, 2012 and the agenda and highlights from that meeting are attached.

This was the last meeting of the Bay Area Water Forum for 2012, due to a lack of funding.

VIII.D.14.2

AGENDA ITEM
CITY COUNCIL MEETING: MAY 15, 2012
COUNCIL MEMBER COMMITTEE REPORTS

DATE : May 2, 2012

TO : Mayor Patterson
Council Member Hughes
Council Member Schwartzman

FROM : Interim Finance Director

SUBJECT : **SOLANO COUNTY TRANSIT BOARD MEETING**

The following information is provided for your committee report at the May 15, 2012 Council meeting.

The Solano County Transit Joint Powers Authority held a regular meeting on April 19, 2012 at the Florence-Douglas Senior Center in Vallejo. This meeting also served as a public hearing to discuss the proposed service change implementation. The meeting agenda and meeting highlights are attached for your review.

The next regular meeting of the SolTrans Board is scheduled for Thursday, May 24, 2012 at 4:00 p.m. and will be held in the City of Benicia City Council Chambers.

Attachment:
- April 19, 2012 SolTrans Board Meeting Agenda
- April 19, 2012 SolTrans Board Meeting Highlights

VIII.D.15.2

SOLANO COUNTY TRANSIT

BOARD MEETING AGENDA
7:00 p.m., Regular Meeting
Thursday, April 19, 2012
Florence-Douglas Senior Center, Vallejo

Public Comment: Pursuant to the Brown Act, the public has an opportunity to speak on any matter on the agenda or, for matters not on the agenda, issues within the subject matter jurisdiction of the agency. Comments are limited to no more than 3 minutes per speaker unless modified by the Board Chair, Gov't Code § 54954.3(a). By law, no action may be taken on any item raised during the public comment period (Agenda Item IV) although informational answers to questions may be given and matters may be referred to staff for placement on a future agenda of the agency.

Americans with Disabilities Act (ADA): This agenda is available upon request in alternative formats to persons with a disability, as required by the ADA of 1990 (42 U.S.C. §12132) and the Ralph M. Brown Act (Cal. Govt. Code §54954.2). Persons requesting a disability related modification or accommodation should contact Suzanne Fredriksen, Interim Clerk of the Board, at (707) 648-4046 during regular business hours at least 24 hours prior to the time of the meeting.

Staff Reports: Staff reports are available for inspection at the SolTrans office, during regular business hours, 8:00 a.m. to 5:00 p.m., Monday-Friday. You may also contact the Clerk of the Board via email at suzanne@soltransride.com.
Supplemental Reports: Any reports or other materials that are issued after the agenda has been distributed may be reviewed by contacting the SolTrans Clerk of the Board and copies of any such supplemental materials will be available on the table at the entry to the meeting room.

Agenda Times: Times set forth on the agenda are estimates. Items may be heard before or after the times shown.

ITEM	BOARD/STAFF PERSON
1. CLOSED SESSION: **a.** Public Employee Appointment: Executive Director (4:30 – 7:00 p.m.) *The meeting will be convened at 4:30pm in the conference room at the Florence Douglas Senior Center, Vallejo and then recess into closed session until 7pm. The public meeting will reconvene at 7pm in the multipurpose room.*	
2. CALL TO ORDER/PLEDGE OF ALLEGIANCE (7:00 – 7:05 p.m.)	**Elizabeth Patterson, Mayor** **City of Benicia**

SOLTRANS BOARD MEMBERS

Elizabeth Patterson	Mark Hughes	Erin Hannigan	Osby Davis	Jim Spering	Harry Price
City of Benicia	**City of Benicia**	**City of Vallejo**	**City of Vallejo**	**MTC Representative**	**STA Ex-Officio**
Alternate Board Member Alan Schwartzman		Alternate Board Member Stephanie Gomes			

The complete SolTrans Board Meeting Packet is available on STA's Website at www.sta.c

3. **APPROVAL OF AGENDA**

4. **OPPORTUNITY FOR PUBLIC COMMENT**

5. **EXECUTIVE DIRECTOR'S MESSAGE ON SERVICE CHANGES**
   Pg. 1

PUBLIC HEARING

6a. Receive Staff Report on Service Change Implementation — Jeanine Wooley, Director of Operations
Pg. 3

6b. Hold Public Hearing on Service Change Implementation

6c. Provide Direction to Staff on Service Change Implementation
Recommendation:
After holding public hearing, direct staff to develop a final service plan including the proposed reductions, for Board adoption at the May meeting. Provide staff with direction on priorities for restoration of service should additional funding become available.

