

October 20, 2009 Regular Meeting

BENICIA CITY COUNCIL

REGULAR MEETING AGENDA

City Council Chambers

October 20, 2009

7:00 P.M.

Times set forth for the agenda items are estimates.

Items may be heard before or after the times designated.

I. CALL TO ORDER (7:00 P.M.):

II. CLOSED SESSION:

III. CONVENE OPEN SESSION:

A. ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. REFERENCE TO THE FUNDAMENTAL RIGHTS OF PUBLIC

IV. ANNOUNCEMENTS/APPOINTMENTS/PRESENTATIONS/ PROCLAMATIONS:

A. ANNOUNCEMENTS:

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

2. Openings on Boards and Commissions:

Arts & Culture Commission: 9 full term openings (4 year term)

Community Sustainability Commission: 6 full term openings (4 year term), 1 student opening (1 year term)

Senior Coalition of Solano County: 1 full term opening (2 year term)

Sky Valley Open Space Committee: One full term to January 31, 2013

Human Services and Arts Board: One unexpired term to June 30, 2010, One full term to July 31, 2013

3. Mayor's Office Hours:

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

B. APPOINTMENTS:

C. PRESENTATIONS:

1. Solano County Water Agency – Delta Water Issues - David Okita

D. PROCLAMATIONS:

1. [International Day of Climate Action – October 24, 2009](#)

2. [Red Ribbon Week – October 17-25, 2009](#)

V. ADOPTION OF AGENDA:

VI. OPPORTUNITY FOR PUBLIC COMMENT:

This portion of the meeting is reserved for persons wishing to address the Council on any matter not on the agenda that is within the subject matter jurisdiction of the City Council. State law prohibits the City Council from responding to or acting upon matters not listed on the agenda.

Each speaker has a maximum of five minutes for public comment. If others have already expressed your position, you may simply indicate that you agree with a previous speaker. If

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

A. WRITTEN COMMENT

B. PUBLIC COMMENT

VII. CONSENT CALENDAR (7:45 P.M.):

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

A. [Approval of Minutes of October 6, 2009.](#) (City Clerk)

B. [Denial of the claim against the city by Janet Martino and referral to insurance carrier.](#) (City Attorney)

This claim is for the value of four confiscated vehicles, emotional distress, and general special damages. Staff has reviewed the procedures followed in the confiscation of the vehicles and a determination was made to return one vehicle to Ms. Martino, as she was not properly noticed for this vehicle. The removal of the other three vehicles, however, was justified and done in accordance with Benicia Municipal Code Section 10.44 (Abandoned, Wrecked, Dismantled Or Inoperative Vehicles.) (A copy of the relevant sections is attached.) The removal of these vehicles was in response to a citizen's complaint.

Recommendation: Deny the claim against the City by Janet Martino.

C. [Coastal Conservancy Grant Award for Rose Drive Overcrossing also known as \(aka\) State Park Road Bike/Pedestrian Bridge and Trail Project.](#) (Public Works and Community Development Director)

In November of 2007, the City of Benicia submitted an application to the Bay Area Ridge Trail Grants Program for our top priority transportation project, the State Park Road Bike/Pedestrian Bridge and Trail project, now known as the Rose Drive Overcrossing project. The State Coastal Conservancy funds the Ridge Trail grant program. The Conservancy awarded a grant for the City's project in September 2008, with funding to come from Prop. 84 bond funds. The State Treasurer's December 2008 freeze on all State general obligation bond fund contracts and expenditures interrupted the grant process. The State Treasurer has since lifted the freeze on certain bond funds, enabling the Coastal Conservancy to enter into a grant agreement with the City and to proceed with funding the full amount of its grant to the City.

The City of Benicia has been awarded \$241,500 by the Coastal Conservancy (Proposition 84 funding) in order to assist in the funding of the Rose Drive Overcrossing project. In order to receive the funds, the City is required provide a resolution by the City Council that authorizes the Public Works and Community Development Director to execute and implement the grant agreement.

Recommendation: Adopt a resolution approving the terms and conditions of Grant Agreement #09-009 between the City of Benicia and the Coastal Conservancy in the amount of \$241,500 for the Rose Drive Overcrossing Project and authorizing the Public Works & Community Development Director to execute and implement the agreement on behalf of the City.

D. Rose Drive Bicycle/Pedestrian Overcrossing Project: Award of Contracts to complete the final design and for construction, construction management, and engineering support services.(Public Works and Community Development Director)

This project will construct 1,000 feet of separated bicycle/pedestrian pathway alongside Rose Drive from the Rose Center just south of Columbus Parkway into the Benicia State Recreation Area. The project includes a bicycle/pedestrian bridge over I-780 and will eliminate a gap in the trail system between north and south Benicia. This project is fully funded with regional, State, and federal funds; no local funds will be expended.

Recommendation: Adopt the following four resolutions:

1. Approving Task Order No. 5 in the amount of \$46,000 with Pakpour Consulting Group to complete the final design for the Rose Drive Bicycle/Pedestrian Overcrossing Project and authorizing the City Manager to sign the task order on behalf of the City.
2. Accepting the bids for the Rose Drive Bicycle/Pedestrian Overcrossing Project, awarding the construction contract to Viking Construction of Rancho Cordova in the amount of \$1,812,135 and authorizing the City Manager to sign the contract on behalf of the City.
3. Approving Task Order No. 2 in the amount of \$333,150 with Vali Cooper & Associates for construction management/inspection services on the Rose Drive Bicycle/Pedestrian Overcrossing Project and authorizing the City Manager to sign the task order on behalf of the City.
4. Approving Task Order No. 6 in the amount of \$49,600 with Pakpour Consulting Group for construction phase engineering support on the Rose Drive Bicycle/Pedestrian Overcrossing Project and authorizing the City Manager to sign the task order on behalf of the City.

E. Award of Consultant Contract for professional and technical services for Residential Energy Audit Pilot Program and related community outreach efforts. (Public Works and Community Development Director)

A City-subsidized residential energy efficiency and water conservation audit pilot program will provide residents with cost-free resources that implement the Climate Action Plan and its purpose of reducing greenhouse gas emissions. The audits are anticipated to result in a 20% savings on monthly energy bills. The pilot program includes a comprehensive community outreach and education component in order to raise awareness for energy efficiency and water conservation. The City's approach includes training and hiring Benicia High School 'Students for the Advancement of Global Entrepreneurship' (SAGE) participants to assist with audits and related outreach functions.

Recommendation: Adopt a resolution approving a contract for technical and professional services for residential energy audits, on-site energy efficiency upgrades and related community outreach efforts with HomeZ, Inc. dba Ennovationz, Inc. for a not-to-exceed cost of \$100,000 and authorizing the City Manager to sign the contract on behalf of the City.

F. Award of consultant contract for professional services for energy efficiency and renewable energy project management.(Public Works and Community Development Director)

An energy efficiency and renewable energy project manager will provide the City with a cost-neutral solution toward implementing the Climate Action Plan and meeting the greenhouse gas reductions set by the City Council in September 2008. This will be accomplished in two phases with two separate contracts: phase one – detailed energy audit analysis study of all

City facilities; and, phase two – design and development of viable energy savings and energy generation opportunities, based on outcomes from audit analysis.

Recommendation: Adopt a resolution approving a contract for professional services to perform a detailed energy audit analysis study, as well as consulting services for the development of a micro-utility, with Chevron Energy Solutions Company, a division of Chevron U.S.A., Inc. and authorizing the City Manager to sign the contract on behalf of the City.

G. [Accept a fiscal year 2009 Buffer Zone Protection Plan \(BZPP\) grant program award from the California Emergency Management Agency.](#) (Police Chief)

The Department of Homeland Security (DHS) notified Solano County Office of Emergency Services (OES) and the Benicia Police Department in February 2009, that it had identified the Valero Refinery in Benicia as critical infrastructure, which qualifies the Benicia Police Department to receive grant funding. This funding, through the BZPP Grant Program, is for purchases that are designed to deter attacks against critical infrastructure and will bolster the preventive, response, and protective measures of State and local efforts against terrorist attacks and threats.

Recommendation: Adopt a resolution accepting a fiscal year 2009 Buffer Zone Protection Plan (BZPP) grant program award from the California Emergency Management Agency, and authorizing the City Manager to act as the authorized agent on behalf of the City.

H. [Renew eligibility with the Department of General Services to obtain state surplus property.](#) (Police Chief)

The California Highway Patrol has reduced its vehicle fleet. As a result, they have surplus ballistic door panels specifically designed for the Ford Crown Victoria patrol vehicle, which they are transferring (donating at no cost) to other law enforcement agencies; however, the accepting (Donee) law enforcement agency must have a current application on file with the Department of General Services. The Benicia Police Department's application has expired as each application and renewal is only valid for a three-year period. The Department of General Services requires a resolution from local government in order to renew an application from a local public safety organization.

Recommendation: Adopt a resolution authorizing the police department to renew eligibility with the Department of General Services to acquire surplus property through the auspices of the California State Agency of Surplus Property.

I. [Award of Construction Contract for James Lemos Pool Roof Structural Repairs Project.](#) (Parks & Community Development Director)

Staff opened bids for the James Lemos Pool Roof Structural Repairs Project on October 14, 2009. A total of six (6) bids were received. A low bid of \$226,391 was received from Cailin Construction Inc., of Novato, CA. The City Council is asked to accept the bids received and award the construction contract to Cailin Construction Inc.

Recommendation: Adopt the resolution awarding a construction agreement to Cailin Construction Inc. of Novato, California, in the amount of \$226,391 and authorizing the City Manager to sign the contract on behalf of the City.

J. [Review and Acceptance of the Investment Report for the Quarter Ended June 2009.](#) (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 Finance, Audit and Budget Committee have reviewed these reports and recommends acceptance.

Recommendation: Accept, by motion, the investment report for the quarter ended June 2009.

K. [Annual Review of City of Benicia Investment Policy with Recommended Changes.](#) (Finance Director)

The City Council is required to review the Investment Policy annually to assure compliance with changes in State law, principally Government Code §53646. There are minor changes recommended this year, as extensive revisions were approved in February 2008. The changes focus on providing more precise definitions of eligible investments, maturity and diversification, as well as portfolio performance.

Recommendation: Adopt the resolution recognizing the annual review of the City of Benicia Investment Policy in accordance with California State Government Code §53646.

