

September 20, 2005
Benicia City Council Agenda
BENICIA CITY COUNCIL
CITY COUNCIL CHAMBERS
REGULAR MEETING AGENDA
September 20, 2005
7:30 P.M.

I. CALL TO ORDER:

- **ANNOUNCEMENT OF CLOSED SESSION (IF ANY)**

II. CLOSED SESSION:

- **CONVENE OPEN SESSION:**
ROLL CALL
- **PLEDGE OF ALLEGIANCE**

III. ANNOUNCEMENTS/APPOINTMENTS

PRESENTATIONS/PROCLAMATIONS:

1. ANNOUNCEMENTS:

- **Announcement of action taken at Closed Session, if any.**
- **Openings on:**
 - **Open Government Commission: 5 terms**

2. APPOINTMENTS:

3. PRESENTATIONS:

- **Status of the Valero Property Tax Appeal**
 - **Skip Thomson, Solano County Assessor**
- **New Flaring Regulations**
 - **Alex Ezersiky, Bay Area Air Quality Management District**
- **Air Monitoring Equipment Update**
 - **Chris Howe, Valero**
- **Benicia Emergency Response Team (BERT) and Emergency Preparedness**
 - **Bob Mutch, Chairperson of the Benicia Citizen Council Corps (BCCC)**

4. PROCLAMATIONS:

Commendation - All American Swimmer
-Donny Matta

V. ADOPTION OF AGENDA:

VI. COMMUNICATIONS:

- **WRITTEN**
- **PUBLIC COMMENT**

VII. CONSENT CALENDAR:

- **Approval of Minutes of September 6, 2005. (City Clerk)**
- **Review of Monthly Investment Reports for April through June, 2005. (Finance Director)**

The investment portfolio is in compliance with the City's Investment Policy and California Law. Additionally, the City has adequate investments to meet its expenditure needs for the next six months. The Audit and Finance Committee has reviewed these reports and recommends acceptance. There is no affect on the City's

budget.

Recommendation: Accept, by motion, the monthly investment reports for April through June, 2005.

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

VII. PUBLIC HEARINGS:

Adoption of annual increases for the Capital Improvement License Tax, the Park Land Dedication Fee and the Library Book Fee. (Finance Director)

The City ordinance governing the administration of the development impact tax and fees requires that each be adjusted annually by the change in the consumer price index or construction cost index. In addition, State law requires a public hearing and Council approval 30 days before the tax and fees can be effective. The City of Benicia currently collects one development impact tax and two development impact fees to support government activities, park improvements and expanded library circulation.

Recommendation: Conduct a Public Hearing and adopt the following resolutions increasing:

1. The Capital Improvement License Tax for construction or alteration of single-family residences, multiple-dwelling structures, and commercial or industrial facilities;
2. The Park Land Dedication Fee; and
3. The Library Book Fee.

IX. UNFINISHED BUSINESS:

Approval of the Benicia Transit Short Range Transit Plan (SRTP) for Fiscal Years 2006-2015. (Finance Director)

Nelson/Nygaard Consulting Associates prepared the SRTP through a grant sponsored by the Metropolitan Transportation Commission. The SRTP is a planning document for improving and enhancing transit services within the City. The recommendations listed within the SRTP include development of a regional express bus route, replacement of the inefficient Dial-A-Ride service with a flexible fixed route service, modification of the fare structure to improve the farebox recovery ratio, hiring a part-time transit service manager, and the continued study of the Intermodal Station and alternative fuels for transit vehicles. There is no impact to the City's General Fund. The proposed changes would utilize existing service hours and existing resources within the Benicia Transportation Fund.

Recommendation: It is recommended that the City Council adopt, by motion, the SRTP for Benicia Transit for Fiscal Years 2005/2006 to 2014/2015 and authorize staff to begin planning for the implementation of the SRTP recommendations on July 1, 2006.

X. NEW BUSINESS:

- Contribution to Bay Area Water Forum. (Public Works Director)

The Bay Area Water Forum (BAWF) is soliciting one-time voluntary contributions to support the planning efforts of their organization. The BAWF is a collaboration of water resource stakeholders in the Bay Area established to explore water supply reliability, watershed management, water conservation/recycling, water quality improvements and other key issues critical to the Bay Area.

Recommendation: Should the Council decide to make a contribution, per Vice Mayor Patterson's request, the recommended amount is at the \$1,000 level, which is appropriate for an agency of the City's size.

- **Approval of changes to the City of Benicia Investment Policy. (Finance Director)**
The City Council recently approved contracting with two investment advisors to actively manage the City's Investment Portfolio. In order to improve controls and safeguards, the attached Investment Policy is offered for the Council's consideration. The policy contains revisions that reflect the City's low-risk preferences and continues to restrict investments to those allowed by the State of California in accordance with Government Code §53646. There is no impact on the City's budget by adopting this Resolution.

Recommendation: Adopt the Resolution revising the City's Investment Policy and Guidelines and confirming its adoption.

- **Creation of the office of Benicia Poet Laureate. (Library Director)**

A request was made to the Library Board of Trustees for the City to look into the possibility of creating the office of Benicia Poet Laureate. After extensive discussion, the Library Board of Trustees created a Poet Laureate policy.

Recommendation: Adopt the resolution authorizing creating the office of the Benicia Poet Laureate.

- **Approval of the Parks and Community Services Department Nutrition and Health Mission Statement.**

Staff held two nutrition sub-committee meetings in October and November 2004. In attendance were local youth sports organizations and residents. The intent of the meetings was to discuss the need for a nutrition policy and evaluate current products being distributed in recreation facility vending machines. At the conclusion of the meetings, staff changed a few of the products offered at each facility, providing patrons healthy choices and recommended to the Parks, Recreation, and Cemetery Commission a Health and Nutrition Policy.

Recommendation: Adopt the resolution approving the Parks and Community Services Nutrition and Health Mission Statement.

- **Discussion of proposed Arsenal Master Plan Committee. (Council Member Campbell)**

Council Member Campbell has requested the creation of an Arsenal Master Plan Committee to develop a master plan for the arsenal area. The committee is proposed to be comprised of 15 citizens and five alternates (i.e., four nominated by each Council Member).

Recommendation: Discuss the proposed committee and provide direction to staff, as needed.

XI. REPORTS FROM CITY MANAGER:

- **Review of progress toward resolving differences with Benicia Unified School District (BUSD) regarding the proposed joint use agreement. (City Manager)**

The Superintendent and the City Manager are currently working on proposed recommendations for addressing differences in the proposed agreements for City maintenance of BUSD fields.

Recommendation: Status report, for information only.

- **Update on status of Revenue Options Committee. (City Manager)**

The City Council/School Board Liaison Committee has requested that a letter be sent to a variety of local organizations from the Mayor and School Board President to invite participation on the Revenue Options Committee. This committee is expected to explore various avenues for potential funding sources for the school district and the City.

Recommendation: Discuss and provide direction to staff, as needed.

XII. REPORTS FROM CITY COUNCIL

- **COMMITTEES:**

1. **Committee Reports:**

Mayors' Committee Meeting (Mayor Messina)

Next Meeting Date: September 21, 2005

2. **Arsenal Restoration Advisory Board (Council Member Campbell)**

Next Meeting Date: September 28, 2005

3. **Association of Bay Area Governments (ABAG) (Vice Mayor Patterson)**

Next Meeting Date: October 27, 2005

4. **Audit & Finance Committee (Council Member Campbell and Vice Mayor Patterson)**

Next Meeting Date: October 7, 2005

5. **Carquinez Strait Preservation Trust (Council Member Smith)**

Next Meeting Date: To be determined.

6. **First Street Revitalization Committee (Council Member Smith and Campbell)**

Next Meeting Date: September 28, 2005

7. **League of California Cities (Council Member Smith)**

Next Meeting Date: October 6-8, 2005 - Annual Conference

8. **Police Station and Civic Center Restoration Committee (Council Member Smith and Mayor Messina)**

Next meeting date: Not scheduled

9. School District Liaison (Council Members Whitney and Smith)
Next Meeting Date: November 17, 2005
10. Sky Valley Area Open Space (Vice Mayor Patterson and Council Member Smith)
Next Meeting Date: September 21, 2005
11. Solano EDC Board of Directors (Vice Mayor Patterson)
Next Meeting Date: September 22, 2005
12. Solano Transportation Authority (STA) (Mayor Messina)
Next Meeting Date: October 12, 2005
13. Solano Water Authority/Solano County Water Agency (Mayor Messina)
Next Meeting Date: October 13, 2005
14. Traffic, Pedestrian and Bicycle Safety Committee (Vice Mayor Patterson and Council Member Campbell)
Next Meeting Date: October 20, 2005
15. Tri-City and County Regional Parks and Open Space (Council Member Whitney)
Next Meeting Date: To be determined.
16. Urban Water Management Planning Task Force (Vice Mayor Patterson and Mayor Messina)
Next Meeting Date: To be determined.
17. Valero Community Advisory Panel (CAP) (Council Member Whitney)
Next Meeting Date: September 22, 2005
18. Youth Action Task Force (Council Member Whitney)
Next Meeting Date: August 24, 2005
19. ABAG/CAL FED Task Force/Bay Area Water Forum (Vice Mayor Patterson)
Next Meeting Date: September 26, 2005

XIII. ADJOURNMENT:

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 agenda and non agenda 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 City Council.

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

Disabled Access

In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate in this meeting, please contact Diane O'Connell, 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 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.

Downloading of reports from this agenda

Some agenda items have attached reports available for downloading from this web page. To view these reports, you must have the latest Adobe Acrobat reader installed in your web browser.

 [IV-D matta commendation.pdf](#)

 [VII-A minutes050906.pdf](#)

 [VII-B investment_report_review.pdf](#)

 [VIII-A development_impact_fees.pdf](#)

 [IX-A srtp.pdf](#)

 [X-A bawf report.pdf](#)

 [X-B investment_policy.pdf](#)

 [X-C poet_laureate.pdf](#)

 [X-D nutrition.pdf](#)

 [X-E arsenal master plan.pdf](#)

 [XI-A join use agreement.pdf](#)

 [XI-B revenue options committee.pdf](#)

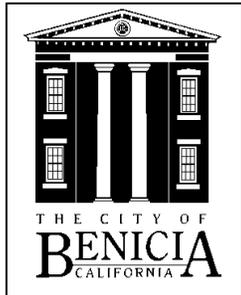
COMMENDATION

THIS COMMENDATION IS AWARDED TO

DONNY MATTA

BY THE BENICIA CITY COUNCIL

IN RECOGNITION OF BEING SELECTED AS A
USA HIGH SCHOOL ALL-AMERICAN BY THE
NATIONAL INTERSCHOLASTIC
SWIMMING COACHES ASSOCIATION



STEVE MESSINA, MAYOR

DATE

MINUTES OF THE
SPECIAL MEETING – CITY COUNCIL
SEPTEMBER 6, 2005

The special meeting of the City Council of the City of Benicia was called to order by Mayor Steve Messina at 6:45 p.m. on Tuesday, September 6, 2005, in the City Council Chambers, City Hall, 250 East L Street, complete proceedings of which are recorded on tape.

ROLL CALL:

Present: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina

Absent: None

PLEDGE OF ALLEGIANCE:

Mayor Messina led the pledge to the flag.

ANNOUNCEMENT OF CLOSED SESSION:

Lisa Wolfe, City Clerk, read the announcement of Closed Session

CLOSED SESSION:

A. Conference with Labor Negotiator (Government Code Section 54957.6 (a))

Agency negotiators: City Manager, Human Resources Director, Senior Personnel Analyst, and Bill Avery of Avery & Associates

Employee organization: Benicia Firefighters Association and Police Managers

B. Conference with Real Property Negotiator

Property: Right of Way adjacent to 994 West K Street

Negotiating Parties: City Manager, Public Works Director

Under Negotiations: Instruction to negotiator on price, terms of payment, or both

ADJOURNMENT:

Mayor Messina adjourned the Closed Session at 6:47 p.m.

MINUTES OF THE
REGULAR MEETING – CITY COUNCIL
SEPTEMBER 6, 2005

The regular meeting of the City Council of the City of Benicia was called to order by Mayor Steve Messina at 7: 43 p.m. on Tuesday, September 6, 2005, in the City Council Chambers, City Hall, 250 East L Street, complete proceedings of which are recorded on tape.

ROLL CALL:

Present: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina

Absent: None

PLEDGE OF ALLEGIANCE:

Mayor Messina led the pledge to the flag.

ANNOUNCEMENTS/APPOINTMENTS/PRESENTATIONS/PROCLAMATIONS:

ANNOUNCEMENTS:

Announcement of action taken at Closed Session:

Heather McLaughlin, City Attorney announced the following actions taken during closed session:

- A. Conference with Labor Negotiator - Benicia Firefighters Association – Council received information from negotiators including a letter from University Research and Associates. Council gave direction to negotiators. Council wishes to treat all groups fairly and negotiate multi-year contracts next year.
- B. Conference with Labor Negotiator - Benicia Police Managers – Council received information from Staff. This item will be brought back to Council in the future.
- C. Conference with Real Property Negotiator – Right of Way adjacent to 994 West K Street – Before deciding whether or not to proceed, Council would like the City Manager or his designee to hold a workshop with applicant and neighbors to review the design guidelines to be prepared by the applicant and to discuss view issues. The matter will be brought back to Council in the future.

Mayor Messina made the following announcements:

- There is a plaque at the entrance to Council Chambers stating the fundamental rights of each member of the public per section 4.04.030 of BMC Ordinance 05-6.
- There are five openings on the Open Government Commission.
- There is a pollution prevention display at the Library this month.
- On behalf of the City of Benicia, our thoughts go out to those impacted by the devastation of Hurricane Katrina. A number of local organizations and individuals are working to coordinate efforts to assist those in need. For further information on how you can support local efforts, He encouraged citizens to contact the City Manager's Office at 746-4200.