COMMENTS FROM STAFF

7. **Report from the Executive Director** — Jim McElroy
   Pg. 11

CONSENT CALENDAR
Recommendation:
Approve the following consent items in one motion.
(Note: Items under consent calendar may be removed for separate discussion.)
(7:40 – 7:45 p.m.)

8a. Meeting Minutes of March 15, 2012 — Suzanne Fredriksen, Clerk of the Board
Recommendation:
Approve the meeting minutes of March 15, 2012.
Pg. 13

8b. Authorization for the Execution of Certifications and Assurances for the Public Transportation Modernization, Improvement, and Service Enhancement Account Bond Program

Nancy Whelan,
Interim Chief Financial Officer

Recommendation:
Adopt Resolution No. 2012-01 authorizing the Executive Director to execute certifications and assurances and all required documents of the Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA) program, including any amendments, with the California Department of Transportation.
Pg. 19

REGULAR CALENDAR

9. Update on Benefits Subcommittee

Jim McElroy,
Interim Executive Director

Recommendation:
Possible direction to staff to proceed with procuring an alternative to CalPERS for the SolTrans employee retirement benefits program.
(7:45 – 7:55 p.m.)
Pg. 23

10. Proposed revisions to the Solano County Transit ("SolTrans") Joint Powers Agreement

Bernadette Curry,
Legal Counsel

Recommendation:
Authorize the Executive Director to request of the Member Agencies action to amend the Joint Powers Agreement to amend the language to specifically allow SolTrans to claim TDA funds.
(7:55 – 8:05 p.m.)
Pg. 25

11. Approval of Contract Extension with MV Corporation for Consolidated Transit Services for Fiscal Year 2012-13

Jim McElroy,
Interim Executive Director

Recommendation:
Authorize the Executive Director to execute a one-year contract extension with MV Corporation for FY 2012-13.
(8:05 – 8:15 p.m.)
Pg. 33

12. Application for Insurance Services

Bernadette Curry,
Legal Counsel

Recommendation:
Authorize SolTrans Executive Director to procure non-transit insurance coverage through Alliant Insurance Services and return with a recommendation on transit coverage for FY 2013-14.
(8:15 – 8:25 p.m.)
Pg. 35

INFORMATIONAL – NO DISCUSSION

13. FY 2013 Draft Budget — Nancy Whelan, Interim Chief Financial Officer

14. Public Advisory Committee Informal Meeting Notes of April 5, 2012 — Suzanne Fredriksen, Clerk of the Board

15. BOARD MEMBERS COMMENTS

16. ADJOURNMENT

The next regular meeting of the SolTrans Board is ***tentatively*** scheduled for **Thursday, May 17, 2012, 4:00 p.m., Benicia Council Chambers.**

complete SolTrans Board Meeting Packet is available on STA's Website at www.sta.ca.gov

SOLANO COUNTY TRANSIT

SolTrans Board Meeting Highlights
7:00 p.m., April 19, 2012

TO: City Council of Benicia and Vallejo, and STA Board
(Attn: City Clerks and STA Clerk of the Board)
FROM: Suzanne Fredriksen, SolTrans Clerk of the Board
RE: Summary Actions of the April 19, 2012 SolTrans Board Meeting/Public Hearing

Following is a summary of the actions taken by SolTrans at the Board Meeting of April 19, 2012. If you have any questions regarding specific items, please call me at the following number:
(707) 648-4046.

BOARD MEMBERS PRESENT:

Elizabeth Patterson, Mayor	City of Benicia, Chair
Erin Hannigan, Vice Mayor	City of Vallejo, Vice Chair
Mark Hughes, Councilmember	City of Benicia
Osby Davis, Mayor	City of Vallejo
Jim Spering, Supervisor, County of Solano	MTC Representative
Harry Price, Mayor	Ex-Officio – STA Representative

BOARD MEMBERS ABSENT:

None.