L. [Approval of a resolution to join the Proposition 1A Securitization Program](#)

Proposition 1A was passed by California voters in 2004 to ensure local property tax and sales tax revenues remain with local governments. The emergency suspension of Proposition 1A was signed by the Governor on July 28, 2009, as part of the 2009-10 budget package. The suspension provisions allow the State to borrow 8% of the amount of property tax revenue apportioned to cities, counties and special districts. The Proposition 1A Securitization Program provides relief to cities, counties and special districts from the impact of the suspension. If a local agency chooses not to participate in the Program, it must wait for the State to reimburse the local agency plus interest at 2%, which could be as late as June 30, 2013. Under the program, the California Communities would purchase the local agencies' accounts receivables created as part of the suspension provisions, for a purchase price that equals 100% of the agency's receivables. California Communities would then issue tax-exempt bonds and pay local agencies from the bond proceeds in two equal installments on January 15, 2010, and May 3, 2010, to coincide with the dates that the State will be shifting property tax from local agencies. The amount in question for the City of Benicia is \$1,420,887. Recommendation: Adopt the proposed Proposition 1A Securitization Resolution and approve the Purchase and Sale Agreement.

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

VIII. PUBLIC HEARINGS:

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

IX. ACTION ITEMS (8:00 P.M.):

A. [Approve agreement between the City of Benicia and Wolf Communications for tourism marketing services.](#) (Economic Development Manager)

In accordance with discussions during the 2009-11 Budget deliberations, a competitive selection process for a tourism marketing consultant was undertaken, resulting in a

recommendation for a new contract for tourism services to be provided by Wolf Communications.

Recommendation: Approve, by motion, an agreement for the remainder of 2009 through June 30, 2011 for tourism marketing services provided by Wolf Communications at a contractual value of \$280,000.

X. INFORMATIONAL ITEMS (8:20 P.M.):

A. City Manager Reports:

1. Presentation by Noll and Tam Architects regarding the Benicia Community Center Project. (Parks and Community Services Director)

Over the last two years, staff with the input of surrounding neighbors and the expertise of Noll & Tam Architects, has completed construction drawings for the Benicia Community Center Project. Tonight Janet Tam, Principle and Elizabeth McLeod, Architect from Noll & Tam Architects will provide an overview of the project. The funding for the construction of Phase I of the Benicia Community Center was approved in the Capital budget for fiscal years 2009-2011. Be advised Phase 1 bids will be solicited on November 2 as approved in the current capital projects budget.

Recommendation: Receive presentation by Noll and Tam Architects regarding the Benicia Community Center project features and details, phasing opportunities, green sustainable construction and project costs. Council may wish to consider setting a special Council meeting to discuss the possibility of pursuing additional project phases, if additional funding can be found.

B. Council Member Committee Reports:

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

1. Mayor's Committee Meeting. (Mayor Patterson) Next Meeting Date: October 21, 2009 - Cancelled

2. Association of Bay Area Governments (ABAG). (Mayor Patterson & Vice Mayor Campbell) Next Meeting Date: 2009 Fall General Assembly – October 22, 2009

3. Finance, Audit & Budget Committee. (Vice Mayor Campbell & Council Member Schwartzman) Next Meeting Date: October 30, 2009

4. League of California Cities. (Mayor Patterson & Council Member Schwartzman) Next Meeting Date: Legislative Briefing – November 17, 2009

5. School Liaison Committee. (Council Members Ioakimedes & Hughes) Next Meeting Date: November 12, 2009

6. Sky Valley Open Space Committee. (Vice Mayor Campbell & Council Member Ioakimedes) Next Meeting Date: November 4, 2009

7. Solano EDC Board of Directors. (Mayor Patterson & Council Member Ioakimedes) Next Meeting Date: December 10, 2009

8. Solano Transportation Authority (STA). (Mayor Patterson & Council Member Schwartzman) Next Meeting Date: December 9, 2009

9. Solano Water Authority/Solano County Water Agency and Delta Committee. (Mayor Patterson & Vice Mayor Campbell) Next Meeting Date: November 12, 2009

10. Traffic, Pedestrian and Bicycle Safety Committee. (Vice Mayor Campbell & Council Member Hughes) Next Meeting Date: January 21, 2010
11. Tri-City and County Regional Parks and Open Space. (Vice Mayor Campbell & Council Member Hughes) Next Meeting Dates: December 14, 2009
12. Valero Community Advisory Panel (CAP). (Council Member Hughes) Next Meeting Date: October 29, 2009
13. Youth Action Task Force. (Council Members Ioakimedes & Schwartzman) Next Meeting Date: October 28, 2009
14. ABAG/CAL FED Task Force/Bay Area Water Forum. (Mayor Patterson) Next Meeting Date: October 26, 2009

XI. COUNCIL MEMBER REPORTS (9:20 P.M.):

A. [Request to agendize the Healthy Communities Resolution.](#) (Council Member Ioakimedes) Council Member Ioakimedes would like a City Council resolution that covers all aspects of city life related to community health.

Recommendation: Consider agendizing for a future meeting.

XII. ADJOURNMENT (9:30 P.M.):

Public Participation

The Benicia City Council welcomes public participation.

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

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

Disabled Access

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

Pursuant to Government Code Section 65009, if you challenge a decision of the City Council in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing. You may also be limited by the ninety (90) day statute of limitations in which to challenge in court certain administrative decisions and

orders (Code of Civil Procedure 1094.6) to file and serve a petition for administrative writ of mandate challenging any final City decisions regarding planning or zoning.

The decision of the City Council is final as of the date of its decision unless judicial review is initiated pursuant to California Code of Civil Procedures Section 1094.5. Any such petition for judicial review is subject to the provisions of California Code of Civil Procedure Section 1094.6.

Public Records

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

 [IV-D-1 Proclamation.pdf](#)

 [IV-D-2 Proclamation.pdf](#)

 [VII-A Minutes.pdf](#)

 [VII-B Denial of Claim.pdf](#)

 [VII-C Rose Drive Overcrossing.pdf](#)

 [VII-D Rose Drive Overcrossing.pdf](#)

 [VII-E Residential Energy Audit.pdf](#)

 [VII-F Energy Efficiency.pdf](#)

 [VII-G Buffer Zone Protection Plan.pdf](#)

 [VII-H Surplus Property.pdf](#)

 [VII-I Pool Roof.pdf](#)

 [VII-J Investment Report.pdf](#)

 [VII-K Investment Policy.pdf](#)

 [VII-L Prop 1A.pdf](#)

 [IX-A Tourism Marketing Contract.pdf](#)

 [X-A-1 Community Center.pdf](#)

 [X-B-1 Council Committee Reports.pdf](#)

 [XI-I Request to Agendize.pdf](#)



PROCLAMATION

INTERNATIONAL DAY OF CLIMATE ACTION OCTOBER 24, 2009

WHEREAS, the City of Benicia has adopted a Climate Action Plan, and set goals for the reduction of greenhouse gas emissions for the community and for its own operations; and

WHEREAS, the city is a member of the Local Governments for Sustainability's Cities for Climate Protection Campaign; and

WHEREAS, the Mayor is a member of the United States Council of COOL Mayors; and

WHEREAS, a Global Climate Treaty is in the process of being completed: and

WHEREAS, Benicia will be adversely affected by climate change due to higher temperatures, less water, higher sea level, increase in harmful air pollutants and increase in public health problems; and

WHEREAS, leading scientist believe that CO2 levels must be at 350ppm in order to maintain our current climate and our CO2 levels are already above that;

NOW, THEREFORE, BE IT RESOLVED THAT I, Elizabeth Patterson, Mayor, on behalf of the City of Benicia, hereby designate October 24, 2009 as "International Day of Climate Action" and encourage Benicia citizens to educate themselves about climate change, take action, and participate in this day.



Elizabeth Patterson, Mayor
October 20, 2009

IV-D-1-1



PROCLAMATION

IN RECOGNITION OF NATIONAL RED RIBBON WEEK OCTOBER 17 – 25, 2009

WHEREAS, the City of Benicia has citizens who have problems associated with alcohol, tobacco and other drug use; and

WHEREAS, the hope of winning the War on Drugs lies in the hard work and determination of the Benicia community to create a drug free environment; and

WHEREAS, developing partnerships such as the Benicia Police Department teaching the Drug Abuse Resistance Education (D.A.R.E.) program in Benicia elementary schools as supported by the Benicia Unified School District; and

WHEREAS, Benicia's local government and community leaders, know that the support of the people in the neighborhoods is the most effective tool they can have in their efforts to reduce use of alcohol, tobacco and other drugs by the community; and

WHEREAS, success will not occur overnight, our patience and continued commitment to drug education and prevention are imperative; and

WHEREAS, the red ribbon was chosen as a symbol commemorating the work of Enrique "Kiki" Camarena, a Drug Enforcement Administration agent, who was murdered in the line of duty and has come to represent the belief that one person CAN make a difference; and

WHEREAS, the Red Ribbon Campaign was established by Congress in 1988 to promote this belief and encourage a drug-free lifestyle and involvement in drug prevention efforts; and

WHEREAS, October 17 - 25, 2009, has been designated National Red Ribbon Week calling on all Americans to show their support for a drug-free state by wearing a red ribbon and participating in drug-free activities during that week.

NOW, THEREFORE, BE IT RESOLVED THAT I, Elizabeth Patterson, Mayor of the City of Benicia, on behalf of the City Council, do hereby proclaim October 17 - 25, 2009, as Red Ribbon Week in the City of Benicia and encourage all citizens, businesses, public and private agencies, media, religious and educational institutions to wear and display red ribbons and participate in drug-free activities throughout that week, joining the rest of the state in promoting the Red Ribbon Celebration and a drug-free America.

Elizabeth Patterson, Mayor
October 20, 2009

IV-D-2-1

MINUTES OF THE
REGULAR MEETING – CITY COUNCIL
OCTOBER 6, 2009

The regular meeting of the City Council of the City of Benicia was called to order by Mayor Elizabeth Patterson at 7:02 p.m. on Tuesday, October 6, 2009 in the City Council Chambers, City Hall, 250 East L Street, complete proceedings of which are recorded on tape.

ROLL CALL:

Present: Council Members Hughes, Ioakimedes, Schwartzman, and Mayor Patterson
Absent: Vice Mayor Campbell

PLEDGE OF ALLEGIANCE:

Council Member Hughes led the pledge to the flag.

FUNDAMENTAL RIGHTS:

A plaque stating the Fundamental Rights of each member of the public is posted at the entrance to the Council Chambers per Section 4.04.030 of City of Benicia Ordinance No. 05-6 (Open Government Ordinance).

ANNOUNCEMENTS/APPOINTMENTS/PRESENTATIONS/PROCLAMATIONS:

ANNOUNCEMENTS:

Openings on Boards and Commissions:

- Arts & Culture Commission:
Nine full term openings (4 year term)
- Community Sustainability Commission
Six full term openings (4 year term)
- Senior Coalition of Solano County
One full term opening (2 year term)
- Sky Valley Open Space Committee:
One full term to January 31, 2013
- Human Services and Arts Board:
One unexpired term to June 30, 2010
One full term to July 31, 2013

Mayor's Office Hours:

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

APPOINTMENTS:

None

PRESENTATIONS:

Rebuilding Together – Solano County

Ms. Maria Theresa Matthews, Board Member, Rebuilding Together, Solano County, introduced Elizabeth Johnson Hoffman, Executive Director, Rebuilding Together, Solano County, who discussed the organization, how was started, what it had done, what it plans to do in the future, and how the City of Benicia could assist them.