Jim Erickson, City Manager, discussed Hurricane Katrina. He discussed possible ways for people to help the victims of Hurricane Katrina. The City had contact with the Solano County Office of Emergency Services (OES) to ask and evaluate requests that are made of the City. Issues of housing, equipment needs, etc. were discussed. Staff has been in contact with the Benicia Housing Authority. HUD is encouraging all Housing Authority offices to find ways of being of assistance to the evacuees of Hurricane Katrina. We are working with OES to do anything we can to be of help. The City received a bulletin from the State of California OES requesting assistance with housing. Approximately 1,000 people that are being evacuated are in need of housing. They are asking if the City of Benicia can commit to housing any of the evacuees on both a short term and long term basis. We will know more about the request tomorrow. He stated that Council might need to call a special Council meeting to discuss and/or approve any action that would be taken.

Vice Mayor Patterson stated that the City of Sacramento is donating 300 housing units (military barracks) for the Katrina victims. She suggested that at the special meeting, Council discuss the option of adopting a policy for giving paid leave to City Staff that would go aid the Katrina victims. She would like to have the idea of having the Benicia Fire Department aid the City in the coordination of governmental and non-governmental efforts discussed. She asked the public to think about conserving energy. Possibly not driving vehicles or driving vehicles at lower speeds. That would take the pressure off of the situation.

Council Member Smith commended City Staff for being on top of the situation.

APPOINTMENTS:

Planning Commission:

Council Member Campbell stated that he spoke with Mr. Strawbridge whom he thinks will do a good job.

Vice Mayor Patterson stated that she would be voting no because he does not represent the segment of the community that has not had a voice on the Planning Commission for a long time. However, she was impressed with Mr. Strawbridge. She thinks the appointment was tardy. It would be prudent to send the appointment to the new committee that would be making the recommendation.

Council Member Smith stated that he is looking for a candidate that is familiar with the City's General Plan and CEQA. He stated that Mr. Strawbridge confessed that he was not very familiar with either.

Council Member Whitney stated that he is happy to have someone that the majority of Council can vote on.

RESOLUTION 05-137 - A RESOLUTION CONFIRMING THE MAYOR'S APPOINTMENT OF SCOTT STRAWBRIDGE TO THE PLANNING COMMISSION TO A TERM ENDING SEPTEMBER 30, 2008

The above Resolution was adopted, on roll call by the following vote:
Ayes: Council Members Campbell, Whitney, and Mayor Messina
Noes: Council Members Patterson and Smith

PRESENTATIONS:

Report on Mosquito Abatement:

Mr. John Blegen, Manager, Solano County Mosquito Abatement District and Mr. Michael White, Trustee, Solano County Mosquito Abatement District Board reviewed an update on West Nile Virus. Mr. Blegen reviewed procedures the public should follow to avoid contact with mosquitoes.

Plastics in the Ocean:

Ms. Carol Keiper, Marine Ecologist, Oikonos Ecosystem Knowledge, reviewed a PowerPoint presentation titled 'Plastic Pollution Prevention.'

PROCLAMATIONS:

Mayor Messina presented the following proclamations:

- Pollution Prevention Week – September 19-25, 2005 – Ms. Carol Keiper, Marine Ecologist, Oikonos Ecosystem Knowledge, accepted the proclamation.
- Literacy Awareness Day – September 8, 2005 – Ms. Lynne Price, Literacy Coordinator, accepted the proclamation.

ADOPTION OF AGENDA:

On motion of Council Member Smith, seconded by Council Member Whitney, the agenda was adopted as presented, on roll call by the following vote:

Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina

Noes: None

COMMUNICATIONS:

WRITTEN:

PUBLIC COMMENT:

1. John Woods – Mr. Woods wanted to address the problem of signage within the City of Benicia. The code is way out of date. Various elements of the code have been selectively enforced. City Staff is trying to place restrictions on the sale of various homes. He was told this action was necessary due to an overwhelming number of complaints. He listed various departments and stated that they had not received any complaints thus far. He listed various signs within the City that do not meet the current codes. It is time for a moratorium. He wants this issue looked into and a report given at a future Council Meeting.

Mayor Messina asked Mr. Erickson to look into this issue and report back to Council. Mr. Erickson stated that Staff has met with the real estate community to discuss this issue. Staff will report back to Council at a future meeting.

Vice Mayor Patterson stated that the City has made revisions in the budget for a code enforcement officer. She asked Staff to give a brief report on this at a future Council meeting.

2. Steve Booth – Mr. Booth represents the Benicia Firefighters Association. The BFA is hopeful for a timely settlement on labor negotiations. He is hopeful that tomorrow's meeting will be productive. In the recent past, several BFA members had served on a salary survey committee. The proposal they submitted to the City of Benicia is consistent with the City's goal of bringing its staff up to the level that is consistent with the salary compensation in the areas surveyed by the salary survey committee.
3. Sue Johnson – Ms. Johnson wanted to discuss a project Mr. Mark Lobdell is working on at 120 Incline Place.

Council Member Campbell excused himself due to a conflict of interest.

Ms. Johnson listed various aspects of the project. She asked Council to review Mr. Lobdell's lot line adjustment. The lot line adjustment is not minor. She wants Council to do an open review of this project.

Council Member Smith asked if she would be doing an appeal. She stated that the whole appeal process is confusing. He suggested she go through the appeal process.

4. Jeanine Seeds – Ms. Seeds stated that she wished to discuss the cost of the Valero item on the agenda. Why can't Staff work on this? Why do we have to continue hiring consultants for high dollar projects? She discussed the issue of appointing a planning commissioner before Council voted on the new process. Both CEQA and the General Plan are big issues. Council just appointed another commissioner that may or may not be qualified to do the job. Would that person have been hired to work in the planning department? We need to hire people that are qualified to do the job.
5. Marilyn Bardet – Ms. Bardet discussed Hurricane Katrina. She wondered if we are prepared for a natural disaster. She is a member of Benicia Emergency Response Team (BERT). The citizens Benicia would have to take care of themselves for three days in the event of a natural disaster. BERT only has a handful of members (volunteers) for each area of the City. She encouraged members of the public to join BERT. In terms of long-range planning, we need to consider adding community mental health services or medical/professional services in town. Medical services for our town are needed. She suggested the Mills site for these services. Citizens interested in joining BERT should call 746-4275 for information.
6. Jon Van Landschoot – Mr. Van Landschoot discussed the Planning Commission appointment process. He cautioned Council on the renaming of the Sky Valley Open Commission. If we put the word 'watershed' in the name, it suggests growth. He would like Council to consider a moratorium on building within the Historic District. There are things happening within the Planning Department. There are two projects on the way in the Arsenal. The projects are ill suited for

the Historic District. If we don't do something soon, there will be a number of appeals on future projects.

7. Mayor Messina asked Mr. Erickson if there was a list of all the applications for planning, development, and building permits. He discussed the appeal process and how it works. It may be more appropriate to trigger the appeal once the decisions are made. He would like to see these issues come back to Council.
8. Vice Mayor Patterson stated that law guides the appeal process. The correct information is being given, but because of the complexities, it could be misunderstood. We need to have a review process for single-family homes, for new and significant rebuilds, and we need to do proper noticing.
9. Council Member Campbell discussed a previous issue discussed by Council Member Whitney regarding noticing procedures. The notices should go out to citizens within a certain range of the project via certified mail. There needs to be a better tracking mechanism.
10. Council Member Smith read a prepared statement regarding Hurricane Katrina. It is critical for Benicia citizens to have emergency supplies on hand. He urged citizens to be prepared.

He then announced the following upcoming events:

- Farmers Market on Thursdays
- 9/10 – There will be three fundraisers: 1) Friends of the Library book sale, 2) Reach Out in Benicia's annual fundraiser, and 2) Soroptomists International of Benicia's talent showcase fundraiser titled 'Viva Las Vegas.'
- 9/11 – Concert at the Library featuring the Voena Choir to remember 9/11
- 9/15 – Blood Drive at the First Baptist Church
- 9/15 – Lecture at the Library on clean beaches to save seabirds
- 9/17 - 'Coastal Clean Up' at various locations in Benicia
- 9/17 – Handicraft and fine art sale on First Street

Mayor Messina discussed the FEMA training that he, Vice Mayor Patterson, and Council Member Whitney attended. He encouraged Council Members Campbell and Smith to attend the FEMA training for city officials.

Mayor Messina called for a break at 9:01 p.m.

The meeting resumed at 9:06 p.m.

CONSENT CALENDAR:

Council pulled items VII-E, VII-G, VII-I, VII-J, and VII-K

On motion of Vice Mayor Patterson, seconded by Council Member Smith, the consent calendar was adopted as amended, on roll call by the following vote:

Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina

Noes: None

The minutes of August 16, 2005 were approved.

Council approved the denial of claims against the City and referral to insurance carrier for the following claims:

- James Schroeder
- Jeff Anderton
- Janice Yardley

RESOLUTION 05-138 - A RESOLUTION AUTHORIZING THE DESTRUCTION OF CERTAIN CITY RECORDS

RESOLUTION 05-139 - A RESOLUTION APPROVING THE SALARY RANGE FOR THE CLASSIFICATION OF ECONOMIC DEVELOPMENT MANAGER

RESOLUTION 05-140 - A RESOLUTION APPROVING THE NEW JOB DESCRIPTION OF MANAGEMENT ANALYST I/II AND THE RE-TITLING OF THREE INCUMBENTS

APPROVAL OF AMENDMENT No. 1 TO TRANSLINK INTERAGENCY PARTICIPATION AGREEMENT

RESOLUTION 05-141 - A RESOLUTION APPROVING THE JULY 1, 2005 TO JUNE 30, 2006 AMENDMENTS TO THE LABOR AGREEMENT WITH THE BENICIA MIDDLE MANAGEMENT GROUP

RESOLUTION 05-142 - A RESOLUTION APPROVING THE JULY 1, 2005 TO JUNE 30, 2006 AMENDMENTS TO THE LABOR AGREEMENT WITH THE BENICIA SENIOR MANAGEMENT GROUP

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

(END OF CONSENT CALENDAR)

Council took the following actions:

Acceptance and Notice of Completion for Military East Traffic Signal Upgrades Project: Council Member Smith pulled this item because the cost increase for the change order did not go before the Council. He has been assured that future change orders of that level will go before Council in the future.

RESOLUTION 05-143- A RESOLUTION ACCEPTING THE MILITARY EAST TRAFFIC SIGNAL UPGRADES PROJECT, APPROVING CONTRACT CHANGE ORDER NUMBERS 1 AND 2, AUTHORIZING THE CITY MANAGER TO SIGN THE NOTICE OF COMPLETION, AND AUTHORIZING THE CITY CLERK TO FILE THE NOTICE OF COMPLETION WITH THE SOLANO COUNTY RECORDER

On motion of Council Member Smith, seconded by Council Member Whitney, the above Resolution was adopted, on roll call by the following vote:

Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina

Noes: None

Award of the construction contract for the Civic Center Tennis Court Lighting Project:

Public Comment:

1. Cody Margolis – Mr. Margolis stated that the current signage posted on the tennis courts state that the courts will open at dawn and close at dusk. He stated that signage at the City Park indicates the park will close at 10:00 p.m. Opening the tennis courts for night play will increase the amount of erosion on the courts and force the City to resurface the courts more frequently. The improvements to the courts are not necessary. The money could be used for less frivolous expenses, taking into consideration the recent school closure. Spending the City’s money for nighttime recreation such as this does not seem necessary.

Mr. Erickson stated that there have been many citizens that have expressed support for the lighting of the tennis courts. It is a healthy recreational activity. The cost has been in the City’s budget for some time now.

Council Member Smith stated that lighting of the City’s athletic facilities provides for more efficient and greater use of them. This is a healthy activity. During this eight years on the Parks, Recreation and Cemetery Commission, they received repeated requests to provide lighted tennis courts in town. We are presented with an opportunity to only have to pay 50% of the price. Prop 40 will be paying for the remaining funding.

Vice Mayor Patterson stated that the budget situation that led to the Mills closure is a separate budget from the City’s. This issue has been discussed in many meetings over the years. We are fortunate to have received a grant from Prop 40, which the public voted for.

RESOLUTION 05-144 - A RESOLUTION ACCEPTING BIDS AND AWARDING THE CONSTRUCTION CONTRACT FOR THE CIVIC CENTER TENNIS COURT LIGHTING PROJECT IN THE AMOUNT OF \$102,242.50 TO BLEYCO INCORPORATED, AUTHORIZING THE CITY MANAGER TO SIGN THE CONSTRUCTION CONTRACT ON BEHALF OF THE CITY

On motion of Council Member Smith, seconded by Council Member Whitney, the above Resolution was adopted, on roll call by the following vote:

Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina

Noes: None

Approval of additional appraisal expenses for the Valero Refinery Assessment Appeal:

Council Member Campbell wanted to remind the public how much money the City is spending on this appeal.

RESOLUTION 05-145 - A RESOLUTION APPROVING ADDITIONAL APPRAISAL EXPENSES FOR THE VALERO REFINERY ASSESSMENT APPEAL

On motion of Vice Mayor Patterson, seconded by Council Member Whitney, the above Resolution was adopted, on roll call by the following vote:

Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina

Noes: None

Approve the July 1, 2005 to June 30, 2006 amendments to the Labor Agreement with the Benicia Professional and Confidential Group:

Vice Mayor Patterson asked Staff to explain the provision for administrative leave so that Staff could attend meetings. Mr. Erickson stated that this provision existed in previous MOU's. It is part of the base MOU. There are demands on those position classifications under the agreements that go beyond the 8:00 – 5:00 time period. The provision is to cover for that time. Vice Mayor Patterson stated that the provision should be made more clear in the future.

RESOLUTION 05-146 - A RESOLUTION APPROVING THE JULY 1, 2005 TO JUNE 30, 2006 AMENDMENTS TO THE LABOR AGREEMENT WITH THE BENICIA PROFESSIONAL AND CONFIDENTIAL GROUP

On motion of Council Member Smith, seconded by Council Member Whitney, the above Resolution was adopted, on roll call by the following vote:

Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina

Noes: None

Approve the July 1, 2005 to June 30, 2006 amendments to the Labor Agreement with the Benicia Supervisory Group:

Vice Mayor Patterson stated that she pulled this item for the same reasons as the previous Resolution. Her questions were answered adequately.