CLOSED SESSION
The special meeting was called to order at 4:30 p.m., which recessed into closed session to discuss personnel matters. There were no matters to report.

5. EXECUTIVE DIRECTOR'S MESSAGE ON SERVICE CHANGES

PUBLIC HEARING

6a. Receive Staff Report on Service Change Implementation

6b. Hold Public Hearing on Service Change Implementation

6c. Provide Direction to Staff on Service Change Implementation

Recommendation:

After holding public hearing, direct staff to develop a final service plan ~~including the proposed reductions~~ for Board adoption at the May meeting. ***Prior to finalizing the service plan, staff shall address the following issues:***

- ***Reconsider the proposed unified $100 monthly pass rate for regional routes, retaining current monthly pass rates with the goal of retaining revenue to support service that would otherwise be eliminated.***
- ***Regards Route 78, review passenger counts and consider maintaining the Walnut Creek stop and eliminating the Pleasant Hill stop.***
- ***Regards Sunday service, consider options for shifting service hours from various lower productivity routes to maintain limited Sunday service.***

Provide staff with direction on priorities for restoration of service should additional funding become available.

On a motion by Board Member Spering and a second by Vice Chair Hannigan, the SolTrans JPA Board unanimously approved the recommendation as amended shown above in ~~strikethrough~~ ***bold italics,*** and directed staff to include the following priorities for restoration of service should additional funding become available:

1. Retain Monday through Friday service in early morning and evening to support travel to and from jobs.
2. Retain limited service to and from DVC currently served by Route 76.
3. Retain limited Sunday service.

COMMENTS FROM STAFF

7. Report from the Executive Director

CONSENT CALENDAR

On a motion by Board Member Spering, and a second by Vice Chair Hannigan, the SolTrans JPA Board approved Consent Calendar Items 8a through 8b.

8a. Meeting Minutes of March 15, 2012

Recommendation:

Approve the meeting minutes of March 15, 2012.

8b. Authorization for the Execution of Certifications and Assurances for the Public Transportation Modernization, Improvement, and Service Enhancement Account Bond Program

Recommendation:

Adopt Resolution No. 2012-01 authorizing the Executive Director to execute certifications and assurances and all required documents of the Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA) program, including any amendments, with the California Department of Transportation.

REGULAR CALENDAR

9. Update on Benefits Subcommittee

Recommendation:
Possible direction to staff to proceed with procuring an alternative to CalPERS for the SolTrans employee retirement benefits program.

On a motion by Vice Chair Hannigan and a second by Board Member Davis, the SolTrans JPA Board unanimously approved the recommendation.

10. Proposed revisions to the Solano County Transit ("SolTrans") Joint Powers Agreement

Recommendation:
Authorize the Executive Director to request of the Member Agencies action to amend the Joint Powers Agreement to amend the language to specifically allow SolTrans to claim TDA funds.

On a motion by Vice Chair Hannigan and a second by Board Member Spering, the SolTrans JPA Board unanimously approved the recommendation.

11. Approval of Contract Extension with MV Corporation for Consolidated Transit Services for Fiscal Year 2012-13

Recommendation:
Authorize the Executive Director to execute a one-year contract extension with MV Corporation for FY 2012-13.

On a motion by Vice Chair Hannigan and a second by Board Member Hughes, the SolTrans JPA Board unanimously approved the recommendation.

12. Application for Insurance Services

Recommendation:
Authorize SolTrans Executive Director to procure non-transit insurance coverage through Alliant Insurance Services and return with a recommendation on transit coverage for FY 2013-14.

On a motion by Vice Chair Hannigan and a second by Board Member Hughes, the SolTrans JPA Board unanimously approved the recommendation.

INFORMATIONAL – NO DISCUSSION

13. FY 2013 Draft Budget

14. Public Advisory Committee Informal Meeting Notes of April 5, 2012

15. BOARD MEMBERS COMMENTS

16. ADJOURNMENT

The meeting was adjourned at 8:42 p.m. The next regular meeting of the SolTrans Board is ***tentatively*** scheduled for **Thursday, May 17, 2012, 4:00 p.m., Benicia Council Chambers.**

VIII.D.15.10