Ms. Hoffman reviewed a PowerPoint presentation on Rebuilding Together, Solano County

PROCLAMATIONS:

- Recognition of Fire Prevention Week – October 4-10, 2009
- Proclamation Welcoming Rotary Exchange Student – Kristina Kovacikova
- Recognition of Arbor Day – October 17, 2009

ADOPTION OF AGENDA:

On motion of Council Member Schwartzman, seconded by Council Member Hughes, the Agenda was adopted as presented, on roll call by the following vote:

Ayes: Council Members Hughes, Ioakimedes, Schwartzman, and Mayor Patterson

Noes: None

Absent: Vice Mayor Campbell

OPPORTUNITY FOR PUBLIC COMMENT:

WRITTEN:

PUBLIC COMMENT:

1. Marilyn Bardet – Ms. Bardet made a formal request that Council consider a draft Council resolution to make an official request to the congressional delegation and state legislators to engage Cal/EPA’s Department of Toxic Substances Control to complete the investigation and cleanup of land of the former Benicia Arsenal, with priority given to the Lower Arsenal area within the boundaries of the Lower Arsenal Mixed Use Specific Plan.

Council, Staff, and Ms. Bardet discussed funding for the cleanup, and Council procedures for handling a request by a citizen for agendaizing an item for Council discussion.

2. Joe Kearns – Mr. Kearns discussed concerns regarding the City’s Police Department.

Staff discussed the appointment process for new staff members.

3. Ken Paulk – Mr. Paulk expressed support for City Staff and City Council.

CONSENT CALENDAR:

Council pulled item VII-C.

On motion of Council Member Schwartzman, seconded by Council Member Ioakimedes, the Consent Calendar was adopted as amended, on roll call by the following vote:

Ayes: Council Members Hughes, Ioakimedes, Schwartzman, and Mayor Patterson

Noes: None
Absent: Vice Mayor Campbell

Council approved the Minutes of September 15, 2009.

Council approved the amendment to the “Plan for Initial Expenditure of VIP Settlement Funds” to clarify that the \$30,000 allocation of funds for solar panels at the Hearthstone development is a grant (not a loan), and to allow for excess funds to be used in other affordable housing units citywide.

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

(END OF CONSENT CALENDAR)

Council took the following actions:

Cancellation of the November 3, 2009 City Council meeting:

Council Member Ioakimedes discussed concerns regarding canceling City Council meetings due to conflicts with election nights. Staff will look into the issue of not scheduling Council meetings on election nights when setting the annual calendar for Council.

On motion of Council Member Ioakimedes, seconded by Council Member Hughes, Council approved the cancellation of the November 3, 2009 City Council meeting, on roll call by the following vote:

Ayes: Council Members Hughes, Ioakimedes, Schwartzman, and Mayor Patterson

Noes: None

Absent: Vice Mayor Campbell

PUBLIC HEARINGS:

None

ACTION ITEMS:

INFORMATIONAL ITEMS:

Reports from City Manager:

Quarterly Review of Strategic Actions and Capital Projects:

Jim Erickson, City Manager, introduced the agenda item.

Staff reviewed a PowerPoint presentation (copy on file) on the various capital projects.

Public Comment:

None

Performance Measures:

Jim Erickson, City Manager, introduced the agenda item.

Council and Staff discussed why the National Citizens Survey Standards were used.

Mayor Patterson expressed concern regarding the updated information provided. She requested Staff do a high level overview tonight and then allow Council time to digest the information and provide comments, then re-agendize the item at a future Council meeting.

Various Staff members reviewed portions of the staff report.

Council requested Staff add to the performance measures surprises they come across, concern that there was too much reliance on the National Citizens Survey, what the most important features the City should work on were, and that the City needed to be careful about measuring against other standards (the City itself should be the benchmark).

Public Comment:

None

COUNCIL MEMBER REPORTS:

None

ADJOURNMENT:

Mayor Patterson adjourned the meeting at 9:19 p.m.

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
CONSENT CALENDAR**

DATE : October 9, 2009
TO : City Council
FROM : City Attorney
SUBJECT : **DENIAL OF THE CLAIM AGAINST THE CITY BY JANET MARTINO AND REFERRAL TO INSURANCE CARRIER**

RECOMMENDATION:

Deny the claim against the City by Janet Martino.

EXECUTIVE SUMMARY:

This claim is for the value of four confiscated vehicles, emotional distress, and general special damages. Staff has reviewed the procedures followed in the confiscation of the vehicles and a determination was made to return one vehicle to Ms. Martino, as she was not properly noticed for this vehicle. The removal of the other three vehicles, however, was justified and done in accordance with Benicia Municipal Code Section 10.44 (Abandoned, Wrecked, Dismantled Or Inoperative Vehicles.) (A copy of the relevant sections is attached.) The removal of these vehicles was in response to a citizen's complaint.

STRATEGIC PLAN:

N/A – there is not a relevant Strategic Plan Goal that relates to this agenda item.

BUDGET INFORMATION:

The amount of the claim is stated as approximately \$164,000.

BACKGROUND:

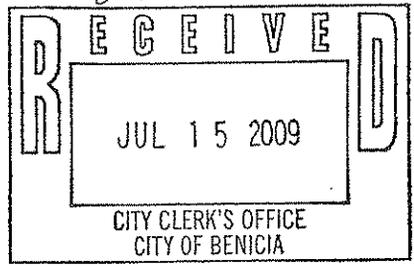
Upon rejection of the claim, the City Clerk should issue a rejection notice using ABAG's Form Letter No. 3 of the ABAG Plan Claims Procedures Manual and process with the proof of service by mail form (located in the forms directory). A copy of the rejection notice and proof of service by mail form should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

Attachments:

- Copy of Claim Filed Against the City
- BMC Code Sections

CLAIM AGAINST THE CITY

on person



CLAIM AGAINST THE CITY OF BENICIA

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

Complete the following, adding additional sheets as necessary.

- 1. CLAIMANT'S NAME (Print): Janet Martino
- 2. CLAIMANT'S ADDRESS: 1403 Military West, Benicia, Ca 94510
(Street or P.O. Box Number, City, State, Zip Code)

HOME PHONE: 707-208-7830 WORK PHONE: _____

- 3. AMOUNT OF CLAIM: \$ _____ (Attach copies of bills/estimates)

If amount claimed is more than \$10,000, indicate where jurisdiction rests:

Limited Civil Case _____
Unlimited Civil Case _____ X _____

- 4. Address to which notices are to be sent, if different from lines 1 and 2 (Print):
DAVID R. OLICK, P.O. Box 1685
(Name)
Benicia, Ca 94510
(Street or P.O. Box Number, City, State, Zip Code)

- 5. DATE OF INCIDENT: June 3, 2009 TIME OF INCIDENT: Approx 2:00 PM.
LOCATION OF INCIDENT: 1403 Military West, Benicia, Ca 94510

- 6. Describe the incident or accident including your reason for believing that the City is liable for your damages: See attachment 6a.

- 7. Describe all damages which you believe you have incurred as a result of the incident:
See attachment 7a.

- 8. Names of public employee(s) causing the damages you are claiming:

Dartene Jelonek
Janet Martino _____ 7-15-2009
Signature of Claimant Date

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

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

(revised 12/18/02)

ATTACHMENT 6a.

The police seized four vehicles from the Claimant:

1. The vehicles did not qualify under the seizure ordinance.
2. They were seized one-day earlier than the time given in the tagged notice.
3. Ms. Martino was not given proper notice in accordance with the statutes and the ordinance. In fact, as to the Volvo sedan, your representative was aware of the fact that it was sold to her, and the DMV was properly notified, yet insisted on giving notice only to a prior owner.
3. They will be evidence in the civil proceeding and should be preserved.
4. Ms. Martino has a pending bankruptcy proceeding, No. 05-37248-A-13-L now pending in the United States Bankruptcy Court for the Eastern District of California. At least the Thunderbird is property of the bankruptcy estate and you need to seek and obtain the permission of the Bankruptcy Court to lift the automatic stay to allow you seize and sell the vehicle. Violations of that stay can be treated as a contempt of court and can also be the basis for substantial monetary penalties. This letter shall constitute notice of those proceedings. I suggest you consult with the City Attorney.

The vehicles seized on June 3, 2009 were a classic Ford Thunderbird, a very valuable Bertone-Volvo, a Volvo sedan and a Volvo station wagon which contains the cremated remains of Eugene Smith.

ATTACHMENT 7a.

The value of the vehicles, emotional distress and general and special damages in the approximate sum of \$164,000.00.

**BMC CODE SECTIONS
CHAPTER 10.44**

Chapter 10.44
ABANDONED, WRECKED, DISMANTLED OR INOPERATIVE VEHICLES

10.44.010 Generally.

In addition to and in accordance with the determination made and the authority granted by the state of California under Section 22660 of the Vehicle Code to remove abandoned, wrecked, dismantled or inoperative vehicles or parts thereof as public nuisances, the city council makes the findings and declarations set forth in BMC 10.44.030 and 10.44.040.

10.44.030 Findings.

The accumulation and storage of abandoned, wrecked, dismantled or inoperative vehicles or parts thereof on private or public property, not including highways, is found to create a condition tending to reduce the value of private property, to promote blight and deterioration, to invite plundering, to create fire hazards, to constitute an attractive nuisance creating a hazard to the health and safety of minors, to create a harborage for rodents and insects, and to be injurious to the health, safety and general welfare. Therefore, the presence of an abandoned, wrecked, dismantled or inoperative vehicle or part thereof on private or public property, except as expressly permitted in this chapter, is declared to constitute a public nuisance which may be abated as such in accordance with the provisions of this chapter.

10.44.040 Scope.

This chapter is not the exclusive regulation of abandoned, wrecked, dismantled or inoperative vehicles within the city. It shall supplement and be in addition to the other regulatory codes, statutes and ordinances heretofore or hereafter enacted by the city, the state, or any other legal entity or agency having jurisdiction.