RESOLUTION 05-147 - A RESOLUTION APPROVING THE JULY 1, 2005 TO JUNE 30, 2006 AMENDMENTS TO THE LABOR AGREEMENT WITH THE BENICIA SUPERVISORY GROUP

On motion of Council Member Smith, seconded by Council Member Whitney, the above Resolution was adopted, on roll call by the following vote:

Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina

Noes: None

PUBLIC HEARINGS:

Adopt a Master Fee Schedule:

Rob Sousa, Finance Director, reviewed the Staff report.

Council Member Smith stated that just about every department with the exception of the Library and the Police are requesting fee adjustments. He asked if the publication would

include fee adjustments for those two departments as well. Mr. Sousa confirmed that it would. The Master Fee Schedule will be published annually.

Vice Mayor Patterson stated that the fees for card rooms were significantly less than the fees for fortune telling, and asked when they would be updated. Mr. Sousa stated that they looked at the frequency of occurrence was looked at when setting the fees. One item that was looked at was the cost of fingerprinting and background screening. He stated that he would make it part of an offline study. Vice Mayor Patterson then asked what the 'special event permit' covered. Mr. Sousa stated that he is currently meeting with the Special Event Committee. Currently, the \$50.00 fee is designed to cover mostly non-profit events, not events such as weddings. The Parks, Recreation and Cemetery Commission did not make a recommendation to increase the fees. Staff will be doing a presentation on 10/4 showing the costs of special events are much more than anticipated. They will also be bringing to light the cultural and other community benefits that result from those. The full cost for special events generally involves review by several departments. The minimum time spent on most events is 4 hours. The minimum cost recovery should be at \$200.00.

Council Member Whitney asked Staff if the City is receiving the average amount for its fee schedule. The City has not updated the fee schedule in 13 years. The current fees are covering only 40% of the actual costs incurred. The proposed fee schedule is average of the communities polled. We would be covering approximately 50% of the fees, which is average. The highest recovery rate is approximately 85%, which is very aggressive.

Council Member Campbell discussed the fees in the Community Development department. The City is basically subsidizing the infill development at 47%, which is not necessarily a bad thing. The larger projects (i.e.: Tourtelot, Olson project) have already paid their fees.

Public Hearing Opened

Public Comment:

None

Public Hearing Closed

RESOLUTION 05-148 - A RESOLUTION ADOPTING A MASTER FEE SCHEDULE THAT INCLUDES CHANGES IN DEPARTMENTAL FEE STRUCTURES, INCLUDING DEVELOPMENT RELATED FEES AND CHARGES

On motion of Council Member Whitney, seconded by Vice Mayor Patterson, the above Resolution was adopted, on roll call by the following vote:

Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina

Noes: None

UNFINISHED BUSINESS:

Review of Traffic Analysis for Columbus/Rose Intersection:

Dan Schiada, Director of Public Works, reviewed the Staff report.

Council Member Campbell asked about the Level of Service (LOS) numbers. Mr. Schiada reviewed how the numbers are computed. He discussed the 'D' rating and asked how many cars it would take to push it to an 'F' rating. Mr. Schiada explained how the rating system works. Council Member Campbell asked about convenience vs. safety. Are these convenience or safety numbers? Why should Benicia sacrifice convenience to the point when it hits the safety issue for a project that won't supply us with income, etc? Mr. Schiada stated that the LOS numbers are 'capacity' numbers. There isn't an immediate concern right now for the right turn pocket and left turn green arrows. However, he constantly monitors the traffic situation at this location. This intersection is not an immediate safety problem.

Council Member Whitney wanted to discuss dollars. He is concerned whether or not the developer is covering their fair share of the inconvenience to Benicia. He is pretty sure they are not. Mr. Schiada discussed the EIR for the Bordoni Ranch Project and certain items that they are responsible for per that EIR. He stated that if we (Benicia) need to provide an additional approach lane by the Shell Station, it would be the City's responsibility, which would cost approximately \$100,000 to \$150,000. Funding for that would come from the Traffic Mitigation Fund. However, there is room in there for other modifications that would work that are in the \$50,000 - \$75,000 range. The fund balance is currently over \$1 million. Council Member Whitney wanted to make sure that Council's concerns are made clear to the City of Vallejo.

Vice Mayor Patterson discussed LAFCO and the role they have with the EIR. She wants to make sure Staff puts Council's concerns in writing to LAFCO as they consider the annexation. She would like to restate Council's comments to the draft EIR. There are the MTC principles that the STA has adopted dealing with smart growth. She suggested asking the question about the study that has not been done on the traffic from Vallejo to the Benicia State Park. We are walking a fine line between wanting and having cooperative communications with Vallejo, however we need to take care of our citizens. Vallejo has a responsibility to work with the developer on the expansion of the State Park Road bridge. She wants to have meetings with our (Staff/Council) counterparts in Vallejo every six weeks or so.

Council Member Campbell and Staff discussed the issue of the rating that the intersection was given.

Council Member Smith agrees with several points that the other Council Members made. Regarding the 175th home, it may be too long to wait to widen Columbus Parkway. He agreed that Council should continue to write to LAFCO. He agrees with the regional nature of the State Park Road bridge.

Mayor Messina stated that he is not as concerned about widening the section of the road between Rose Drive and Benicia Road to four lanes. That is more a benefit for Bordoni Ranch and the City of Vallejo. However, regarding safety, the right hand turn pocket when you are coming off of the freeway to Rose Drive is important. Also, coming down Rose Drive, increasing it to three lanes and having a permanent right hand turn lane, straight through and left turn lane is important. He puts a high priority on the arrows. He does not see why we need two lanes by the Shell station. We should approach Cal-Trans to provide some auxiliary lanes on the approach to the exit off of I-780 to Rose Drive. It might need to go from the Military West exit through the Columbus Parkway exit. Regarding the pedestrian/bike bridge, he thinks that is one of the most important issues. We need to increase the priority on that. Having Vallejo on board will help us at STA. Staff needs to work with Vallejo Staff to try and give it a higher priority. He stated that it would be nice if we could find another city that has designed one and maybe use that design. Council Member Smith clarified that we are not talking about adding a pedestrian bridge, but expanding the current bridge. Staff confirmed that the project has morphed into widening the current bridge. Also, by widening the existing bridge, the maintenance of the bridge would be the responsibility of Cal Trans.

Council Member Campbell had more questions on why we don't ask Vallejo upfront to pay for half of the bridge. Mr. Schiada stated that the bridge is the legal responsibility of Cal Trans. They own the top of the road, the bridge, and the road underneath. Staff is doing the best they can to garner the joint support needed for a grant application. Adding the 400+ homes will create additional impacts on the bridge. Council Member Campbell stated that we need to start looking at the #50 home mark and ask the Bordoni developer to contribute approximately \$500,000 to \$750,000 for the bridge.

Mr. Erickson stated that regarding the bridge, Staff will reinforce the issue of the need for more of a contribution from Vallejo.

Second reading and adoption of an ordinance amending the Benicia Municipal Code provisions regarding appointment of Planning Commissioners and adoption of a resolution amending the rules of procedure:

Heather McLaughlin, City Attorney, reviewed the Staff report.

Council Member Whitney asked for clarification on what was voted on at the last meeting. Ms. McLaughlin clarified what was voted on.

Vice Mayor Patterson reviewed what she understood and stated that what was in the minutes reflects what took place. The procedure as provided supports that the Council should appoint, but we have a process by which the nomination comes to Council. That is the part Council got twisted up on. The intent of the ordinance was that the Council appoint. What was not clear was how the names would be put forth to Council. The ordinance, as written, the procedures provide clarity on how the names get brought forward to Council.

Council Member Whitney wants to defer this item. The Mayor has a letter (along with the other mayors) to Assemblywoman Wolk requesting an opinion. We should wait to hear the Attorney General's opinion. He asked the Council to be patient.

Council Member Whitney made a motion to table this item until Council hears back from the Attorney General's office.

On motion of Council Member Whitney, seconded by Council Member Campbell, Council voted against tabling this item, on roll call by the following vote:

Ayes: Council Member Whitney and Mayor Messina

Noes: Council Members Campbell, Patterson, and Smith

Public Comment:

1. Marilyn Bardet – Ms. Bardet stated that she is concerned about the current appointment process for the Planning Commission. Since 1995, she has had to challenge almost every negative declaration that has come up at considerable personal expense. It has got to stop. She should not have to be on the Planning Commission to expect that those that would provide that service would have the qualifications at least as good as hers to review an EIR with a great sense of purpose. She was appalled at how we reviewed the Jefferson Street project. The issue is not about the commissioners as people, it is an issue of the long-term negative consequences that occur because of the decisions of the commissioners.
2. Kitty Griffin – Ms. Griffin stated that the issue is whether or not we are going to drop the idea of the importance of appointing planning commissioners that are going to take the approach that Ms. Bardet pointed out. It does not make sense to be in a panic if no appointments are coming up. Council seems to have the votes to postpone this item. She would like to see this item kept in the forefront.
3. Bob Craft – Mr. Craft stated that he sees a 'smoke in mirrors' exercise being done. There are many communities in California already using the procedure. The notion that it needs the approval from the Attorney General is not correct. The Council members should be honest about what they want and vote that way.

Council Member Smith stated that the City Attorney has already stated the proposed ordinance is legal. He does not foresee the Attorney General having a different opinion.

After clarification from Vice Mayor Patterson, Council Member Smith clarified that the word 'environment' on page IX-B-4, section 2, should be 'environmental.'

ORDINANCE 05-8 - AN ORDINANCE AMENDING SECTION 2.52.010 (ESTABLISHMENT – MEMBERSHIP), SECTION 2.52.020 (MEMBERS – QUALIFICATIONS), AND SECTION 2.52.030 (MEMBERS – TERM OF OFFICE) OF CHAPTER 2.52 (PLANNING COMMISSION) OF TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE BENICIA MUNICIPAL CODE

On motion of Council Member Campbell, seconded by Vice Mayor Patterson, the above ordinance was adopted, on roll call by the following vote:

Ayes: Council Members Campbell, Patterson, and Smith
Noes: Council Member Whitney and Mayor Messina

RESOLUTION 05-149 - A RESOLUTION ADOPTING THE RULES OF
PROCEDURE FOR THE CONDUCT OF CITY COUNCIL MEETINGS

On motion of Vice Mayor Patterson, seconded by Council Member Smith, the above Resolution was adopted, on roll call by the following vote:
Ayes: Council Members Campbell, Patterson, and Smith
Noes: Council Member Whitney and Mayor Messina

NEW BUSINESS:

Approval to amend the name of the Sky Valley Open Space Committee:

David Golick, Interim Community Development Director, and Vice Mayor Patterson reviewed the Staff report.

Public Comment:

1. Kitty Griffin – Ms. Griffin stated that she is concerned that the committee not lose sight that the citizens’ poured their responsibility and trust in the Committee. She listed the expectations she and the public had of the committee when it was voted on. She has no objection to changing the name, but she wants Council to say formally that they accept the responsibility of the role of being the receptacle of the trust from the community and developing in their behalf a serious plan for long-term preservation.

Vice Mayor Patterson reviewed the objectives of the committee. They have kept the original objectives, and added two additional objectives. The objectives of the committee are being addressed and fulfilled. The name change would not change the objectives and tasks of the committee. The name change would make it easier to communicate its objectives with others.

RESOLUTION 05- - A RESOLUTION AMENDING THE NAME OF THE SKY
VALLEY OPEN SPACE COMMITTEE TO SKY VALLEY WATERSHED
PRESERVATION COMMITTEE

On motion of Vice Mayor Patterson, seconded by Council Member Smith, the above Resolution was not adopted, on roll call by the following vote:
Ayes: Council Members Patterson and Smith
Noes: Council Members Campbell, Whitney, and Mayor Messina

Mr. Erickson stated that due to the late hour, Council should consider moving items X-B and X-D up on the agenda.

Council Member Smith stated that he does not want Council to take action on the Comcast item (X-B). There are some technical issues that Council could benefit from

outreaching to the community on. He would like to see a timetable for rollout on fiber optics.

Ms. McLaughlin stated that the City's outside counsel and Comcast's counsel are both present at the meeting, and are being paid for their time.

On motion of Council Member Whitney, seconded by Council Member Smith, Council agreed at 11:10 p.m. to proceed with item X-D, on roll call by the following vote:
Ayes: Council Members Campbell, Smith, Whitney, and Mayor Messina
Noes: Vice Mayor Patterson

Mayor Messina asked Ms. McLaughlin to verify if agenda items could be moved per the recently adopted Sunshine Ordinance. Ms. McLaughlin stated that 'following the adoption of the agenda, items can't be moved, removed, or the order changed without the unanimous consent of the Council.' Upon receiving that information, Council proceeded with the next agenda item (X-B).

Approval of an agreement with Comcast to extend the cable franchise to 2010:
Heather McLaughlin, City Attorney, reviewed the Staff report.

Mayor Messina asked what would happen if the City did not extend the contract and let it expire.

Ms. Harriet Steiner, Counsel for the City, explained that the City has an obligation under the Federal Law, to enter into negotiations and attempt to renew the franchise so long as it meets the community needs that the City determines. The City does not have authority over price and rate regulation.

Council Member Smith asked Ms. McLaughlin about the reference made to the number of subscribers needed to qualify for other upgrades. Ms. McLaughlin clarified that was a reference to the existing cable franchise. We do not have enough hours to get the extra channel. Ms. Steiner stated that what this agreement does is provide one additional channel that we would otherwise qualify under the existing franchise. Council Member Smith stated that it also puts the responsibility on the school district to buy the equipment to be able to use the channel. Council Member Smith asked if Ms. Steiner if she was aware of other communities are negotiating to get fiber optic roll out in their franchise agreements. Ms. Steiner stated that the communities she is aware of are looking more at what the capacity of the system is rather than fiber optics.

Mayor Messina asked what services Benicia does not have that other communities have negotiated and asked for. Ms. Steiner stated that some communities have negotiated for larger pass through's and more money for equipment for the public education channel. She explained how pass through's are negotiated.