10.44.080 Abatement and removal – Notice.

Not less than a 10-day notice of intention to abate and remove a vehicle or part thereof as a public nuisance shall be issued, unless the property owner and the owner of the vehicle have signed releases authorizing removal and waiving further interest in the vehicle or part thereof. Such notice shall contain a statement of the hearing rights of the owner of the property on which the vehicle is located and of the owner of the vehicle. The statement shall include notice to the property owner that he may appear in person at a hearing or may submit a sworn written statement denying responsibility for the presence of the vehicle on the land, with his reasons for such denial, in lieu of appearing. The notice of intention to abate shall be mailed, by registered or certified mail, to the owner of the land as shown on the last equalized assessment roll and to the last registered and legal owners of record unless the vehicle is in such condition that identification numbers are not available to determine ownership.

10.44.140 Removal and disposal.

A. Five days after adoption of the order declaring the vehicle or parts thereof to be a public nuisance, five days from the date of mailing of notice of the decision if such notice is required by BMC 10.44.110 and 10.44.120 or 15 days after such action of the governing body authorizing removal following appeal, the vehicles or parts thereof may be disposed of by removal to a scrapyard or automobile dismantler's yard.

B. After a vehicle has been removed, it shall not be reconstructed or made operable unless it is a vehicle which qualifies for either horseless carriage license plates or historical vehicle license plates, pursuant to California Vehicle Code Section 5004, in which case the vehicle may be reconstructed or made operable.

10.44.150 Removal – Required information.

Within five days after the date of removal of the vehicle or part thereof, notice shall be given to the Department of Motor Vehicles identifying the vehicle or part thereof removed. At the same time, there shall be transmitted to the Department of Motor Vehicles any evidence of registration available, including registration certificates, certificates of title and license plates. In addition, if the owner of the vehicle is not known or cannot be ascertained, or if the notice required by Section 22852 of the Vehicle Code cannot be given to the owner of the vehicle, immediate notice shall be given to the Department of Justice, Stolen Vehicle System, pursuant to Section 22853 of the Vehicle Code.

AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
CONSENT CALENDAR

DATE : October 5, 2009
TO : City Manager
FROM : Director of Public Works and Community Development
SUBJECT : **COASTAL CONSERVANCY GRANT AWARD FOR ROSE DRIVE
OVERCROSSING ALSO KNOWN AS (AKA) STATE PARK ROAD
BIKE/PEDESTRIAN BRIDGE AND TRAIL PROJECT**

RECOMMENDATION:

Adopt a resolution approving the terms and conditions of Grant Agreement #09-009 between the City of Benicia and the Coastal Conservancy in the amount of \$241,500 for the Rose Drive Overcrossing Project and authorizing the Public Works & Community Development Director to execute and implement the agreement on behalf of the City.

EXECUTIVE SUMMARY:

In November of 2007, the City of Benicia submitted an application to the Bay Area Ridge Trail Grants Program for our top priority transportation project, the State Park Road Bike/Pedestrian Bridge and Trail project, now known as the Rose Drive Overcrossing project. The Ridge Trail grant program is funded by the State Coastal Conservancy. The Conservancy awarded a grant for the City's project in September 2008, with funding to come from Prop. 84 bond funds. The State Treasurer's December 2008 freeze on all State general obligation bond fund contracts and expenditures interrupted the grant process. The State Treasurer has since lifted the freeze on certain bond funds, enabling the Coastal Conservancy to enter into a grant agreement with the City and to proceed with funding the full amount of its grant to the City.

The City of Benicia has been awarded \$241,500 by the Coastal Conservancy (Proposition 84 funding) in order to assist in the funding of the Rose Drive Overcrossing project. In order to receive the funds, the City is required provide a resolution by the City Council that authorizes the Public Works and Community Development Director to execute and implement the grant agreement.

GENERAL PLAN:

Relevant Goals include:

- Goal 2.28: Improve and maintain public facilities and services

STRATEGIC PLAN:

Relevant Strategic Plan Issues and Strategies:

- Strategic Issue #1: Protecting Community Health and Safety
- Strategic Issue #4: Preserving and Enhancing Infrastructure
 - Strategy #4: Provide adequate funding for ongoing infrastructure needs

BUDGET INFORMATION:

This project revenue and expenditures are as follows:

Rose Drive Overcrossing Project Budget - Final Design & Construction

Project Revenues:

CMAQ Grant	\$1,351,000.00
STP ARRA Grant	\$110,000.00
TDA Article 3 Grant	\$271,000.00
TEA ARRA Grant	\$320,000.00
Bay Ridge Trail Coastal Conservancy	\$241,000.00
Proposition 1B Bond Funding	\$449,000.00
BTA Grant Funding	\$500,000.00
ARRA Reobligation Funding	<u>\$62,000.00</u>
Total Revenue	\$3,304,000.00

Project Expenditures:

Design	
Final Design – Pakpour	\$496,000.00
Design Change Order 1 (Staff Approved)	\$49,000.00
Design Change Order 2 (Requested)	<u>\$46,000.00</u>
Design Total	\$591,000.00
Construction	
Right-Of-Way	\$125,000.00
Construction Contract	\$1,812,000.00
Constructability Review – Vali Cooper	\$39,000.00
Construction Management - Vali Cooper	\$333,000.00
Construction Engineering Support – Pakpour	<u>\$50,000.00</u>
Subtotal	<u>\$2,359,000.00</u>
15% Construction Contingency	<u>\$354,000.00</u>
Construction Total	\$2,713,000.00
Total Expenditures (Design + Construction)	\$3,304,000.00

Staff recommends execution of Grant Agreement #09-009 which will commit the City to receive the grant amount of \$241,500 from the Coastal Conservancy.

Attachments:

- Proposed Resolution
- Coastal Conservancy Grant Agreement #09-009

Proposed Resolution

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING THE TERMS AND CONDITIONS OF GRANT AGREEMENT #09-009 BETWEEN THE CITY OF BENICIA AND THE COASTAL CONSERVANCY IN THE AMOUNT OF \$241,500 FOR THE ROSE DRIVE OVERCROSSING PROJECT AND AUTHORIZING THE PUBLIC WORKS & COMMUNITY DEVELOPMENT DIRECTOR TO EXECUTE AND IMPLEMENT THE AGREEMENT ON BEHALF OF THE CITY

WHEREAS, the Coastal Conservancy issued a Call for Applications; and

WHEREAS, in November 2007, the City of Benicia submitted an application for the Rose Drive Overcrossing project; and

WHEREAS, the Rose Drive Overcrossing project eliminates a gap in the Ridge Trail, provides a connection to the Bay Trail and connects the Benicia State Recreational Area to major residential and commercial areas; and

WHEREAS, the Coastal Conservancy has awarded the City of Benicia a grant in the amount of \$241,500 for the construction of the Rose Drive Overcrossing project; and

WHEREAS, the Rose Drive Overcrossing project has the support of CALTRANS, the City of Vallejo, local and Bay Area bicycle groups, Bay Area Ridge Trail groups, and the Carquinez Strait Trust.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Benicia approves the terms and conditions of Grant Agreement #09-009 between the City and the Coastal Conservancy authorizes the Public Works & Community Development Director to execute and implement this agreement on behalf of the City, subject to approval by the City Attorney.

* * * * *

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 October 2009 and adopted by the following vote:

Ayes:

Noes:

Absent:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

Coastal Conservancy Grant
Agreement #09-009

STANDARD AGREEMENT

Std. 2 (Grant - Rev 08/08)

AGREEMENT NUMBER 09-009	AM. NO.
TAXPAYERS FEDERAL EMPLOYER IDENTIFICATION NO. 94-6000298	

THIS AGREEMENT, made and entered into this _____ day of _____, 2009,
in the State of California, by and between State of California, through its duly elected or appointed, qualified and acting

TITLE OF OFFICER ACTING FOR STATE Executive Officer	AGENCY State Coastal Conservancy	, hereafter called the Conservancy, and
GRANTEE'S NAME City of Benicia		, hereafter called the Grantee.

The Grantee, for and in consideration of the covenants, conditions, agreements, and stipulations of the Conservancy hereinafter expressed, does hereby agree as follows:

SCOPE OF AGREEMENT

Pursuant to Chapter 4.5 of Division 21 of the California Public Resources Code, the State Coastal Conservancy ("the Conservancy") hereby grants to the City of Benicia ("the grantee") a sum not to exceed \$241,500 (two hundred forty-one thousand five hundred dollars), subject to the terms and conditions of this agreement. The grantee shall use these funds to complete the following project ("the project") adjacent to the Rose Drive/State Park Road overcrossing of Interstate 780 in Benicia, California, as shown on Exhibit 1, which is incorporated by reference and attached.

Adjacent to the west side of the existing Rose Drive/State Park Road overcrossing of Interstate 780, the grantee shall build a 16-foot-wide bridge with a 12-foot-wide Class 1 trail for pedestrian, bicycle, wheelchair and equestrian use.

(Continued on following pages)

The provisions on the following pages constitute a part of this agreement.
IN WITNESS WHEREOF, this agreement has been executed by the parties hereto, upon the date first above written.

STATE OF CALIFORNIA		GRANTEE			
AGENCY State Coastal Conservancy		GRANTEE (If other than an individual, state whether a corporation, partnership, etc.) City of Benicia			
BY (Authorized Signature) 		BY (Authorized Signature) 			
PRINTED NAME AND TITLE OF PERSON SIGNING Samuel Schuchat, Executive Officer		PRINTED NAME AND TITLE OF PERSON SIGNING Charlie Knox, Public Works & Comm. Dev. Director			
ADDRESS & PHONE NUMBER 1330 Broadway, 13 th Floor Oakland, CA 94612 Phone: (510) 286-1015		ADDRESS City Hall 250 East "L" Street Benicia, CA 94510 Phone: (707) 746-4334			
AMOUNT ENCUMBERED BY THIS DOCUMENT \$241,500.00	PROGRAM/CATEGORY (CODE AND TITLE) Capital Outlay	FUND TITLE Safe Drinking Water, Water Quality and Supply, . . .			I certify that this agreement is exempt from Department of General Services approval.
	(OPTIONAL USE) Bay Area Ridge Trail: Interstate 780 Overcrossing Construction				
PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT \$-0-	ITEM 3760-301-6051(2)(F)	CHAPTER 171	STATUTE 2007	FISCAL YEAR 07/08	
TOTAL AMOUNT ENCUMBERED TO DATE \$ 241,500.00	OBJECT OF EXPENDITURE (CODE AND TITLE) San Francisco Bay				
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.					
SIGNATURE OF ACCOUNTING OFFICER 		DATE			
<input type="checkbox"/> GRANTEE <input type="checkbox"/> ACCOUNTING <input type="checkbox"/> PROJECT MANAGER <input type="checkbox"/> CONTROLLER <input type="checkbox"/> STATE AGENCY					

VII-C-8

SCOPE OF AGREEMENT (Continued)

The grantee shall carry out the project in accordance with this agreement and a work program, as provided in the "WORK PROGRAM" section, below. The grantee shall provide \$3,995,500 (three million nine hundred ninety-five thousand five hundred dollars) and any other funds beyond those granted under this agreement which are needed to complete the project.