Council Member Smith asked if the cost of the equipment could be negotiated. Ms. Steiner stated that it could, but the subscribers would pay the cost. Council Member

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Smith stated that the extra channel and equipment is not viable, as the district can't afford the cost. Council Member Smith stated that there is another company that Comcast is competing with in Concord and Walnut Creek. He reiterated his concern with regards to the roll out of fiber optics. He stated that service has improved in some respects, but he wants some assurances that Benicia is getting the best deal it can. At this point, he is not sure if that is the case.

Vice Mayor Patterson asked if it was possible to vote on the resolution with the exception that it would include the equipment and the pass through rates for the schools. The way she understands it is that the pass through cannot be negotiated, but the amount that is passed through is.

Ms. McLaughlin stated that we are assuming that the school district is interested in the equipment, but do not have direct confirmation as of yet.

Ms. Lee Ann Pelig, Government Affairs Director, Comcast, stated that there are a lot of varying levels of service that the school district may want.

Mayor Messina asked if there was a way to reduce the cost to the users, increase programming, or a way to protect our seniors in terms of rate discounts. Ms. Pelig stated that the FCC regulates the rates. The current basic rate in Benicia is \$14.50. There may be one or two other cities in California that are approximately \$11.70. In terms of all channels, with the exception of the basic tier, Comcast can set the rates. Comcast currently pays Benicia a 5% franchise fee for the use of the rights-of-way, which is the ceiling. The franchise fee could be negotiated lower if the City wanted to do so. Regarding the senior discounts, the current discounts will be honored for two years. After two years, the discounts would not be available. Currently, Comcast absorbs the cost of the senior discounts. The reason for discontinuing the senior discounts is due to the very low basic tier. Also, Comcast had concerns with offering discounts to a particular portion of the subscriber base and not to others.

On motion of Council Member Smith, seconded by Vice Mayor Patterson, Council directed Staff to investigate the public, educational and government (PEG) equipment issue with BUSD and find out what type of programming they would like to offer on that PEG Channel and bring the agreement back with the extra equipment cost either as part of what we are getting from Comcast or as a pass through, on roll call by the following vote:

Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina

Noes: None

On motion of Council Member Whitney, seconded by Vice Mayor Patterson, Council agreed at 11:52 p.m. to hear item X-D, and continue all other agenda items to the next Council meeting, on roll call by the following vote:

Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina

Noes: None

Contribution to Bay Area Water Forum:
Continued to the next Council meeting.

Authorize the refinancing of the 1993 wastewater revenue bonds through the issuance and sale of the 2005 wastewater refunding revenue bonds:
Rob Sousa, Finance Director, reviewed the Staff report.

Vice Mayor Patterson asked why the City pays bond counsel \$30,000 and disclosure counsel \$20,000 to do this. Ms. McLaughlin stated that it is excruciatingly hard to read and you have to pay someone a lot of money to do it. It is a very specialized area. Vice Mayor Patterson stated that it is a lot of money to do something that is basically refinancing. She was expressing her frustration toward the industry. It is unfortunate that public money has to be spent on financing these professional services.

RESOLUTION 05-150 - A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF ITS CITY OF BENICIA 2005 WASTEWATER REFUNDING REVENUE BONDS, APPROVING AN INDENTURE OF TRUST, AN ESCROW AGREEMENT, A BOND PURCHASE AGREEMENT AND A PRELIMINARY OFFICIAL STATEMENT, AND AUTHORIZING AND DIRECTING THE EXECUTION THEREOF AND AUTHORIZING ACTIONS RELATED TO

On motion of Council Member Whitney, seconded by Council Member Smith, the above Resolution was adopted, on roll call by the following vote:
Ayes: Council Members Campbell, Patterson, Smith, Whitney, and Mayor Messina
Noes: None

REPORTS FROM CITY MANAGER:
Status report on the repaving for the 100 block of West K Street:
Continued to the next Council meeting.

Review of progress toward resolving differences with Benicia Unified School District (BUSD) regarding the proposed Joint Use Agreement (JUA):
Continued to the next Council meeting/

REPORTS FROM CITY COUNCIL COMMITTEES:
N/A

ADJOURNMENT:
Mayor Messina adjourned the meeting at 11:59 p.m.

Lisa Wolfe, City Clerk

**AGENDA ITEM
CITY COUNCIL MEETING: SEPTEMBER 20, 2005
CONSENT CALENDAR**

DATE : August 12, 2005
TO : City Manager
FROM : Finance Director
SUBJECT : **REVIEW MONTHLY INVESTMENT REPORTS FOR APRIL THROUGH JUNE, 2005**

RECOMMENDATION:

Accept the monthly investment reports for April through June 2005.

EXECUTIVE SUMMARY:

The investment portfolio is in compliance with the City's Investment Policy and California Law. Additionally, the City has adequate investments to meet its expenditure needs for the next six months. The Audit and Finance Committee has reviewed these reports and recommends acceptance.

BUDGET INFORMATION:

There is no affect on the City's budget.

BACKGROUND:

The City's investment portfolio consists of cash balances in checking accounts (less outstanding checks), certificates of deposit, Local Agency Investment Fund, treasury bills and trustee accounts which manage the installment payments and reserves for bonds issued by the City.

The City has adequate investments to meet its expenditure requirements for the next six months. In addition, the City's investment portfolio is in compliance with Government Code Sections 53600 et seq. and the City's Investment Policy. The Audit and Finance Committee has reviewed these reports and recommends acceptance.

The attached schedules identify the City's investments by maturity date, investment type, custodian of investment and cost. The market value information is provided by Wells Fargo Bank and Morgan Stanley.

Attachment:

- [Investment Report for April through June 2005](#)

**INVESTMENT REPORTS FOR
APRIL THROUGH JUNE, 2005**

**AGENDA ITEM
CITY COUNCIL MEETING: SEPTEMBER 20, 2005
PUBLIC HEARING**

DATE : September 7, 2005

TO : City Manager

FROM : Finance Director

SUBJECT : **ADOPTION OF ANNUAL INCREASES FOR THE CAPITAL IMPROVEMENT LICENSE TAX, THE PARK LAND DEDICATION FEE AND THE LIBRARY BOOK FEE**

RECOMMENDATION:

Conduct a Public Hearing and adopt the following Resolutions:

- A Resolution adopting increases for the Capital Improvement License Tax.
- A Resolution adopting increases for the Park Land Dedication Fee.
- A Resolution adopting an increase for the Library Book Fee.

EXECUTIVE SUMMARY:

The City of Benicia currently collects one development impact tax and two development impact fees to support government activities, park improvements and expanded library circulation. The City ordinance governing the administration of the development impact tax and fees requires that each be adjusted annually by the change in the consumer price index or construction cost index. In addition, State law requires a public hearing and Council approval 30 days before the effective date.

BUDGET INFORMATION:

Adoption of the resolutions will allow the City to collect the following additional revenues based upon an estimate of 50 single family homes to be built in fiscal year 2005-06:

Capital Improvement License Tax	\$1,000
Park Land Dedication Fee	\$4,350
Library Book Fee	\$ 150
Total	\$5,500

I. CAPITAL IMPROVEMENT LICENSE TAX

Council adopted Chapter 5.36 of the Municipal Code in 1977 establishing the Capital License Tax. Section 1.20.020 of the Municipal Code allows for annual increases based upon the *San Francisco Construction Cost Index* which increased 2.25% during the April 2004 to April 2005 period.

Adoption of the attached resolution will increase the Capital Improvement License Tax by \$20 or 2.25%, increasing the tax from \$909 per single family residence to \$929. Multi family units would increase by \$10 from \$455 per unit to \$465 per unit, also a 2.25% increase. The commercial and industrial facilities tax would also increase 2.25%, as illustrated in the attached resolution. The table below illustrates the current rate and the new rate:

Capital Improvement License Tax for 2005-06

<u>Description</u>	<u>Current Rate</u>	<u>New Rate</u>
Single Family	\$909/dwelling unit	\$929/dwelling unit
Duplexes and Low Density Multiple Family	\$455/dwelling unit	\$465/dwelling unit

II. PARK LAND DEDICATION FEE

The Municipal Code (§1.20.020) provides for annual increases to the Parkland Dedication Fee based upon the Consumer Price Index in the San Francisco Metropolitan Bay Area for All Urban Consumers from February 2004 to February 2005. The following table provides an overview of the proposed changes, which represents a 1.6% increase or \$87 per single family residence:

Park Land Dedication Fee for 2005-06

<u>Description</u>	<u>Current Rate</u>	<u>New Rate</u>
Single Family	\$5,461/dwelling unit	\$5,548/dwelling unit
Duplexes and Low Density Multiple Family	\$4,733/dwelling unit	\$4,809/dwelling unit
Medium and High Density Multiple Family	\$3,640/dwelling unit	\$3,698/dwelling unit

III. LIBRARY BOOK FEE

Council adopted Chapter 5.37 of the Municipal Code and Resolution No. 92-33 in March of 1992. This Resolution created a Library Book Fee of \$150 per residential dwelling unit constructed in the City. The Resolution also allows for an annual adjustment based upon the Consumers Price Index for the San Francisco Metropolitan Bay Area for All Urban Consumers from February 2004 to February 2005 which represents a 1.6% increase or \$3 per housing unit.

The following table provides an overview of the proposed 2004-05 fee:

Library Book Fee

<u>Description</u>	<u>Current Rate</u>	<u>New Rate</u>
Each housing unit	\$210/dwelling unit	\$213/dwelling unit

Attachments:

- [Resolution adopting increases for the Capital Improvement License Tax](#)
- [Resolution adopting increases for the Park Land Dedication Fee](#)
- [Resolution adopting an increase for the Library Book Fee](#)

RESOLUTIONS

RESOLUTION NO. 05-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA
ADOPTING INCREASES FOR THE CAPITAL IMPROVEMENT LICENSE
TAX FOR CONSTRUCTION OR ALTERATION OF SINGLE-FAMILY
RESIDENCES, MULTIPLE-DWELLING STRUCTURES, AND COMMERCIAL
OR INDUSTRIAL FACILITIES**

WHEREAS, Chapter 5.36 of the Benicia Municipal Code provides for a Capital License Tax for the construction or alteration of single-family residences, multiple-dwelling structures, and commercial or industrial facilities; and

WHEREAS, the City Council desires to increase the Capital Improvement License Tax set out in Benicia Municipal Code Section 5.36.060 A through D to more accurately reflect increases in the Construction Cost Index since the enactment of said Section 5.36.060; and

WHEREAS, a Public Hearing was conducted on September 20, 2005 to consider modifications to the Capital Improvement License Tax; and

WHEREAS, said Construction Cost Index for the San Francisco Region has increased two point two five percent (2.25%) between April 2004 and April 2005; and

WHEREAS, Benicia Municipal Code Section 1.20.030 provides that the City Council may increase said Capital Improvement License Tax by resolution to reflect the increase in the Construction Cost Index.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia determines as follows:

1. The Capital License Tax set out in the Benicia Municipal Code Section 5.36.060 A through D is hereby increased and shall be computed as follows:

5.36.060 A. Single-family Residence. Nine hundred twenty-nine dollars (\$929.00).

5.36.060 B. Multiple Dwelling Structures. Four hundred sixty five dollars (\$465.00) for each habitation unit to be contained in a multiple-dwelling structure.

5.36.060 C. Commercial Facilities. For each square foot contained in a commercial facility:

1. One dollar and thirteen cents per square foot for the first fifteen thousand square feet, plus
2. Ninety-one cents per square foot for the next fifteen thousand square feet, plus
3. Sixty-five cents per square foot for the next seventy thousand square feet, plus

4. Fifty-one cents for each square foot over the first one hundred thousand square feet.
- 5.36.060 D. Industrial Facilities. For each square foot contained in an industrial facility:
1. Fifty-eight cents per square foot for the first fifteen thousand square feet, plus
 2. Forty-one cents per square foot for the next fifteen thousand square feet, plus
 3. Thirty-four cents per square foot for the next seventy thousand square feet, plus
 4. Twenty-seven cents for each square foot over the first one hundred thousand square feet.

The Capital Improvement Tax rates set out herein shall become effective 30 days after the adoption of this Resolution by the City Council.

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 20th day of September 2005, and adopted by the following vote:

Ayes:

Noes:

Absent:

Steve Messina, Mayor

Attest:

Lisa Wolfe, City Clerk

RESOLUTION NO. 05-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA
ADOPTING AN INCREASE IN THE PARK LAND DEDICATION FEE**

WHEREAS, Government Code Section 66477 authorizes cities to establish park in lieu fees to be imposed upon developers and property within the city's limits; and

WHEREAS, Section 16.32.040 of the City's Municipal Code permits the City Council to adopt said fees and the fees established hereinafter are based upon the formula contained in said section and in conformance with Government Code Section 66477; and

WHEREAS, Benicia Municipal Code Section 1.20.020 allows for an annual increase in the Park Land Dedication Fee based upon the Consumer Price Index (CPI) of the San Francisco Bay Region – All Urban Consumers; and

WHEREAS, the Finance Director has calculated said increase to be 1.6% over the period February 2004 to February 2005; and

WHEREAS, a Public Hearing was conducted on September 20, 2005 to consider modifications to the Park Land Dedication Fee.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia determines as follows:

The Fee to be paid in accordance with Municipal Code Section 16.32.040 for each residential unit to be constructed in the City of Benicia shall be:

Single Family	\$5,548/dwelling unit
Duplexes and Low Density Multiple Family	\$4,809/dwelling unit
Medium and High Density Multiple Family	\$3,698/dwelling unit

The Park Land Dedication Fee rates set out herein shall become effective 30 days after the adoption of this Resolution by the City Council.

On motion of Council Member _____ seconded by Council Member _____, the resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 20th day of September 2005, and adopted by the following vote:

Ayes:

Noes:

Absent:

Steve Messina, Mayor

Attest:

Lisa Wolfe, City Clerk

RESOLUTION NO. 05-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA
ADOPTING AN INCREASE FOR THE LIBRARY BOOK FEE**

WHEREAS, the City Council adopted a Library Book Fee in March, 1992, in the amount of one hundred fifty dollars (\$150) residential dwelling unit constructed in the City; and

WHEREAS, Section 5.37.040 of the Benicia Municipal Code permits the City Council to adopt and amend said fees by resolution and in conformance with Government Code Section 66477; and

WHEREAS, prior resolutions of the City Council have established annual increases in said Library Fee based upon the consumer price index (CPI) for the San Francisco Bay Region – All Urban Consumers; and

WHEREAS, a Public Hearing was conducted on September 20, 2005 to consider modifications to the Library Book Fee; and

WHEREAS, the Finance Director has calculated said increase to be 1.6% for the period February 2004 to February 2005; and

WHEREAS, this increase does not exceed the cost of providing library books.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia determines as follows:

The Library Book Fee to be paid in accordance with Municipal Code Section 5.37.040 for each residential dwelling unit shall be \$213.

The Library Book Fee rate set out herein shall become effective 30 days after the adoption of this Resolution by the City Council.

On motion of Council Member _____, seconded by Council Member _____, the resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 20th day of September 2005, and adopted by the following vote:

Ayes:

Noes:

Absent:

Steve Messina, Mayor

Attest:

Lisa Wolfe, City Clerk

**AGENDA ITEM
CITY COUNCIL MEETING: SEPTEMBER 20, 2005
UNFINISHED BUSINESS**

DATE : September 8, 2005

TO : City Manager

FROM : Finance Director

SUBJECT : **APPROVAL OF THE BENICIA TRANSIT SHORT RANGE
TRANSIT PLAN FOR FISCAL YEARS 2006-2015**

RECOMMENDATION:

It is recommended that the City Council adopt the Short Range Transit Plan (SRTP) for Benicia Transit for Fiscal Years 2005/2006 to 2014/2015 and authorize staff to begin planning for the implementation of the SRTP recommendations on July 1, 2006.

EXECUTIVE SUMMARY:

Nelson/Nygaard Consulting Associates prepared the SRTP through a grant sponsored by the Metropolitan Transportation Commission. The SRTP is a planning document for improving and enhancing transit services within the City. The recommendations listed within the SRTP include development of a regional express bus route, replacement of the inefficient Dial-A-Ride service with a flexible fixed route service, modification of the fare structure to improve the farebox recovery ratio, hiring a part-time transit service manager, and the continued study of the Intermodal Station and alternative fuels for transit vehicles.

BUDGET INFORMATION:

There is no impact to the City's General Fund. The proposed changes to Benicia Transit would utilize existing service hours and existing resources within the Benicia Transportation Fund. This fund receives revenues from the State of California Transportation Development Act (TDA) and several Regional, State and Federal Grants.

BACKGROUND:

The City of Benicia received a grant for \$60,000 from the Metropolitan Transportation Commission to update its SRTP. Nelson/Nygaard Consulting Associates prepared the SRTP with administrative assistance by City staff. Key reasons for developing and updating the SRTP include:

1. MTC requires the City prepare an SRTP once every two years.
2. The SRTP will help guide the City in spending its limited transportation funds in the best possible manner.

3. In order to be eligible for direct Federal and State grants for the replacement of fixed route and paratransit vehicles, totaling over \$3 million dollars during the next 10 years, the development of an SRTP is required.

As part of the effort to prepare the SRTP, the consultant analyzed fixed route and Dial-A-Ride service and made recommendations for improving each. The consultant also studied the impacts of modifications to transit services, fare structures and potential rate increases, management and oversight of the transit program, development of the Intermodal Station and alternative fuel types for transit vehicles.

Short Range Transit Plan Recommendations

The consultant's research yielded several important recommendations that were presented in the SRTP and are summarized below:

1. Develop a regional "express" route between Vallejo, Benicia and central Contra Costa County, operating with 12,220 revenue service hours.
2. Implement two new curb-to-curb "flexible" routes that will serve all areas of the City, including the Industrial Park. These routes will provide an enhanced level of Dial-A-Ride service along a semi-fixed route, operating with 7,650 revenue service hours.
3. Implement new curb-to-curb ADA paratransit service for persons who are unable to board or access fixed route transit due to a disability, operating with 7,850 revenue service hours.
4. Hire a part-time Transit Manager to provide much-needed support to the Finance Department in the oversight of public transportation services in Benicia.
5. Continue research on the Intermodal Transportation facility and a park and ride lot facility.
6. Recommend fuel types for future cutaway procurements.
7. Present a Transit Financial Plan.
8. Present a Capital and Fleet Replacement Plan.

The final draft SRTP was presented to the City Council on July 19, 2005 and staff was directed to present the proposed document to community stakeholders, transit riders and interested parties during the months of July and August. During the public outreach efforts, staff conducted six public workshops, fourteen bus ride-along trips, made the SRTP available at over 20 locations within the Benicia Transit service area, and had information about the SRTP available on the City's website (www.ci.benicia.ca.us/transit.php). Advertisements were also placed in the Vallejo Times-Herald, the Benicia Herald, the Contra Costa Times, and on the City's Community Access Channel. Surveys were also conducted on buses and on the City's website.

Results of Public Outreach Program

From the public outreach efforts that were conducted, staff received several suggestions for improving or modifying the SRTP recommendations. The recommendations received from the community are summarized below:

1. Continue to serve Pleasant Hill BART Station and, if there is time, also serve Walnut Creek BART Station.
2. Ensure that there are timed transfers between the regional “express” bus route and the flex routes.
3. Operate the regional “express” bus route with 30-minute service in the peak hours and 60 minutes at all other times.
4. Provide limited peak-hour service from Benicia to Martinez Amtrak Station to connect with the Capitol Corridor and jobs in Martinez.
5. Ensure that the “flexible” routes will serve Casa De Vilarrasa, Safeway, Raley’s and the Benicia Senior Center.
6. Ensure that the “flexible” routes will be more reliable and responsive than the current Dial-A-Ride service.
7. Provide more public information about Benicia Transit services.
8. Direct ADA paratransit service for seniors to Kaiser Permanente and Sutter Solano Medical Center in Vallejo, without the transfer to Vallejo Runabout.
9. Revise the proposed fare structure to phase the increase over a period of time.

Staff supports all of the recommendations listed above, with the exception of providing direct ADA paratransit service to medical facilities in Vallejo. Allowing direct service to medical facilities in Vallejo would cause the ADA paratransit system to be congested several times a day. Currently, Benicia Transit Dial-A-Ride and Vallejo Runabout have a guaranteed transfer arrangement for ADA passengers traveling to destinations outside the ¾-mile boundary of the Benicia Transit service area.

Recommended Implementation Plan

The recommendations of the consultant, City Council and community have been combined to yield the following implementation plan recommendations. The recommendations would be implemented over the course of the next several months, as indicated below:

1. Implement a taxi scrip program with a 50% subsidy for seniors and persons with disabilities that are good for trips within Benicia and Vallejo. (July 2005)
2. Implement the capital replacement plan for the replacement of older Benicia Transit vehicles. (January 2006)
3. Implement the regional express bus route between Pleasant Hill BART Station and Vallejo Ferry Terminal. (July 2006)
4. Replace Benicia Transit Dial-A-Ride with two new “flexible” fixed routes that would serve downtown Benicia and the northern hills of Benicia. (July 2006)
5. Replace Benicia Dial-A-Ride ADA paratransit service with a new Benicia Paratransit service that would serve all of Benicia and within three-quarters of a mile boundary of all out-of-town Benicia Transit routes. (July 2006)
6. Implement service to the Martinez Amtrak Station to connect with Amtrak California Capitol Corridor with one morning and one afternoon trip. (July 2006)
7. Extend regional express bus route to Walnut Creek BART Station during commute hours. (July 2006)

8. Continue efforts to consolidate ADA paratransit service to achieve operational efficiencies, including access to medical facilities beyond the ¾ mile ADA limitation. (July 2006)
9. Conduct a site feasibility study of a Benicia Intermodal Station in the Benicia Industrial Park. (Date uncertain)
10. Conduct a Request for Proposals for Transit Operations (RFP) process. (December 2005).
11. Implement a three phase fare increase program. (July 2006, July 2007, July 2008)

Attachments:

- [Proposed Benicia Transit Implementation Plan for July 1, 2006](#)

If viewing online, a copy of the following attachment is available at the City Clerk's Office:

- Short Range Transit Plan

**BENICIA TRANSIT
IMPLEMENTATION PLAN**

Benicia Transit Implementation Plan Effective July 1, 2006

The Benicia Transit Short Range Transit Plan 2005/2006 to 2014/2015 recommended several improvements to make the Benicia Transit system more efficient and reliable. For the past five years, ridership and fare revenue has been declining while operating costs have been increasing. In order to meet the requirements of the California Transportation Development Act (TDA) for receiving funding to support Benicia Transit operations, several changes to the transit system need to occur.

The proposed service recommendations from the Short Range Transit Plan that are planned for implementation on July 1, 2006, are listed below:

1. Implementation of a Regional “Express” Bus Route – Route 100 between Vallejo, Benicia and Pleasant Hill BART Station

This route will operate between Vallejo Ferry Terminal, York & Marin Transfer Center, Curtola Park and Ride Lot, Benicia via Southampton Road, Military West, Military East and 5th Street and Pleasant Hill BART Station. Service to Sun Valley Mall will be provided opposite the peak-period direction of travel. These changes will make the travel time between Vallejo and Pleasant Hill approximately 50 minutes and between Benicia and Pleasant Hill approximately 25 minutes. The route will operate Monday through Friday between 5:30 a.m. and 8:30 p.m. The buses will cycle every 30 minutes in the peak commute hours and every 60 minutes at all other times. Saturday service will operate between 8:30 a.m. and 6:30 p.m. every 60 minutes. Whenever possible, the route will have timed connections with BART, Baylink Ferry, Vallejo Transit, Wheels, Baylink Express and The County Connection. The service would operate with 12,220 service hours annually.

2. Replacement of Benicia Transit Dial-A-Ride with Two “Flexible Fixed Routes” Within Benicia

Benicia Transit Dial-A-Ride service would be replaced with two new “flexible routes”. These flexible routes would serve the northern hills of Benicia, the downtown area of Benicia, Benicia Industrial Park and have timed connections with Route 100 at Solano Square. The flexible routes would also have bus stops in front of Safeway, Raley’s, Casa de Vilarrasa, Rancho Benicia and the Benicia Senior Center. The flexible routes will travel along a prescribed fixed route, however for seniors (age 55 years old and older) and persons with disabilities, the bus would deviate off route and pick up or drop off passengers who request a “flex” stop at least one hour prior to the bus passing the pick up or drop off point. Flexible routes offer the reliability of a fixed route and the flexibility of a dial-a-ride service. The flexible routes will utilize smaller 12 to 16 passenger cutaway buses.

The flexible routes would operate as Route 21 – Northwest Benicia and Route 22 – Northeast Benicia via Benicia Industrial Park. Both routes would cycle hourly, Monday

though Friday between 5:00 am and 8:00 pm and Saturday between 8:00 am and 6:00 pm. The service would operate with 7,650 service hours annually.

Seniors will continue to receive free fares on the “flexible routes” to the senior lunch program at Casa De Vilarrasa and the Benicia Senior Center only.

The flexible routes will replace the Routes 15, 16, 17 and 18, which currently provide local supplemental service to Benicia High School and Benicia Middle School along Rose Drive and Hastings Drive.

3. New ADA Paratransit Service

Benicia Transit Dial-A-Ride ADA service will be replaced with Benicia Paratransit, an Americans with Disabilities Act (ADA) paratransit service for persons who are unable to board a Benicia Transit bus or access a Benicia Transit bus stop due to a disability. Paratransit is a complementary service to Benicia Transit fixed routes. Benicia Paratransit will provide service in all of Benicia and within three-quarters of a mile boundary of all out-of-town Benicia Transit routes with a one day advance reservation, up to seven days in advance. Passengers wanting to travel outside of the three-quarters of a mile out-of-town boundary would have a guaranteed transfer with Vallejo Runabout, The County Connection LINK, Solano Paratransit or VINE Go. Benicia Paratransit will provide curb-to-curb service, during the same hours as Benicia Transit fixed route bus service. This service would utilize 7,850 service hours annually.

In order to be eligible for ADA paratransit service, a passenger will need to fill out a San Francisco Bay Area Regional Paratransit Application. The City would review the application and within 21 days, if eligible, the passenger would receive an ID card that is valid on Benicia Paratransit and other regional paratransit operators in the San Francisco Bay Area.

4. Connection to Amtrak California Capitol Corridor

Benicia Transit will begin operating one AM and one PM trip as Route 23 between Benicia along Southampton Road, Military West, Military East and Martinez Amtrak Station, serving park and ride lots located along Military West. This service would have timed connections with Amtrak California Capitol Corridor, other Amtrak and Amtrak California trains, The County Connection, Tri Delta Transit and WestCAT, employment opportunities in Martinez and medical services in Martinez. This service would require 502 service hours annually.

Caltrans Division of Rail, through its Amtrak California program will add an Amtrak California Thruway bus stop in Benicia at Solano Square. This bus is timed to meet all San Joaquin trains and selected non-commuter Capitol Corridor trips. This service is provided at no cost to the City of Benicia.

5. Other Transit Programs and Enhancements

Taxi Scrip Program. Seniors (age 65 years old and older) and persons with disabilities requiring door-to-door service, may purchase Benicia Taxi Scrip from Benicia City Hall or through the mail. A book of 10 "\$1.00 taxi scrip coupons" is available for \$5.00, equaling a 50% discount. Taxi scrip is available for trips within the City of Benicia, the City of Vallejo or between Vallejo and Benicia.

Capital Program. Three additional 35-foot Gillig Phantom buses, which are wheelchair accessible and kneel for persons with difficulties climbing steps will operate on Route 100. These buses will replace the smaller cutaway buses operating on the current Benicia Transit routes.

Three new cutaways are being purchased to replace three minivans and one older cutaway currently used in Benicia Transit Dial-A-Ride service. These cutaway buses will be used on ADA paratransit. The existing three cutaways used on Benicia Transit Route 1 will be used on the flex routes.