CONDITIONS PRECEDENT TO CONSTRUCTION AND DISBURSEMENT

The grantee shall not begin construction of the project and the Conservancy shall not be obligated to disburse any funds unless and until the following conditions precedent have been met:

1. The City Council of the grantee has adopted a resolution authorizing the execution of this agreement.
2. The Executive Officer of the Conservancy ("the Executive Officer") has approved in writing:
 - a. A work program for the project, as provided in the "WORK PROGRAM" section, below.
 - b. All contractors that the grantee intends to retain in connection with the project and written evidence that each contractor has complied with the bonding requirements described in the "BONDING" section, below.
 - c. Evidence that Caltrans agrees to maintain the project.
3. The grantee has provided written evidence to the Conservancy that:
 - a. All permits and approvals necessary to the completion of the project under applicable local, state and federal laws and regulations have been obtained.
 - b. The grantee has provided for required insurance coverage, including additional insured endorsement, as described in the "INSURANCE" section, below.

TERM OF AGREEMENT

This agreement shall be deemed executed and effective when signed by both parties and received in the offices of the Conservancy together with the resolution described in the "CONDITIONS PRECEDENT TO CONSTRUCTION AND DISBURSEMENT" section of this agreement. An authorized representative of the grantee shall sign the first page of the originals of this agreement in ink.

TERM OF AGREEMENT (Continued)

This agreement shall run from its effective date through November 30, 2030 (“the termination date”) unless otherwise terminated or amended as provided in this agreement. However, all work shall be completed by November 30, 2010 (“the completion date”). The grantee shall submit a final Request for Disbursement no later than December 15, 2010.

AUTHORIZATION

The signature of the Executive Officer of the Conservancy on this agreement certifies that at its September 25, 2008 meeting, the Conservancy adopted the resolution included in the staff recommendation attached as Exhibit 2. This agreement is executed under that authorization.

Standard Provisions

WORK PROGRAM

Before beginning construction, the grantee shall submit a detailed work program to the Executive Officer for review and written approval of its consistency with the purposes of this grant agreement. The work program shall include:

1. Construction plans and specifications which have been certified by a licensed architect or registered engineer, or approved by the grantee's Public Works Director.
2. A schedule of completion for the project specifically listing the completion date for each project component and a final project completion date.
3. A detailed project budget. The project budget shall describe all labor and materials costs of completing each component of the project, including the grantee's labor and materials costs and costs to be incurred under a contract with any third party retained by the grantee for work under this agreement. For each project component, the project budget shall list all intended funding sources, including the Conservancy's grant, and all other sources of monies, materials, or labor. The grantee shall review the plans on-site with Conservancy staff.

If all or any part of the project to be funded under this agreement will be performed by third parties ("contractors") under contract with the grantee, then, prior to initiating any request for contractor bids, the grantee shall submit the bid package, including any applicable construction plans and specifications that have been certified or approved as described above, to the Executive Officer for review and written approval as to consistency with the purposes of this grant agreement. Upon approval by the Executive Officer, the grantee shall proceed with the bidding process. Prior to final selection of a contractor, the grantee shall submit to the Executive Officer for written approval the names of all contractors that the grantee intends to hire. The grantee shall then comply with the above paragraph regarding submission and approval of a work program prior to construction.

The work program shall have the same effect as if included in the text of this agreement. However, the work program may be modified without amendment of this agreement upon the grantee's submission of a modified work program and the Executive Officer's written approval of it. If this agreement and the work program are inconsistent, the agreement shall control.

The grantee shall construct the project in accordance with the approved work program.

SIGNS

The grantee shall install and maintain a sign or signs visible from the nearest public roadway identifying the project, acknowledging Conservancy assistance and displaying the Conservancy’s logo and directing the public to the project. The Conservancy shall provide to the grantee specifications for the signs. The grantee may incorporate the required information into other signs as approved by the Executive Officer. In special circumstances, where the placement of signs or the general specifications are inappropriate, the Executive Officer may approve alternative, more appropriate methods for acknowledging the sources of funding. The grantee shall submit plans describing the number, design, placement and wording of the signs, or the specifications of a proposed, alternative method. The Conservancy will withhold final disbursement until the signs are installed as approved by the Conservancy.

BONDING

If the grantee intends to use any contractors on any portion of the project to be funded under this agreement, construction shall not begin until each contractor has furnished a performance bond in favor of the grantee in the following amounts: for faithful performance, one hundred percent of the contract value; and for labor and materials, one hundred percent of the contract value. This requirement shall not apply to any contract for less than \$20,000.

Any bond furnished under this section shall be executed by an admitted corporate surety insurer licensed in the State of California.

COSTS AND DISBURSEMENTS

When the Conservancy determines that all “CONDITIONS PRECEDENT TO CONSTRUCTION AND DISBURSEMENT” have been fully met, the Conservancy shall disburse to the grantee, in accordance with the approved project budget, a total amount not to exceed the amount of this grant, as follows:

The Conservancy shall disburse funds for costs incurred, upon the grantee’s satisfactory completion of construction and compliance with the “PROJECT COMPLETION” section, below, and upon the Conservancy’s acceptance of the project.

The Conservancy will reimburse the grantee for expenses necessary to the project when documented by appropriate receipts. The Conservancy will reimburse travel and related expenses at actual costs not to exceed the rates provided in Title 2, Division 1, Chapter 3, Subchapter 1, Article 2 of the California Code of Regulations (“CCR”), except that reimbursement may be in excess of these rates upon documentation that these rates are not reasonably available to the grantee. Reimbursement for the cost of operating a private vehicle shall not, under any circumstance, exceed the current rate specified by the State of California for unrepresented state employees as of the date the cost is incurred. The

COSTS AND DISBURSEMENTS (Continued)

Conservancy will reimburse the grantee for other necessary expenses if those expenses are reasonable in nature and amount taking into account the nature of the project, its location, and other relevant factors.

The grantee shall request disbursement by filing with the Conservancy a fully executed "Request for Disbursement" form (available from the Conservancy). The grantee shall include in the form its name and address, the number of this agreement, the date of the submission, the amount of the invoice, the period during which the work was actually done, and an itemized description, including time, materials, and expenses incurred of all work done for which disbursement is requested. The form shall also indicate cumulative expenditures to date, expenditures during the reporting period, and the unexpended balance of funds under the grant agreement.

An authorized representative of the grantee shall sign the forms. Each form shall be accompanied by:

1. All receipts and any other source documents for direct expenditures and costs that the grantee has incurred.
2. Invoices from contractors that the grantee engaged to complete any portion of the work funded under this agreement and any receipts and any other source documents for costs incurred and expenditures by any such contractor, unless the Executive Officer makes a specific exemption in writing.
3. A supporting progress report summarizing the current status of the project and comparing it to the status required by the work program (budget, timeline, tasks, etc.) including written substantiation of completion of the portion of the project for which the grantee is requesting disbursement.

The grantee's failure to fully execute and submit a Request for Disbursement form, including attachment of supporting documents, will relieve the Conservancy of its obligation to disburse funds to the grantee until the grantee corrects all deficiencies.

EXPENDITURE OF FUNDS AND ALLOCATION OF FUNDING AMONG BUDGET ITEMS

The grantee shall expend funds in the manner described in the approved project budget. The allocation of the Conservancy's total grant among the items in the project budget may vary by as much as ten percent without approval by the Executive Officer. Any difference of more than ten percent must be approved in writing by the Executive Officer. The Conservancy may withhold payment for changes in particular budget items which exceed the amount allocated in the project budget by more than ten percent and which have not received the approval required above. The total amount of this grant may not be increased except by amendment to this agreement. Any increase in the funding for any particular budget item shall mean a decrease in the funding for one or more other budget items unless there is a written amendment to this agreement.

PROJECT COMPLETION

Within ninety days of completion of construction of the project, the grantee shall supply the Conservancy with evidence of completion by submitting a final report which includes:

1. An inspection report by a licensed architect or registered engineer or the grantee's Public Works Director certifying completion of the project according to the approved work program.
2. Documentation that signs are installed as required by the "SIGNS" section of this agreement.
3. A fully executed final "Request for Disbursement."
4. "As built" drawings of the completed project and/or photographs documenting project completion.

Within thirty days of grantee's submission of the above, the Conservancy shall determine whether the grantee has satisfactorily completed the project. If so, the Conservancy shall issue to the grantee a letter of acceptance of the project. The project shall be deemed complete as of the date of the letter.

EARLY TERMINATION, SUSPENSION AND FAILURE TO PERFORM

Before the project is complete, either party may terminate this agreement for any reason by providing the other party with seven days notice in writing and the Conservancy may suspend the agreement upon written notice. In either case, the grantee shall immediately stop work under the agreement and take all reasonable measures to prevent further costs to the Conservancy. The Conservancy shall be responsible for any reasonable and non-cancelable obligations incurred by the grantee in the performance of this agreement prior to the date of the notice to terminate or suspend, but only up to the undisbursed balance of funding authorized in this agreement. Any notice suspending work under this agreement shall remain in effect until further written notice from the Conservancy authorizes work to resume.

If the grantee fails to complete the project as required, or fails to fulfill any other obligations of this agreement prior to the termination date, the grantee shall be liable for immediate repayment to the Conservancy of all amounts disbursed by the Conservancy under this agreement. The Conservancy may, at its sole discretion, consider extenuating circumstances and not require repayment for work partially completed. This paragraph shall not limit any other remedies that the Conservancy may have for breach of this agreement.

The parties expressly agree to waive, release and relinquish the recovery of any consequential damages that may arise out of the termination or suspension of this agreement under this section.

EARLY TERMINATION, SUSPENSION AND FAILURE TO PERFORM (Continued)

The grantee shall include in any agreement with any contractor retained for work under this agreement a provision that entitles the grantee to suspend or terminate the agreement with the contractor for any reason on written notice and on the same terms and conditions specified in this section.

OPERATION AND MAINTENANCE

The grantee shall use, manage, maintain and operate the project throughout the term of this agreement consistent with the purposes for which the Conservancy's grant was made. The grantee assumes all operation and maintenance costs of these facilities and structures; the Conservancy shall not be liable for any cost of maintenance, management, or operation. The grantee may be excused from its obligations for operation and maintenance during the term of this agreement only upon the written approval of the Executive Officer.

For purposes of this agreement, "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses. "Maintenance costs" include ordinary repairs and replacements of a recurring nature necessary to prolong the life of capital assets and basic structures, and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures.

MITIGATION

Without the written permission of the Executive Officer, the grantee shall not use or allow the use for mitigation (in other words, to compensate for adverse changes to the environment elsewhere) of any portion of real property on which the Conservancy has funded construction. In providing permission, the Executive Officer may require that all funds generated in connection with any authorized or allowable mitigation on the real property shall be remitted promptly to the Conservancy.