The City will study the feasibility of constructing an intermodal station in the industrial area of Benicia. This intermodal facility would serve Benicia Transit flex routes, Fairfield/Suisun Transit System Solano Express Route 40, taxicabs, Amtrak California Capitol Corridor and/or the Auburn to Oakland Regional Rail. The next steps will be the hiring of a consultant to analyze the recommendations in the SRTP for site placement of the intermodal facility and to determine if constructing an intermodal facility in Benicia would benefit transit users. As an interim measure, Fairfield/Suisun Transit System Solano Express Route 40 will serve the Benicia Industrial Park at the corner of Park Road and Industrial Way. The Benicia Transit "Flexible" Route 22 would connect riders to and from this bus stop.

Additional Personnel. The City has hired a part time Transit Services Manager to assist the Finance Director in managing Benicia Transit operations. This position will provide the much needed support in the administration of Benicia Transit operations.

6. Marketing and Public Outreach

As an effort to ensure all passengers are aware of the changes on July 1, 2006, Benicia Transit staff will board buses, make presentations to community groups, seniors, persons with disabilities and schools to promote the new changes. A new *Rider's Guide* will be developed showing bus schedules, paratransit information, taxi scrip information and maps for distribution to the public. Benicia Transit staff will also be available to assist with travel training and ADA certification. Benicia Transit staff will be more proactive in promoting transit services to the entire community.

Plans are also being developed for a new logo and paint scheme to assist in marketing transit services. The changes will focus on new bus acquisitions first and the existing fleet as funds become available.

7. New Fares

Benicia Transit has not increased its fares since July of 2000. As operating costs continue to increase and fare revenues continue to decrease, the transit system can potentially be in jeopardy of losing its State TDA funds, should the system not meet the mandated 20% farebox recovery ratio. Currently, Benicia Transit is barely meeting the mandated 20% farebox recovery ratio. For these reasons, staff is recommending modifications to the fares and fare structure.

The revised fare structure will consolidate Benicia Transit fare zones from three to two (Vallejo/Benicia as *Zone 1* and Benicia/Contra Costa County and Vallejo/Contra Costa County as *Zone 2*). A zone check will be established at East 5th Street and I-780. Each passenger boarding the bus heading east will receive a ticket marked Benicia or Pleasant Hill. At the zone check, if there were any remaining Benicia riders, they will be required to pay the additional fare to continue to Pleasant Hill.

Under the new proposed fare schedule, *Zone 1* standard fares will increase from \$1.00 to \$1.50 in the first year and continue for 3 years. *Zone 2* standard fares will increase from \$2.00 to \$2.75 in 2006, another \$.50 to \$3.25 in 2007 and the final \$.50 to \$3.75 in 2008. The phased implementation approach will help to minimize the impact on *Zone 2* riders over a three year period.

The proposed fare structures for the next three years is presented in Table 1 and Table 2 below:

Table 1. Proposed Paratransit Rate Structure

Zone	Current	Proposed		
	2005	2006	2007	2008
Paratransit Zone 1 (Benicia Only, Benicia to Vallejo)				
One Way Fare	\$ 1.25	\$ 2.50	\$ 2.50	\$ 2.50
10-Ride Pass	\$ -	\$ 25.00	\$ 25.00	\$ 25.00
Paratransit Zone 2 (Benicia or Vallejo to Contra Costa County)				
One Way Fare	\$ 1.75	\$ 3.50	\$ 4.50	\$ 5.50
10-Ride Pass	\$ -	\$ 35.00	\$ 45.00	\$ 55.00

Table 2. Proposed Fixed Route Rate Structure

Zone	Current	Proposed		
	2005	2006	2007	2008
Zone 1 - Benicia Only and Benicia to Vallejo				
Adult 19-64 Years Old	\$ 1.00	\$ 1.50	\$ 1.50	\$ 1.50
Youth 6-18 Years Old	\$ 1.00	\$ 1.50	\$ 1.50	\$ 1.50
Senior (age 65 years old or older)/ Persons with Disabilities/ Medicare Card Holders	\$ 0.50	\$ 0.75	\$ 0.75	\$ 0.75
Seniors/Persons with Disabilities/Medicare Card Holders Route Deviations	\$ -	\$ 0.25	\$ 0.25	\$ 0.25
Adult Monthly Pass	\$ 37.00	\$ 46.00	\$ 46.00	\$ 46.00
Youth Monthly Pass	\$ 33.00	\$ 36.00	\$ 36.00	\$ 36.00
Seniors/Persons with Disabilities/ Medicare Card Holders Monthly Pass	\$ 18.50	\$ 33.00	\$ 33.00	\$ 33.00
Adult 10-Ride	\$ -	\$ 13.00	\$ 13.00	\$ 13.00
Youth 10-Ride	\$ -	\$ 10.00	\$ 10.00	\$ 10.00
Seniors/Persons with Disabilities/ Medicare Card Holders 10-Ride	\$ -	\$ 6.00	\$ 6.00	\$ 6.00
Zone 2 - Benicia to Contra Costa County & New Vallejo to Contra Costa County				
Adult 19-64 Years Old	\$ 2.00	\$ 2.75	\$ 3.25	\$ 3.75
Youth 6-18 Years Old	\$ 1.50	\$ 2.75	\$ 3.25	\$ 3.75
Senior (age 65 years old or older)/Persons with Disabilities/ Medicare Card Holders	\$ 1.00	\$ 1.50	\$ 1.75	\$ 1.75
Adult Monthly Pass	\$ 56.00	\$ 69.00	\$ 75.00	\$ 82.00
Youth Monthly Pass	\$ 44.00	\$ 59.00	\$ 65.00	\$ 70.00
Seniors/Persons with Disabilities/ Medicare Card Holders Monthly Pass	\$ 30.00	\$ 39.00	\$ 45.00	\$ 50.00
Zone 2 - 10 Ride	\$ -	\$ 27.50	\$ 32.50	\$ 33.00

Notes:

Eliminate \$9.00 ticket books and \$18.00 ticket books.
Eliminate Dial-A-Ride fares.
Transfers are free for one bus ride.
Personal care attendants (PCA) ride free.
Up to two children under the age of 6 ride free, additional children must pay the youth fare.
Transfers to Benicia Transit Dial-A-Ride, The County Connection, Tri Delta Transit, VINE, Vallejo Transit/Baylink Express, Fairfield/Suisun Transit System are worth \$1.50 on that transit system.
Benicia Transit will accept Benicia Transit Dial-A-Ride, The County Connection, Tri Delta Transit, VINE, Vallejo Transit/Baylink Express, Fairfield/Suisun Transit System, Capitol Corridor, Amtrak California for base fare.
Benicia Transit will accept Solano Baylink Day Pass, Fairfield/Vacaville Baylink Monthly Pass, Vallejo-SF Baylink Day Pass, Vallejo-SF Baylink Monthly Pass for local fare credit on Benicia Transit, worth \$1.50. Additional fare required to go to Pleasant Hill BART Station.

**AGENDA ITEM
CITY COUNCIL MEETING: SEPTEMBER 20, 2005
NEW BUSINESS**

DATE : August 24, 2005
TO : City Council
FROM : City Manager
SUBJECT : **CONTRIBUTION TO BAY AREA WATER FORUM**

RECOMMENDATION:

Should the Council decide to make a contribution, the amount should be at the \$1,000 level, which is appropriate for an agency of our size.

EXECUTIVE SUMMARY:

The Bay Area Water Forum (BAWF) is soliciting one-time voluntary contributions to support the planning efforts of their organization. The BAWF is a collaboration of water resource stakeholders in the Bay Area established to explore water supply reliability, watershed management, water conservation/recycling, water quality improvements and other key issues critical to the Bay Area.

BUDGET INFORMATION:

Sufficient funds are available in the water enterprise fund to support the \$1,000 contribution

BACKGROUND:

The Bay Area Water Forum (BAWF) sent out a request for one-time contributions from water resource stakeholders in the Bay Area to support the efforts of the BAWF in reviewing the key water related issues for the Bay Area. The request to Benicia suggested contribution levels ranging from \$1,000 to \$10,000. Should Council support a contribution, staff considers the \$1,000 level as appropriate for an agency of our size considering some of the other players are very large agencies including the East Bay Municipal Utilities District, Contra Costa Water District and the Solano County Water Agency.

Please note that the contribution request from the BAWF was reviewed by the Solano County Water Agency at their Board meeting of August 11, 2005 and they were not able to get a majority vote to support a \$10,000 contribution.

Attachment:

If viewing online, a copy of the following attachment is available at the City Clerk's Office:

- ABAG Letter, Voluntary Contribution Form, Task Force Information, Press Release

**ABAG Letter, Voluntary Contribution Form,
Task Force Information, Press Release**

**AGENDA ITEM
CITY COUNCIL MEETING: SEPTEMBER 20, 2005
NEW BUSINESS**

DATE : September 8, 2005
TO : City Manager
FROM : Finance Director
SUBJECT : **APPROVE CHANGES TO THE CITY OF BENICIA
INVESTMENT POLICY**

RECOMMENDATION:

Adopt the Resolution authorizing changes to the City of Benicia Investment Policy in accordance with California State Government Code §53646.

EXECUTIVE SUMMARY:

The City Council recently approved contracting with two investment advisors to actively manage the City's Investment Portfolio. In order to improve controls and safeguards, the attached Investment Policy is offered for the Council's consideration. The policy contains revisions that reflect the City's low-risk preferences and continues to restrict investments to those allowed by the State of California in accordance with Government Code §53646.

BUDGET INFORMATION:

There is no impact on the City's budget by adopting this Resolution.

BACKGROUND:

California Government Code Section 53646 requires that the City's Investment Policy be submitted to Council annually for its consideration at a public meeting, including any proposed changes to the policy.

The investment policy establishes 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.

Staff has communicated the City's investment preferences to MBIA Municipal Investors (MBIA) and has reviewed several changes to the Investment Policy requested by the investment advisors.

REVISIONS TO THE EXISTING POLICY

MBIA has provided the following explanations for revisions to the existing policy. The “revised” policy is attached as *Exhibit I* and the “existing” policy is attached as *Exhibit II*.

Introduction – Page 1

We expanded the first paragraph to establish the purpose of the investment policy. The three objectives were moved to the **Objectives** section on Page 1 of the new policy.

Definition and Provisions of the Government Code – Page 1

The contents of this section are found in the **Delegation of Authority, Selection of Banks and Authorized Securities and Transactions** sections of the new policy.

Acceptable Investment Instruments – Page 2

The City’s eligible investments are set forth in the **Authorized Securities and Transactions** section in Pages 3-5 of the new policy. The description of each authorized security includes detailed criteria, such as credit quality, maximum maturity and maximum percent of portfolio. We created separate sub-sections for Government Agency securities such as GNMA, and Instrumentality (government sponsored enterprises) securities such as FNMA.

Guidelines by Type of Investment – Pages 3-4

The guidelines relating to short and long term credit ratings and portfolio maximums were retained in the **Authorized Securities and Transactions** section of the new policy. We eliminated criteria relating to the size and age of an institution as unreliable.

Maturity of Investments – Page 3

The **Portfolio Maturities and Liquidity** section on Page 5 of the new policy contains the maturity limitation which was increased to the five years allowed by the statute. We eliminated the requirement for a 50% cash position which seems inconsistent with the City’s investment objectives.

Use Of Securities Dealers And Brokers – Page 3

This becomes the **Selection of Broker/Dealers** section on Pages 5-6 of the new policy. It contains expanded criteria for the selection of broker/dealers and an annual review of them. Also it provides for the direct purchase of commercial paper.

Reporting Requirements – Page 5

The **Reporting** section on Page 7 of the new policy contains all the information that must be reported in compliance with the statute.

ADDED SECTIONS IN THE NEW POLICY

MBIA has provided the following explanations of new sections in the policy.

Scope - Page 1

The first paragraph provides for exceptions of funds, if any, not subject to the policy. The second paragraph provides for the pooling of funds.

Objectives – Page 1

This section contains the three objectives, safety, liquidity and yield from the existing policy plus two more, diversification and compliance.

Delegation Of Authority – Pages 1-2

Deals with the origin of investment authority and how it may be delegated. Provides for the employment of outside investment advisors.

Prudence – Page 2

Sets forth the standard, provides for measured losses and provides relief of personal responsibility for authorized persons.

Ethics And Conflicts Of Interest – Page 3

Contains standard ethics and conflict of interest language, and also the California requirement for the annual filing of a Statement of Economic Interests.

Competitive Transactions – Page 6

Provides for competitive bids for security transactions, and exceptions.

Selection Of Banks – Page 6

Provides qualification requirements for the City's approved banks.

Safekeeping And Custody – Pages 6-7

Provides criteria for the selection of custodians and detailed procedures for the settling of security transactions and for safekeeping.

Portfolio Performance – Page 8

Establishes a benchmark against which the performance of the portfolio can be measured.

Policy Review – Pages 7-8

Contains a requirement for annual review of the policy.

THE NEW INVESTMENT POLICY REDUCES THE CITY'S INVESTMENT RISK

The combination of outside investment advisors and a new investment policy will reduce the City of Benicia's exposure to investment risk by adding experienced professionals and a more disciplined approach to investment of the City's funds. The new investment policy has the following features, all designed to reduce risk:

1. Diversification as the fourth objective. Diversification of securities reduces credit risk. Diversification of maturities reduces interest rate risk and liquidity risk.
2. Short and long term credit criteria for all investments except government or government

guaranteed. (MBIA Asset Management Group monitors credit ratings daily.)

3. Portfolio maximums, in some cases more restrictive than allowed by statute.
4. A requirement for written procedures and controls to prevent losses.
5. A section dealing with ethics and conflicts of interest.
6. Strict criteria for the selection of broker/dealers and a requirement for annual due diligence of all who are authorized.
7. A requirement for at least three competitive bids on all purchase or sale transactions.
8. Detailed procedures for the settling of securities transactions and for safekeeping of the City's securities.
9. Establishment of a benchmark for comparing the portfolio's performance.

In addition, these revisions of the old policy's terms are designed to improve portfolio performance without significantly increasing risk:

1. Extended the maximum maturity of securities from one year to the five years allowed by statute.
2. Extended the maximum maturity of commercial paper from 15 days to the 270 days allowed by statute.
3. Eliminated the requirements that repurchase agreement counterparties and issuers of commercial paper and bankers acceptances be limited to the fifteen largest banks in the U.S.
4. Eliminated the requirement for a 50% liquidity position.

Attachments:

- [Resolution](#)
- [Exhibit I - Revised Investment Policy](#)
- [Exhibit II - Existing Investment Policy](#)

RESOLUTION

RESOLUTION NO. 05-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA REVISING THE CITY'S INVESTMENT POLICY AND GUIDELINES AND CONFIRMING ITS ADOPTION

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 and Guidelines in accordance with California State Government Code §53600 et seq.; and

WHEREAS, the City Council last reviewed the Investment Policy and Guidelines on June 21, 2005 recognizing City investment reporting practices in accordance with California State Government Code §53600 et seq.; and

WHEREAS, the Audit and Finance Committee and Finance Director have reviewed the City Investment Policy and Guidelines.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby approves the revision of the City's Investment Policy and Guidelines dated September 20, 2005 as presented and without revision.

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 20th day of September 2005, and adopted by the following vote:

Ayes:

Noes:

Absent:

Attest:

Steve Messina, Mayor

Lisa Wolfe, City Clerk

EXHIBIT I
REVISED INVESTMENT POLICY

Exhibit I
City of Benicia
Investment Policy
(Revised September 20, 2005)

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 _____ pursuant to City Council Resolution No. _____. It replaces any previous investment policy of the City.

I. SCOPE

The provisions of this Investment Policy shall apply to all financial assets of the City.

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 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, 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 riskless and that the investment activities of the City are a matter of public record. Accordingly, the City recognizes that occasional measured losses are inevitable 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 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, or strips with a final maturity not exceeding five years from the date of purchase.
2. Federal Agency debentures and mortgage-backed securities with a final maturity not exceeding five years from the date of purchase issued by the Government National Mortgage Association (GNMA).
3. 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 purchase, issued by the following only: Federal Home Loan Banks (FHLB), Federal National Mortgage Association (FNMA), Federal Farm Credit Banks (FFCB) and Federal Home Loan Mortgage Corporation (FHLMC). 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. 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 financial firms 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. Prime Commercial Paper with a maturity not exceeding 270 days from the date of purchase 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 five hundred million dollars (\$500,000,000) and (3) have debt other than commercial paper, if any, that is rated "A" or higher 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.

Purchases of eligible commercial paper may not represent more than 10% of the outstanding commercial paper of any single corporate issue. No more than \$1 million shall be invested in the commercial paper of any one issuer, and the aggregate investment in commercial paper shall not exceed 25% of the City's total portfolio.

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 purchase; 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, in state or nationally chartered banks or savings banks with a California branch office that are insured by the FDIC. Time Certificates of Deposit exceeding FDIC coverage shall be secured in accordance with California Government Code Section 53652. The aggregate amount invested in Certificates of Deposit shall not exceed 25% of the City's total portfolio.

8. State of California's Local Agency Investment Fund (LAIF), created by California Government Code Section 16429.1.
9. 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 daily net asset value per share of \$1.00; (3) invest only in the securities and obligations authorized in this Investment Policy and (4) 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.

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 AND LIQUIDITY

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 purchase, unless the City Council has by resolution granted authority to make such an investment at least three months prior to the date of investment.

VIII. SELECTION OF BROKER/DEALERS

The Finance Director shall maintain a list of authorized broker/dealers approved for investment purposes, and it shall be the policy of the City to purchase securities only from those authorized firms. To be eligible, a firm must be licensed by the State of California as a broker/dealer as defined in California Corporations Code Section 25004, and shall:

1. be recognized as a primary dealer 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 Finance Director shall maintain a list of approved broker/dealers, along with each firm's most recent Broker/Dealer Information Request form.

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.

When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

X. SELECTION OF BANKS

The Finance Director shall maintain a list of banks approved to provide depository and other banking services for the City. To be eligible, a bank must be a member of the FDIC, 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 financial institutions 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.

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 City’s investments shall be compared to the average yield on the U.S. Treasury security that most closely corresponds to the portfolio’s actual weighted average effective maturity. When comparing the performance of the City’s portfolio, its rate of return will be computed net of all fees and expenses.

XIII. REPORTING

Quarterly, the Treasurer and the Finance Director 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.

Within 60 days after the close of the second and fourth quarters ending in June and December, the Finance Director or his designee shall file copies of the most recent reports referred to above with the California Debt and Investment Advisory Commission.

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 and the Finance Director 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.

EXHIBIT II
EXISTING INVESTMENT POLICY

Exhibit II
CITY OF BENICIA
INVESTMENT POLICY AND GUIDELINES
(Last Revision on June 21, 2005)

INTRODUCTION

City monies not required for immediate expenditure will be invested in compliance with governing provisions of law Government Code Sections 53600 et seq., and this policy.

It is the City of Benicia's objective to invest its monies in accordance with the following criteria:

1. **Safety:** It is the primary duty and responsibility of the Treasurer and Finance Director to protect, preserve, and maintain cash and investments placed in his/her trust on behalf of the citizens of the community.
2. **Liquidity:** An adequate percentage of the portfolio shall be maintained in liquid short term securities that can be converted to cash if necessary to meet disbursement requirements. Since all cash requirements cannot be anticipated, investment in securities with active secondary or resale markets is highly recommended. Emphasis should be on marketable securities with low sensitivity to market risk (market risk is defined as 'price fluctuation of a security due to a raise or drop in market interest rates').
3. **Yield:** Yield shall become a consideration only after the basic requirements of safety and liquidity have been met.

I. DEFINITION AND PROVISIONS OF THE GOVERNMENT CODE

The City Treasurer, Finance Director, and Assistant Finance Director have been delegated investment authority by the City Council. In accordance with these Government Code Sections 53600 et seq., collateral established as security for municipal funds will be those securities specified by law as eligible for collateral for deposits of local public agencies. Investments of City monies not required for immediate expenditure will be made in securities or other certificates of indebtedness as provided by law for the investment of public funds. Investments will be made in accordance with this policy.

II. ACCEPTABLE INVESTMENT INSTRUMENTS

The City investment portfolio may include the following instruments:

- Certificates of Deposit purchased from banks or savings and loan institutions

- Bankers Acceptances
- Treasury Bills and Notes
- Government Agency Securities (E.G. Federal National Mortgage Association, Government National Mortgage Association, Federal Farm Credits.)
- Repurchase Agreements
- Commercial Paper
- State Local Agency Investment Fund

III. AMOUNTS TO BE INVESTED

The City will invest all funds and estimated checking account float except for those amounts required by the City's banks to pay for bank services furnished to the City.

GUIDELINES BY TYPE OF INVESTMENT

No more than 20% of the City portfolio, not to exceed \$5 million, shall be invested in any one institution. An institution must meet the following criteria to be considered by the City:

- For investments greater than \$100,000, the institution must maintain \$200 million in assets. For investments greater than \$300,000, the institution must maintain at least \$500 million in assets.
- The City will not invest in any institution less than five years old.
- The institution must maintain a net worth to asset ratio of at least 3%, and a positive earnings record.

CERTIFICATES OF DEPOSIT: Cash will be invested only in FDIC or FSLIC insured or fully collateralized certificates of deposit. Collateral for a given investment must be 110% of principal for government securities collateral and 150% of principal for first mortgage collateral.

BANKERS ACCEPTANCES: The City will only invest through the 15 largest banks in the United States or the 100 largest banks in the world (in terms of assets). The maximum investment with any one institution will not exceed \$3 million.

TREASURY BILLS AND NOTES: The City will require safekeeping documentation of the treasury instrument in an acceptable safekeeping account in the City's name.

III. AMOUNTS TO BE INVESTED (Continued)

GOVERNMENT AGENCY SECURITIES: The City will require physical delivery of these securities to an acceptable safekeeping account in the City's name. Examples of these securities include Government National Mortgage Association, Federal National Mortgage Association, Federal Land Bank, and Federal Farm Credit Banks.

COMMERCIAL PAPER: The City will require safekeeping documentation of the security in an acceptable safekeeping account in the City's name. Commercial paper will be used solely as a short term investment not to exceed 15 days. A rating of Standard and Poors A-1 or Moodys P-1 is required. The City will only invest in the largest 15 banks (in terms of total assets) in the United States. The investment in any one institution will not exceed \$1,000,000.

REPURCHASE AGREEMENTS (Repos): The City will require physical delivery of the securities backing the "repo" or safekeeping documentation in an acceptable safekeeping account in the City's name, depending on the type of security. Repos will be used solely as a short term investment not to exceed 30 days. The institution from which the City purchases a "repo" must transfer on an ongoing basis sufficient securities to compensate for changing market conditions and insure that adequate collateral is maintained in the City's safekeeping account to cover the principal invested. Repos will only be purchased through the 15 largest banks in the United States. The investment in any one institution will not exceed \$1,000,000.

STATE LOCAL AGENCY INVESTMENT FUND: The investment with LAIF may not, by State regulation, exceed the maximum amount allowed by law.

IV. MATURITY OF INVESTMENTS

With the exception of Treasury notes, the maturity of a given investment will not exceed **one** year. Treasury notes may be purchased for a period not to exceed **three** years. Approximately 50% of the idle funds will be placed in investments which can be sold for face value in the open market in the event of an emergency.

V. USE OF SECURITIES DEALERS AND BROKERS

In selecting financial institutions, brokers, and securities dealers for the deposit or investment of City funds, the Treasurer and Finance Director shall consider the creditworthiness of such institutions, brokers, and securities dealers. The Treasurer and Finance Director shall continue to monitor financial institutions', brokers', and securities dealers' credit characteristics and financial history throughout the period in which City funds are deposited or invested.

VI. INVESTMENT COMMITTEE AUTHORITY

A staff Investment Committee consisting of the City Treasurer, Finance Director, and Assistant Finance Director will review on a monthly basis the City investment portfolio, daily cash reports and anticipated cash requirements in selecting investment instruments for idle City funds. Additionally, the Committee will meet on a quarterly basis to discuss the City's overall investment portfolio.

VII. FINANCE AND AUDIT COMMITTEE

The Finance Director or his designee shall review the City's investment portfolio with the City Council Finance and Audit Committee on a monthly basis.

VIII. REPORTING REQUIREMENTS

The Treasurer and the Finance Director shall file a quarterly investment report to the City Manager and City Council that shall contain, at the least, the monthly information required by Government Code §53646, which covers:

- A. Type of investment
- B. Institution where invested
- C. Date of maturity
- D. Date of investment
- E. Maturity amount of investment
- F. Cost of investment
- G. Current market value of investment
- H. Rate of interest on investment

The Finance Director or his designee shall file copies of the investment policy and quarterly investment reports for quarters ending June and December with the California Debt and Investment Advisory Commission within 60 days of the close of those quarters.

**AGENDA ITEM
CITY COUNCIL MEETING: SEPTEMBER 20, 2005
NEW BUSINESS**

DATE : August 23, 2005
TO : City Manager
FROM : Library Director
SUBJECT : **CREATION OF THE OFFICE OF BENICIA POET LAUREATE**

RECOMMENDATION:

Adopt the Resolution creating the office of the Benicia Poet Laureate.

EXECUTIVE SUMMARY:

A request was made to the Library Board of Trustees for the City to look into the possibility of creating the office of Benicia Poet Laureate. After extensive discussion, the Library Board of Trustees created a Poet Laureate policy.

BUDGET INFORMATION:

No remuneration is offered for the position. Reasonable expenses will be reimbursed with advance approval of the Library Board of Trustees or their designees.

BACKGROUND:

At the request of Benicia citizens, Council requested the Library Board of Trustees to create a policy and provide a resolution to the City Council for appointment of a Benicia Poet Laureate.

The poet laureate will fulfill the following functions: provide a focus for the appreciation and dissemination of poetry in Benicia, promote the appreciation and knowledge of poetry among our youth, act as a spokesperson for the growing number of poets in Benicia.

Joel Fallon, a respected Benicia poet who has represented local poets at events around the Bay Area has been selected by the Library Board of Trustees to serve as Benicia's Poet Laureate. Should the City Council adopt the attached resolution, the next step will be to appoint Mr. Fallon as the City's first Poet Laureate at the October 18, 2005 City Council meeting.

Attachments:

- [Proposed Resolution](#)
- [Library Policy Manual Section 8.2 Poet Laureate](#)

PROPOSED RESOLUTION

RESOLUTION NO. 05-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA
AUTHORIZING CREATING THE OFFICE OF BENICIA POET LAUREATE**

WHEREAS, the study of literature forms a vital part of our shared and diverse culture;
and

WHEREAS, poetry expresses personal and public stories in an art form accessible to all;
and

WHEREAS, poetry forms an important part of our children’s education about culture
and history; and

WHEREAS, studies have shown that children who read poetry show improvements in
vocabulary, critical analytical skills and reading comprehension; and

WHEREAS, reading and writing poetry give children and adults alike an outlet for their
feelings, experiences, and questions about the world; and

WHEREAS, the City of Benicia is fortunate to have an active and united community of
poets living and working in our midst; and

WHEREAS, California was the first state to appoint a poet laureate, and many
communities in California have successfully appointed poets laureate; and

NOW, THEREFORE, BE IT RESOLVED, that the office of Poet Laureate is hereby
established in the City of Benicia.

BE IT FURTHER RESOLVED that the Benicia Public Library Board of Trustees shall
administer and oversee the selection of the Poet Laureate.

On a motion of Council Member _____, seconded by Council Member _____, the foregoing Resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 20th day of September 2005 and adopted by the following vote:

Ayes:

Noes:

Absent:

Steve Messina, Mayor

Attest:

Lisa Wolfe, City Clerk

**LIBRARY POLICY MANUAL
SECTION 8.2
POET LAUREATE**

**AGENDA ITEM
CITY COUNCIL MEETING: SEPTEMBER 20, 2005
NEW BUSINESS**

DATE : September 6, 2005

TO : City Manager

FROM : Mike Dotson
Superintendent of Parks and Community Services

SUBJECT : **APPROVAL OF THE PARKS AND COMMUNITY SERVICES
DEPARTMENT NUTRITION AND HEALTH MISSION
STATEMENT**

RECOMMENDATION:

Adopt the resolution regarding the implementation of a Parks and Community Services Department Nutrition and Health Mission Statement.