INSPECTION

Throughout the term of this agreement, the Conservancy shall have the right to inspect the project area to ascertain compliance with this agreement.

INDEMNIFICATION AND HOLD HARMLESS

The grantee shall be responsible for, indemnify and hold harmless the Conservancy, its officers, agents, and employees from any and all liabilities, claims, demands, damages, or costs, including, without limitation, litigation costs and attorneys fees, resulting from or arising out of the willful or negligent acts or omissions of the grantee, its officers, agents, contractors, subcontractors, and employees, or in any

INDEMNIFICATION AND HOLD HARMLESS (Continued)

way connected with or incident to this agreement, except for the active negligence of the Conservancy, its officers, agents, or employees. The duty of the grantee to indemnify and hold harmless includes the duty to defend as set forth in Civil Code section 2778. This agreement supersedes the grantee's right as a public entity to indemnity (see Gov. Code section 895.2) and contribution (see Gov. Code section 895.6) as provided in Gov. Code section 895.4.

The grantee waives any and all rights to any type of express or implied indemnity or right of contribution from the State, its officers, agents, or employees, for any liability resulting from, growing out of, or in any way connected with or incident to this agreement.

Nothing in this agreement is intended to create in the public or in any member of it rights as a third party beneficiary under this agreement.

INSURANCE

The grantee shall procure and maintain insurance, as specified in this section, against claims for injuries to persons and damage to property that may arise from or in connection with any activities of the grantee or its agents, representatives, employees, or contractors associated with the project undertaken pursuant to this agreement. As an alternative, with the written approval of the Executive Officer, the grantee may satisfy the coverage requirement in whole or in part through: (a) its contractors' procurement and maintenance of insurance for work under this agreement, if the coverage otherwise fully satisfies the requirements of this section; or (b) the grantee's participation in a "risk management" plan, self insurance program or insurance pooling arrangement, or any combination of these, if consistent with the coverage required by this section. The grantee shall maintain property insurance, if required below, throughout the term of this agreement. Any required errors and omissions liability insurance shall be maintained from the effective date through two calendar years after the completion date. The grantee shall maintain all other required insurance from the effective date through the completion date.

1. Minimum Scope of Insurance. Coverage shall be at least as broad as:
 - a. Insurance Services Office ("ISO") Commercial General Liability coverage (occurrence Form CG 0001) or ISO Comprehensive General Liability form (1973) or comparable with Broad Form Comprehensive General Liability endorsement.
 - b. Automobile Liability coverage: ISO Form Number CA 0001, Code 1 (any auto).
 - c. Workers' Compensation insurance as required by the Labor Code of the State of California.
 - d. Course-of-construction (also known as "Builder's Risk") insurance covering all risks of loss. (Any proceeds of loss payable under this coverage shall be used to replace, rebuild or repair the damaged portions of the facilities and structures constructed under this agreement.)

INSURANCE (Continued)

- e. Property insurance covering the loss, damage, or destruction of the facilities or structures constructed under this agreement against fire and extended coverage perils. (Any proceeds of loss payable under this coverage shall be used to replace, rebuild and/or repair the damaged portions of the facilities and structures constructed under this agreement.)

2. Minimum Limits of Insurance. The grantee shall maintain coverage limits no less than:

a. General Liability: <i>(Including operations, products and completed operations, as applicable)</i>	\$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the activities under this agreement, or the general aggregate limit shall be twice the required occurrence limit.
b. Automobile Liability:	\$1,000,000 per accident for bodily injury and property damage.
c. Course of Construction:	Completed value of the project with no coinsurance penalty provisions.
d. Property Insurance	90 percent of full replacement cost of the facilities or structures.

3. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the Executive Officer.

4. Required Provisions. Each insurance policy required by this section shall be endorsed to state that coverage shall not be canceled by either party, except after thirty days' prior written notice by certified mail, return receipt requested, has been given to the Conservancy. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

- a. The State of California, its officers, agents, employees, and volunteers are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the grantee; and with respect to liability arising out of work or operations performed by or on behalf of the grantee including materials, parts or equipment furnished in connection with the work or operations.
- b. For any claims related to this agreement, the grantee's insurance coverage shall be primary insurance as respects the State of California, its officers, agents and employees.

INSURANCE (Continued)

5. **Acceptability of Insurers.** Insurance shall be placed with insurers admitted to transact business in the State of California and having a current Best's rating of "B+:VII" or better or, in the alternative, acceptable to the Conservancy and approved in writing by the Executive Officer.
6. **Verification of Coverage.** The grantee shall furnish the Conservancy with original certificates, in the form attached as Exhibit 3 to this agreement, and amendatory endorsements effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Executive Officer before work commences. The Conservancy may require, at any time, complete, certified copies of all required insurance policies, including endorsements affecting the coverage.
7. **Contractors.** The grantee shall include all contractors as insureds under its policies or shall require each contractor to provide and maintain coverage consistent with the requirements of this section. To the extent generally available, grantee shall also require each professional contractor to provide and maintain Errors and Omissions Liability insurance appropriate to the contractor's profession and in a reasonable amount in light of the nature of the project with a minimum limit of liability of \$1,000,000.
8. **Premiums and Assessments.** The Conservancy is not responsible for premiums and assessments on any insurance policy.

AUDITS/ACCOUNTING/RECORDS

The grantee shall maintain financial accounts, documents, and records (collectively, "records") relating to this agreement, in accordance with the guidelines of "Generally Accepted Accounting Principles" ("GAAP") published by the American Institute of Certified Public Accountants. The records shall include, without limitation, evidence sufficient to reflect properly the amount, receipt, deposit, and disbursement of all funds related to the construction of the project, and the use, management, operation and maintenance of the real property. Time and effort reports are also required. The grantee shall maintain adequate supporting records in a manner that permits tracing from the request for disbursement forms to the accounting records and to the supporting documentation.

Additionally, the Conservancy or its agents may review, obtain, and copy all records relating to performance of the agreement. The grantee shall provide the Conservancy or its agents with any relevant information requested and shall permit the Conservancy or its agents access to the grantee's premises upon reasonable notice, during normal business hours, to interview employees and inspect and copy books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this agreement and any applicable laws and regulations.

The grantee shall retain the required records for a minimum of three years following the later of final disbursement by the Conservancy, and the final year to which the particular records pertain. The records

AUDITS/ACCOUNTING/RECORDS (Continued)

shall be subject to examination and audit by the Conservancy and the Bureau of State Audits during the retention periods.

If the grantee retains any contractors to accomplish any of the work of this agreement, the grantee shall first enter into an agreement with each contractor requiring the contractor to meet the terms of this section and to make the terms applicable to all subcontractors.

The Conservancy may disallow all or part of the cost of any activity or action that it determines to be not in compliance with the requirements of this agreement.

COMPUTER SOFTWARE

The grantee certifies that it has instituted and will employ systems and controls appropriate to ensure that, in the performance of this agreement, state funds will not be used for the acquisition, operation or maintenance of computer software in violation of copyright laws.

NONDISCRIMINATION

During the performance of this agreement, the grantee and its contractors shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, ethnic group identification, physical disability (including HIV and AIDS), mental disability, medical condition, marital status, age (over 40) or sexual orientation (Government Code section 12940).

The grantee and its contractors also shall not unlawfully deny a request for or take unlawful action against any individual because of the exercise of rights related to family-care leave (Government Code sections 12945.1 and 12945.2). The grantee and its contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination, harassment and unlawful acts.

Pursuant to Government Code section 12990, the grantee and its contractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900 et seq.) and the applicable regulations (California Code of Regulations Title 2, section 7285.0 et seq.). The regulations of the Fair Employment and Housing Commission regarding Contractor Nondiscrimination and Compliance (Chapter 5 of Division 4 of Title 2 of the California Code of Regulations) are incorporated into this agreement by this reference.

The grantee and its contractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. This nondiscrimination

NONDISCRIMINATION (Continued)

clause shall be included in all contracts and subcontracts entered into to perform work provided for under this agreement.

LABOR COMPLIANCE PROGRAM

This agreement is funded in whole or in part with funds from the "Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006" ("Proposition 84"). Section 75075 of the Public Resources Code imposes on a body awarding any contract for a public works project financed in any part with Proposition 84 funds responsibility for adoption and enforcement of a "labor compliance program" under Labor Code section 1771.5(b). The grantee shall review these statutory provisions and related provisions to determine its responsibilities.

INDEPENDENT CAPACITY

The grantee, and the agents and employees of grantee, in the performance of this agreement, shall act in an independent capacity and not as officers or employees or agents of the State of California.

ASSIGNMENT

Without the written consent of the Executive Officer, the grantee may not assign this agreement in whole or in part.

TIMELINESS

Time is of the essence in this agreement.