EXECUTIVE SUMMARY:

Staff held two nutrition sub-committee meetings in October and November 2004. In attendance were local youth sports organizations and residents. The intent of the meetings was to discuss the need for a nutrition policy and evaluate current products being distributed in recreation facility vending machines. At the conclusion of the meetings, staff changed a few of the products offered at each facility, providing patrons healthy choices and recommended to the Parks, Recreation, and Cemetery Commission a Health and Nutrition Policy.

BUDGET INFORMATION:

No budget impact.

BACKGROUND:

In September 2004, a request was made to the Parks, Recreation and Cemetery Commission to evaluate the content of the current products being offered in recreation facility vending machines, and the need for a nutrition policy. The Commission formed a sub-committee to study and evaluate these requests.

Staff met with local sports organizations and residents on October 7 and again on November 17, 2004. At the conclusion of these meetings, the Committee agreed to recommend a Parks and Community Services Department Nutrition and Health Mission Statement to the Parks, Recreation and Cemetery Commission for eventual consideration by the City Council. The Committee, with staff assistance, changed a few of the products being offered in the vending machines. These changes consisted of making available more diet sodas, water, Sobe energy drinks and Gatorade products. The sub-committee also encouraged local sports organizations to provide healthy choice options at their snack bar and post educational material at the fields and in their newsletters.

At the May 11, 2005 Parks, Recreation and Cemetery meeting Staff presented the Sub-Committee's proposed Nutrition and Health Statement to the Commission. The Commission reviewed the statement and made recommendations and requested Staff bring the new proposed language back to the Commission for review and approval.

The Nutrition and Health Statement before the City Council tonight was approved by the Parks, Recreation, and Cemetery Commission at the August 10, 2005 meeting. During this meeting, Staff informed the Commission that we would discuss nutrition related issues at the bi-annual sports board meeting. Staff also informed the Commission that we would work with Solano County Health Department to offer training to sport groups that operate the snack bars. Further, the Parks and Community Services Department would promote the policy by posting it at the Parks and Community Services office, snack bar sites, and include the statement in the quarterly brochure.

Attachment:

- [Resolution](#)

RESOLUTION

RESOLUTION NO. 05 –

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING THE PARKS AND COMMUNITY SERVICES NUTRITION AND HEALTH MISSION STATEMENT

WHEREAS, a request was made in September 2004 to the Parks, Recreation and Cemetery Commission to evaluate the content of products offered in recreation facility vending machines and determine if there is a need for a nutrition policy; and

WHEREAS, staff held two nutrition sub-committee meetings in October and November, 2004 and as a result of these meetings, healthy choices are now provided at each facility; and

WHEREAS, staff met with local sports organizations and residents and agreed to provide healthy choice items at their snack bar and educational material at the fields and in their newsletters; and

WHEREAS, at the August 10, 2005 meeting the Parks, Recreation and Cemetery Commission approved the Nutrition and Health Statement.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Benicia approves the Parks & Community Services Department Nutrition and Health Mission Statement as follows:

**Parks and Community Services Department
Nutrition and Health Mission Statement**

The City of Benicia Parks and Community Services Department, in collaboration with community organizations, strives to enhance quality of life in Benicia through the promotion of good nutrition, healthy activities and a healthy lifestyle. Classes, special events and recreation programs fostering good health and overall well being are developed and implemented for the entire community.

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 20th day of September 2005 and adopted by the following vote:

Ayes:

Noes:

Absent:

Steve Messina, Mayor

ATTEST:

Lisa Wolfe, City Clerk

**AGENDA ITEM
CITY COUNCIL MEETING: SEPTEMBER 20, 2005
NEW BUSINESS**

DATE : September 6, 2005

TO : City Manager

FROM : Mike Dotson
Superintendent of Parks and Community Services

SUBJECT : **APPROVAL OF THE PARKS AND COMMUNITY SERVICES
DEPARTMENT NUTRITION AND HEALTH MISSION
STATEMENT**

RECOMMENDATION:

Adopt the resolution regarding the implementation of a Parks and Community Services Department Nutrition and Health Mission Statement.

EXECUTIVE SUMMARY:

Staff held two nutrition sub-committee meetings in October and November 2004. In attendance were local youth sports organizations and residents. The intent of the meetings was to discuss the need for a nutrition policy and evaluate current products being distributed in recreation facility vending machines. At the conclusion of the meetings, staff changed a few of the products offered at each facility, providing patrons healthy choices and recommended to the Parks, Recreation, and Cemetery Commission a Health and Nutrition Policy.

BUDGET INFORMATION:

No budget impact.

BACKGROUND:

In September 2004, a request was made to the Parks, Recreation and Cemetery Commission to evaluate the content of the current products being offered in recreation facility vending machines, and the need for a nutrition policy. The Commission formed a sub-committee to study and evaluate these requests.

Staff met with local sports organizations and residents on October 7 and again on November 17, 2004. At the conclusion of these meetings, the Committee agreed to recommend a Parks and Community Services Department Nutrition and Health Mission Statement to the Parks, Recreation and Cemetery Commission for eventual consideration by the City Council. The Committee, with staff assistance, changed a few of the products being offered in the vending machines. These changes consisted of making available more diet sodas, water, Sobe energy drinks and Gatorade products. The sub-committee also encouraged local sports organizations to provide healthy choice options at their snack bar and post educational material at the fields and in their newsletters.

At the May 11, 2005 Parks, Recreation and Cemetery meeting Staff presented the Sub-Committee's proposed Nutrition and Health Statement to the Commission. The Commission reviewed the statement and made recommendations and requested Staff bring the new proposed language back to the Commission for review and approval.

The Nutrition and Health Statement before the City Council tonight was approved by the Parks, Recreation, and Cemetery Commission at the August 10, 2005 meeting. During this meeting, Staff informed the Commission that we would discuss nutrition related issues at the bi-annual sports board meeting. Staff also informed the Commission that we would work with Solano County Health Department to offer training to sport groups that operate the snack bars. Further, the Parks and Community Services Department would promote the policy by posting it at the Parks and Community Services office, snack bar sites, and include the statement in the quarterly brochure.

Attachment:

- [Resolution](#)

RESOLUTION

RESOLUTION NO. 05 –

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING THE PARKS AND COMMUNITY SERVICES NUTRITION AND HEALTH MISSION STATEMENT

WHEREAS, a request was made in September 2004 to the Parks, Recreation and Cemetery Commission to evaluate the content of products offered in recreation facility vending machines and determine if there is a need for a nutrition policy; and

WHEREAS, staff held two nutrition sub-committee meetings in October and November, 2004 and as a result of these meetings, healthy choices are now provided at each facility; and

WHEREAS, staff met with local sports organizations and residents and agreed to provide healthy choice items at their snack bar and educational material at the fields and in their newsletters; and

WHEREAS, at the August 10, 2005 meeting the Parks, Recreation and Cemetery Commission approved the Nutrition and Health Statement.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Benicia approves the Parks & Community Services Department Nutrition and Health Mission Statement as follows:

**Parks and Community Services Department
Nutrition and Health Mission Statement**

The City of Benicia Parks and Community Services Department, in collaboration with community organizations, strives to enhance quality of life in Benicia through the promotion of good nutrition, healthy activities and a healthy lifestyle. Classes, special events and recreation programs fostering good health and overall well being are developed and implemented for the entire community.

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 20th day of September 2005 and adopted by the following vote:

Ayes:

Noes:

Absent:

Steve Messina, Mayor

ATTEST:

Lisa Wolfe, City Clerk

**AGENDA ITEM
CITY COUNCIL MEETING: SEPTEMBER 20, 2005
NEW BUSINESS**

DATE : September 12, 2005
TO : City Council
FROM : City Manager
SUBJECT : **DISCUSSION OF PROPOSED ARSENAL MASTER PLAN COMMITTEE**

RECOMMENDATION:

Discuss the proposed committee and provide direction to staff, as needed.

EXECUTIVE SUMMARY:

Council Member Campbell has requested the creation of an Arsenal Master Plan Committee to develop a master plan for the arsenal area. It is proposed that the committee be comprised of 15 citizens and five alternates (i.e., four citizens nominated by each council member).

BACKGROUND:

Council Member Campbell has provided the following points regarding his request for an Arsenal Master Plan Committee:

- The Arsenal has historical significance at both the state and federal level.
- Piece meal development could easily lead to erosion of the Arsenal's chance to be on the national and state historical registry.
- Piece meal Arsenal development has little chance of community acceptance.
- The recent success of several initiative/petition drives have proven that with controversial land use issues, it is important to seek and gain wide spread public input. So, community-wide consensus building is the best approach when dealing with controversial land use issues.

AGENDA ITEM
CITY COUNCIL MEETING: SEPTEMBER 20, 2005
REPORTS FROM CITY MANAGER

DATE : August 31, 2005

TO : City Council

FROM : City Manager

SUBJECT : **PROGRESS TOWARD RESOLVING DIFFERENCES WITH BENICIA UNIFIED SCHOOL DISTRICT REGARDING THE PROPOSED JOINT USE AGREEMENT**

RECOMMENDATION:

Status report, for information only.

EXECUTIVE SUMMARY:

The Superintendent and the City Manager are currently working on proposed recommendations for addressing differences in the proposed agreements for City maintenance of BUSD fields.

BACKGROUND:

On July 19, 2005, the Council authorized the City Manager to initiate discussions with the School District Superintendent to resolve differences for the proposed joint use agreement (JUA). The JUA would permit the City to provide up to \$1 million of turf upgrades, and ongoing field maintenance at four school sites. In return, the District would permit City use of all District fields, gyms, multi-purpose rooms and at least one classroom at each school.

The City Manager, Parks and Community Services Director and BUSD Superintendent have met on several occasions since July 19th. All major issues, and all but a few known lesser issues, have been reviewed. Of the major issues, City and BUSD staff appear to be in agreement on nearly all of them.

Of the lesser issues (identified in memo from City Attorney dated July 12, 2005) all appear resolvable with 31 of 40 issues reviewed. City staff will submit recommendations to the Superintendent this week for addressing the last nine lesser issues.

All tentative agreements have been committed to writing in common language. District and City staff plan to review a complete package of tentative agreement in the next few days. Following confirmation of the tentative agreements, the City Attorney will incorporate the proposed amendments into the draft JUA for Council and Board action.

Staff has avoided in the memo, elaborating on tentative agreements to protect the integrity of negotiations between staff. To publicly discuss differences, of which there are few, may harden positions and make compromise more difficult.

The School/City Liaison Committee requested at their meeting on August 25th that a joint meeting of the Council and School Board be set prior to the end of September in anticipation that the draft JUA will be ready for adoption. Contract negotiations between the District and its maintenance personnel may preclude setting a date for a joint City Council/BUSD Board meeting at this time. We understand the District Board will discuss this matter at their September 16th meeting.

AGENDA ITEM
CITY COUNCIL MEETING: SEPTEMBER 20, 2005
REPORTS FROM CITY MANAGER

DATE : August 31, 2005

TO : City Council

FROM : City Manager

SUBJECT : **PROGRESS TOWARD RESOLVING DIFFERENCES WITH BENICIA UNIFIED SCHOOL DISTRICT REGARDING THE PROPOSED JOINT USE AGREEMENT**

RECOMMENDATION:

Status report, for information only.

EXECUTIVE SUMMARY:

The Superintendent and the City Manager are currently working on proposed recommendations for addressing differences in the proposed agreements for City maintenance of BUSD fields.

BACKGROUND:

On July 19, 2005, the Council authorized the City Manager to initiate discussions with the School District Superintendent to resolve differences for the proposed joint use agreement (JUA). The JUA would permit the City to provide up to \$1 million of turf upgrades, and ongoing field maintenance at four school sites. In return, the District would permit City use of all District fields, gyms, multi-purpose rooms and at least one classroom at each school.

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AGENDA ITEM
CITY COUNCIL MEETING: SEPTEMBER 20, 2005
CITY MANAGER REPORTS

DATE : September 13, 2005
TO : City Council
FROM : City Manager
SUBJECT : **UPDATE ON STATUS OF REVENUE OPTIONS COMMITTEE**

RECOMMENDATION:

Discuss and provide direction to staff, as needed.

EXECUTIVE SUMMARY:

The City Council/School Board Liaison Committee has requested that a letter be sent to a variety of local organizations from the Mayor and School Board President to invite participation on the Revenue Options Committee. This committee is expected to explore various avenues for potential funding sources for the school district and the City.

BACKGROUND:

The City Council/School Board Liaison Committee has suggested the formation of a Revenue Options Committee, which has been approved by both the City Council and School Board. The committee's charge has been drafted as follows:

To explore opportunities of the District and the City for additional funding to address shared needs, identify specific options available for providing additional funding, and make appropriate recommendations. Specific goals may include:

- Identify shared funding needs and objectives.
- Review the range of possible revenue sources available to both the District and the City to meet these needs.
- Review alternative revenue opportunities to bridge the gap of funding needs and funding available.
- Prepare a report of findings and recommendations to the School District Board and the City Council.

The City Council/School Board Liaison Committee has proposed that a variety of participants from local organizations be invited to participate in pursuing these goals. The attached draft

letter summarizes the organizations that will be approached, as well as providing a brief overview of the parameters of the proposed committee.

Outstanding City general funding issues include:

- ❑ New police station
- ❑ Under-funded capital improvements (infrastructure replacement)
- ❑ Assessment district – future imbalances
- ❑ Marina – future deficit
- ❑ Possible future operating imbalances

Consideration will be required given other related efforts including the School District Parcel Tax Committee and the City Assessment District community meetings.

This status report is provided to confirm that staff is proceeding in the desired direction in the establishment of the Revenue Options Committee. If so, next steps will include follow-up with the Superintendent of Schools to obtain any additional comments, along with distribution of the attached letter to the organizations noted therein.

Attachment:

- ❑ [Draft letter to committee participants](#)