EXECUTIVE OFFICER'S DESIGNEE

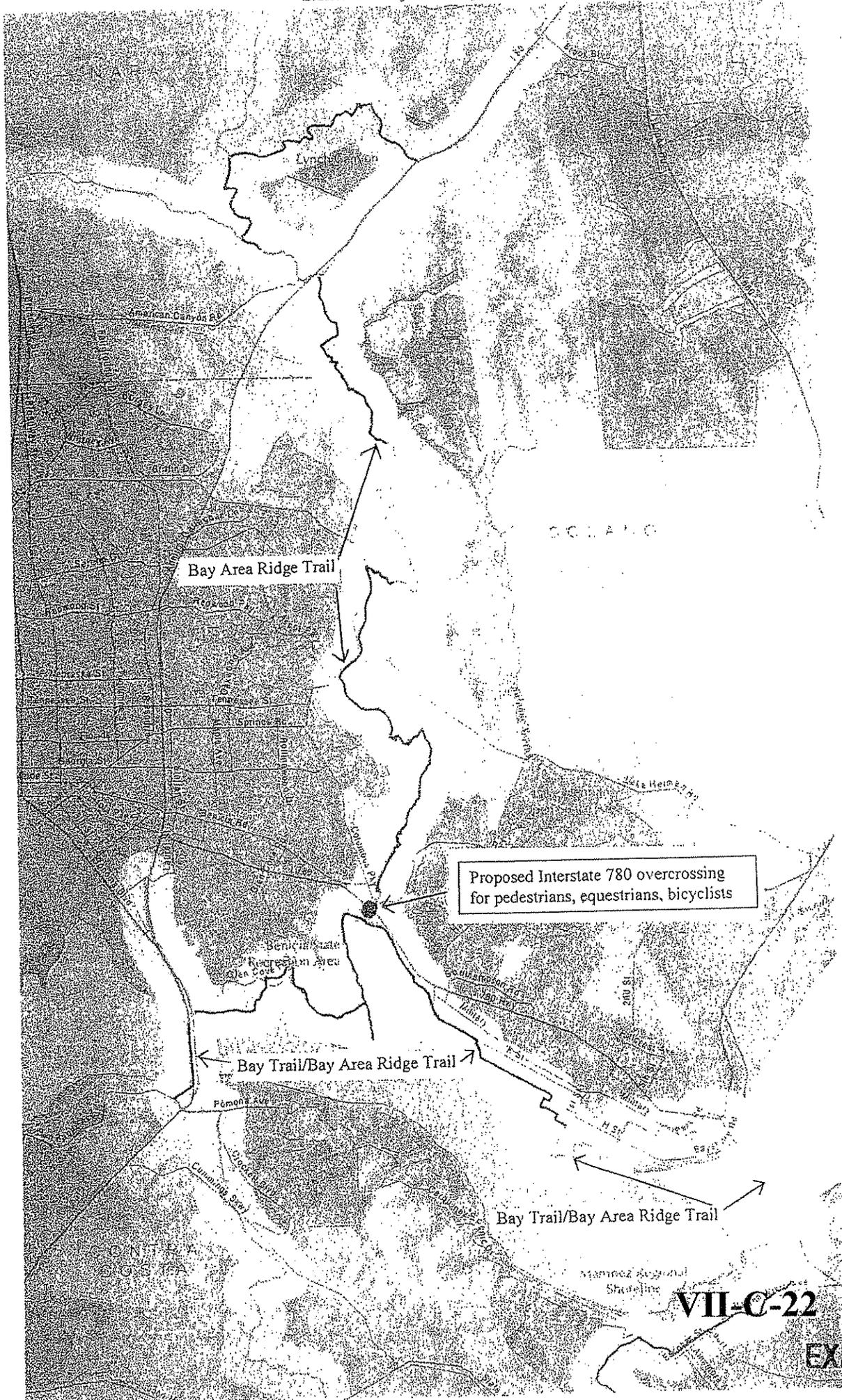
The Executive Officer shall designate a Conservancy project manager who shall have authority to act on behalf of the Executive Officer with respect to this agreement. The Executive Officer shall notify the grantee of the designation in writing.

AMENDMENT

Except as expressly provided in this agreement, no changes in this agreement shall be valid unless made in writing and signed by the parties to the agreement. No oral understanding or agreement not incorporated in this agreement shall be binding on any of the parties.

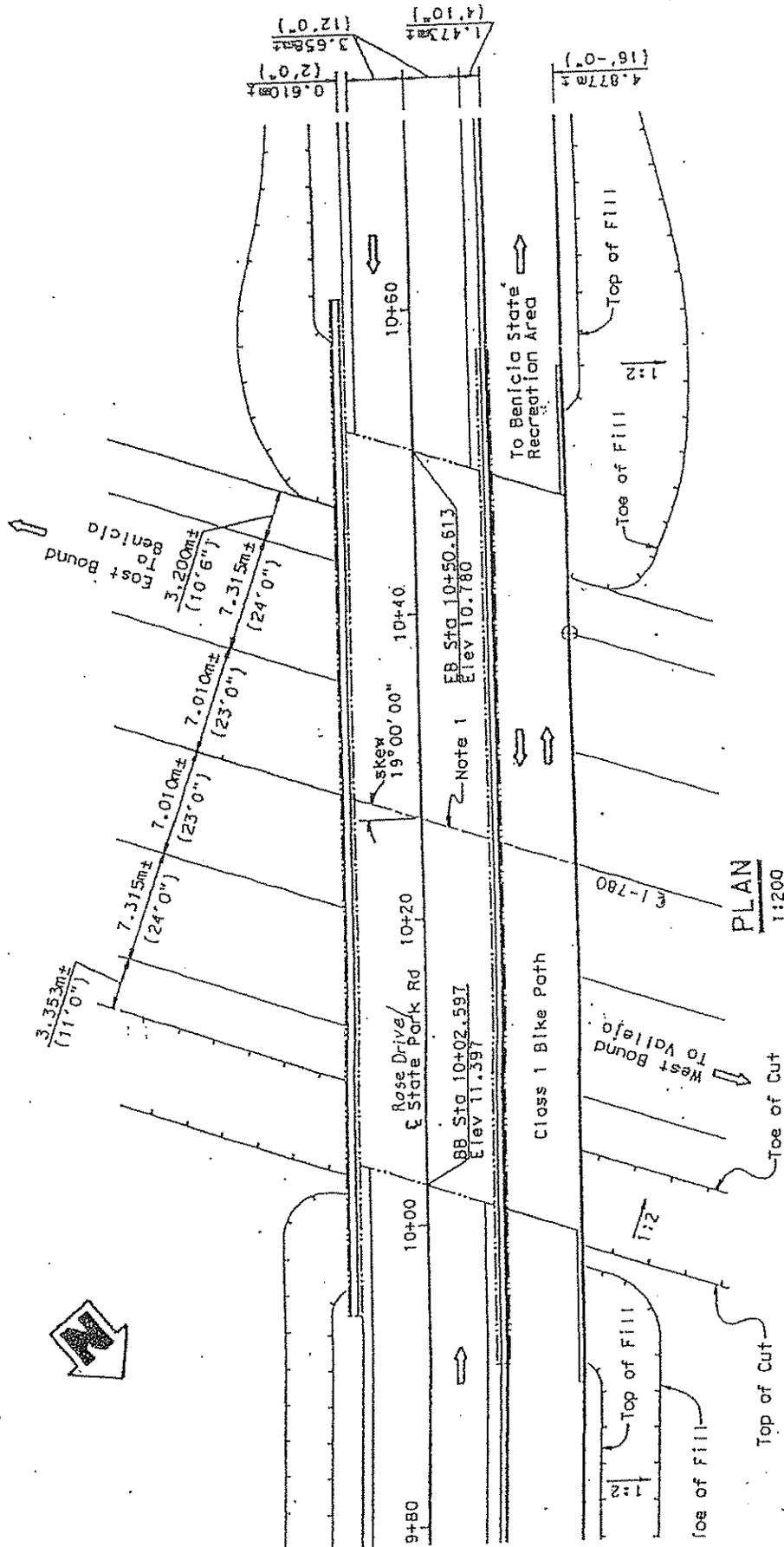
LOCUS

This agreement is deemed to be entered into in the County of Alameda.



VII-C-22

Exhibit 3: Site Plan



VII-C-23

COASTAL CONSERVANCY

Staff Recommendation
September 25, 2008

BAY AREA RIDGE TRAIL: INTERSTATE 780 OVERCROSSING CONSTRUCTION

File No. 08-096-01
Project Manager: Melanie Denninger

RECOMMENDED ACTION: Consideration and possible Conservancy authorization to disburse up to \$241,500 to the City of Benicia to assist with building an addition to the Rose Drive/State Park Road overcrossing of Interstate 780 to enable safe passage by users of the San Francisco Bay Trail and the Bay Area Ridge Trail.

LOCATION: The City of Benicia in Solano County (Exhibit 1)

PROGRAM CATEGORY: San Francisco Bay Area Conservancy

EXHIBITS

Exhibit 1: Project Regional Location

Exhibit 2: Project Linkages

Exhibit 3: Site Plan

Exhibit 4: Project Letters

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160-31165 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of up to \$241,500 (two hundred forty-one thousand five hundred dollars) to the City of Benicia to assist with building an addition to the Rose Drive/State Park Road overcrossing of Interstate 780 to enable safe passage by users of the San Francisco Bay Trail and the Bay Area Ridge Trail, subject to the following conditions:

1. No Conservancy funds shall be disbursed until the Executive Officer of the Conservancy has approved in writing the following:
 - a. A final work plan, including a budget and schedule, and any contractors proposed to be used;
 - b. A signing plan for the project; and

- c. Evidence that Caltrans agrees to maintain the project.
2. The City shall install and maintain a sign which acknowledges the Conservancy's funding contribution to the project and identifies the project as part of the Bay Area Ridge Trail."

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with the Project Selection Criteria and Guidelines, last updated by the Conservancy on September 20, 2007.
2. The proposed authorization is consistent with the purposes and objectives of Chapter 4.5 of Division 21 of the Public Resources Code (Sections 31160-31165), regarding the San Francisco Bay Area Conservancy Program."

PROJECT SUMMARY:

Staff is recommending that the Conservancy authorize the disbursement of up to \$241,500 to the City of Benicia to assist with building an addition to the Rose Drive/State Park Road overcrossing of Interstate 780 (I-780) to enable safe passage by users of the San Francisco Bay Trail and the Bay Area Ridge Trail (the Ridge Trail). A trail-crossing of I-780 at this location provides the only feasible opportunity in the Benicia/Vallejo area for connecting the Bay Trail and Ridge Trail along the Benicia and eastern Vallejo waterfronts and the new bike and pedestrian facility on the Al Zampa bridge across the Carquinez Strait with urban areas north of I-780 and the segment of the Ridge Trail that reaches northward near the Napa/Solano boundary (Exhibit 2).

In its current condition, the Rose Drive/State Park Road overcrossing has a sidewalk and bike lane, but both are too narrow for safe passage, there is no barrier between motorized and non-motorized traffic, and the facilities are not usable by equestrians. The proposed project will entail building a 16-foot-wide bridge with a 12-foot-wide Class 1 trail for pedestrian, bicycle, wheelchair and equestrian use immediately adjacent to the west side of the existing overcrossing (Exhibit 3). The new overcrossing is designed to use the existing abutments at both ends and will connect with street-level trail improvements being constructed at the north end by private developers of adjacent property and at the south end by Caltrans.

In addition to being priorities for the Bay Area Ridge Trail Council (BARTC) and the Bay Trail, the overcrossing is identified in the Solano Transportation Authority's Bicycle Plan as part of the Benicia-to-Vallejo Bicycle Route and presently is among its top four construction priorities. The overpass improvements are also among the City of Benicia's priority capital improvement projects.

Assisting with this project is a priority for the Conservancy because it helps meet objectives in the Conservancy's enabling legislation and in its strategic plan with respect to improving public access around the Bay Area, completing Bay Area Ridge Trail, and providing access that is

compliant with the Americans with Disabilities Act. (See "Consistency with Conservancy's Enabling Legislation" and "Consistency with the Conservancy's 2007 Strategic Plan Goals and Objectives.")

The proposed grantee, the City of Benicia, is taking the lead to build the bridge addition and expects to begin construction in spring of 2009. Upon completion, Caltrans is expected to take over ownership and maintenance of the new overcrossing. The Conservancy has assisted the City with successful public access planning and construction projects in the past. Most recently, the Conservancy contributed \$150,000 in 2003 for its First Street Pier improvements.

Site Description: The project site is alongside the existing Rose Drive/State Park Road overpass which spans I-780 at the western edge of the City of Benicia. At the north end of the bridge are commercial and residential areas. The south end adjoins the Benicia State Recreation Area (BSRA) and leads into the BSRA trail system (Exhibit 2).

Trails through the BSRA serve both the Ridge Trail and the Bay Trail and ultimately will connect to the pedestrian and bicycle crossings of the Carquinez Strait on the new Al Zampa-Carquinez Bridge to the west and on the Congressman George Miller-Benicia Bridge to the east. The new Rose Drive/State Park Road trail overcrossing, in turn, connects these trails northward with urban areas and an inland route of the Ridge Trail (Exhibit 2).

Project History: The vision for the Ridge Trail is a 500-mile multi-use (serving hikers, mountain bicyclists and equestrians), continuous trail that rings San Francisco Bay, high on the ridgeline. Under the leadership of the Conservancy and BARTC, and supported by a diverse group of project participants, the Ridge Trail creates an interconnected system of open space and trails that provides recreational opportunities and scenic views to the public. Begun almost 20 years ago, over 300 miles of trail are now dedicated and/or open to the public in all nine Bay Area counties. This authorization will further the Conservancy's statutory and strategic goal of improving access around San Francisco Bay, and is consistent with previous Conservancy authorizations to negotiate and acquire trail easements; prepare trail construction plans and designs, and construct and open trail segments to the public.

The City of Benicia has been working for over six years to design and build the proposed project. City staff has completed the initial design and engineering and the California Environmental Quality Act review, coordinated with Caltrans and the California Department of Parks and Recreation, and assembled the construction funding package. The City projects that it will complete the National Environmental Policy Act (NEPA) review (required for federal funding administered by Caltrans) and construction documents in order to begin construction in spring of 2009. Project completion is slated for early 2010.

PROJECT FINANCING:

Construction engineering, NEPA review, permitting and construction

Coastal Conservancy	\$ 241,500
City of Benicia	
Committed to-date for future costs	853,000
Shortfall funding (including contingency) if needed	481,500
Solano Transportation Authority	
Transportation for Livable Communities	1,000,000
Transportation Development Act, Article 3	481,000
Caltrans	
Congestion Mitigation and Air Quality	671,000
State Controller	
Highway Safety, Traffic Reduction, Air Quality and Port Security Act, Local Assistance	449,000
Delta Protection Commission (pending)	<u>60,000</u>
Total estimated project cost	\$4,237,000

The anticipated source of Conservancy funds is the fiscal year 2007-2008 appropriation to the Conservancy from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84). This funding source may be used to promote access to and enjoyment of the coastal resources of the state. The proposed project is consistent with this allowed use in that it would complete planning needed to make connections in Bay Area regional trails.

The City of Benicia has assembled a construction funding package from local and State sources. Previous conceptual design and CEQA review costs, estimated at \$350,000, were funded locally.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

Pursuant to Section 31162(a) of the Public Resources Code, the Conservancy may award grants in the nine-county San Francisco Bay Area that will help to improve public access to, within, and around the ridgetops, consistent with the rights of private property owners, and without having a significant adverse impact on agricultural operations and environmentally sensitive areas and wildlife. Consistent with Section 31162(a), the proposed project will provide safer non-motorized access between ridgetop segments of the Ridge Trail in Solano and Napa Counties and the shoreline segment of the Ridge Trail and Bay Trail along the north shore of the Carquinez Strait. The proposed project is entirely on currently developed public property.

Consistent with Section 31163(a), the Conservancy cooperates with nonprofit land trusts and other organizations in identifying and adopting long-term resource and outdoor recreational goals for the San Francisco Bay Area. Completion of the Ridge Trail is identified in (1) *The San Francisco Bay Area Conservancy Program Regional Needs Briefing Book (Bay Area Ridge Trail Council, July 1999)* and (2) *400 Miles and Beyond: A Strategic Plan for Completing the Bay Area Ridge Trail (BARTC, Draft 2006)*.

Pursuant to Section 31163(c), the Conservancy shall give priority to projects that, to the greatest extent, meet criteria including support by adopted local or regional plans; multiple jurisdictions or service to a regional constituency; ability to be implemented in a timely way; opportunities for benefits that could be lost if the project is not quickly implemented; and matching funds from other sources of funding or assistance. Consistent with criteria in Section 31163(c), the proposed project will implement the Ridge Trail Plan and the Solano Transportation Authority's Countywide Bicycle Plan; serve regional pedestrian, bicycle and equestrian trail users; start construction in spring 2009; ensure that federal funds allocated for the project will not be lost; will include cash and in-kind matching funds from multiple sources; and is consistent with the Ridge Trail alignment that has been adopted by the BARTC.

CONSISTENCY WITH CONSERVANCY'S 2007 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 11, Objective G** of the Conservancy's 2007 Strategic Plan, the proposed project will entail construction of approximately 1,300 feet of the Ridge Trail and, consistent with **Goal 11, Objective L**, it would result in implementation of a project with elements compliant with the Americans with Disabilities Act.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on September 20, 2007, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public:** Letters of support accompanied the City of Benicia's funding proposal to the BARTC. Letters were sent by Congressman George Miller, the board of Solano Transportation Authority, the Bicycle Advisory Committee of the Solano Transportation Authority, the Bay Trail Project, the Benicia Bicycle Club, and the Solano Ridge Trail Committee of the BARTC (Exhibit 4). The Executive Committee of the BARTC also adopted a resolution in support of project funding in the amount of \$241,500.
4. **Location:** The proposed project is within the nine-county jurisdiction of the San Francisco Bay Area Conservancy Program.
5. **Need:** While the grantee and a number of other trail and transportation entities are contributing to the project, the Conservancy's proposed contribution of \$241,500 is needed to complete the funding package.
6. **Greater-than-local interest:** The proposed project is necessary for implementing a section of the Ridge Trail, a regionally significant trail system.

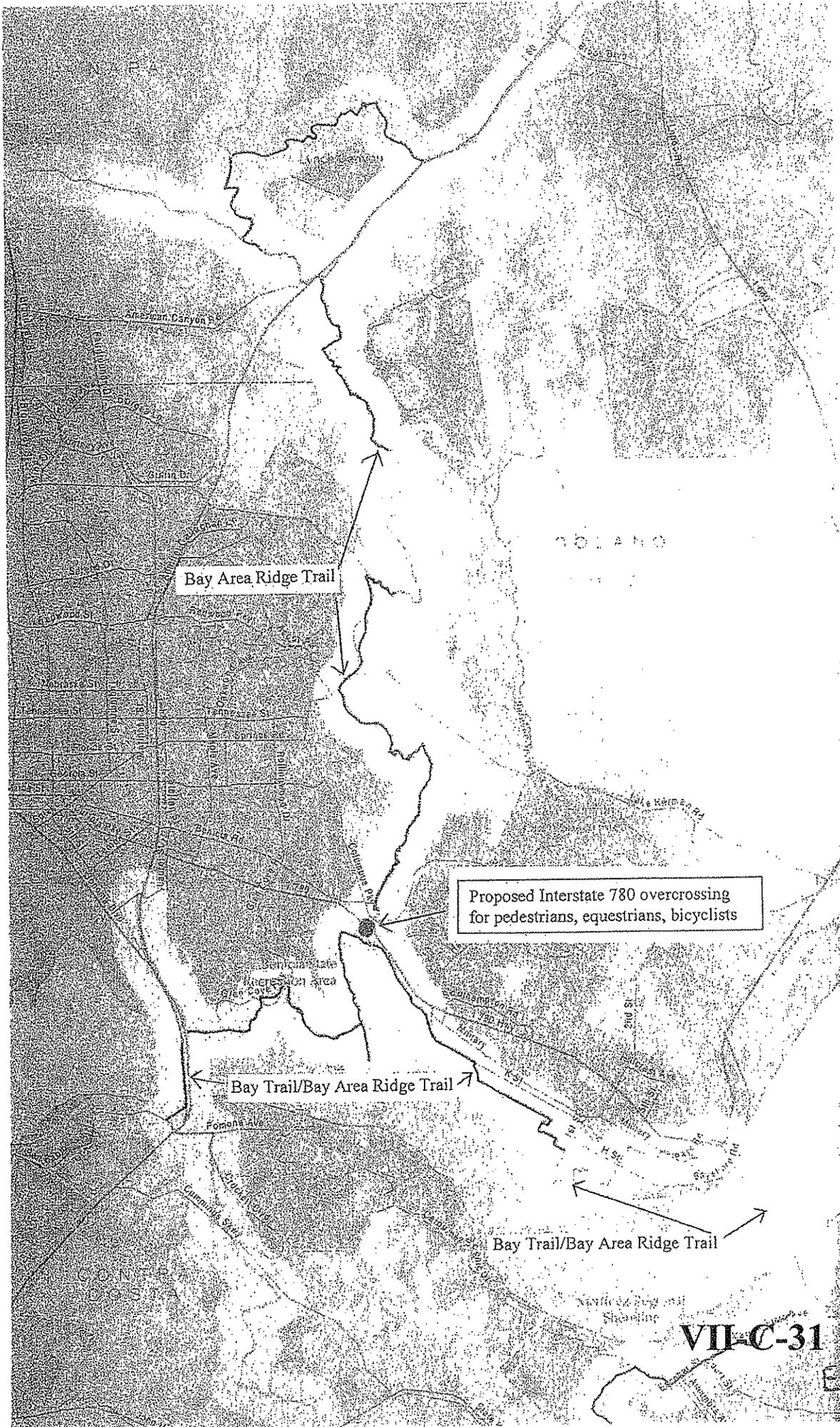
Additional Criteria

7. **Urgency:** The City of Benicia needs the Conservancy's commitment of funds in order to ensure that the Caltrans contribution administered by the Solano Transportation Agency will remain secure.
9. **Leverage:** See the "Project Financing" section above.
12. **Readiness:** The City expects to begin construction in spring 2009.
13. **Realization of prior Conservancy goals:** See "Project History" above.
15. **Cooperation:** The City has been working with the Solano Transportation Authority, Caltrans, the State Department of Parks and Recreation, and the BARTC to design, fund, and build the proposed project. Under the terms of a cooperative agreement that is in preparation, Caltrans will take on ownership and maintenance of the project following construction.

In addition, Completion of the Ridge Trail is one of the goals identified in the Bay Area Open Space Council's *The San Francisco Bay Area Conservancy Program Regional Needs Briefing Book (July 1999)*. In addition, the proposed project is consistent with the BARTC's adopted alignment and the report entitled *400 Miles and Beyond: A Strategic Plan for Completing the Bay Area Ridge Trail (Draft 2006)*.

COMPLIANCE WITH CEQA:

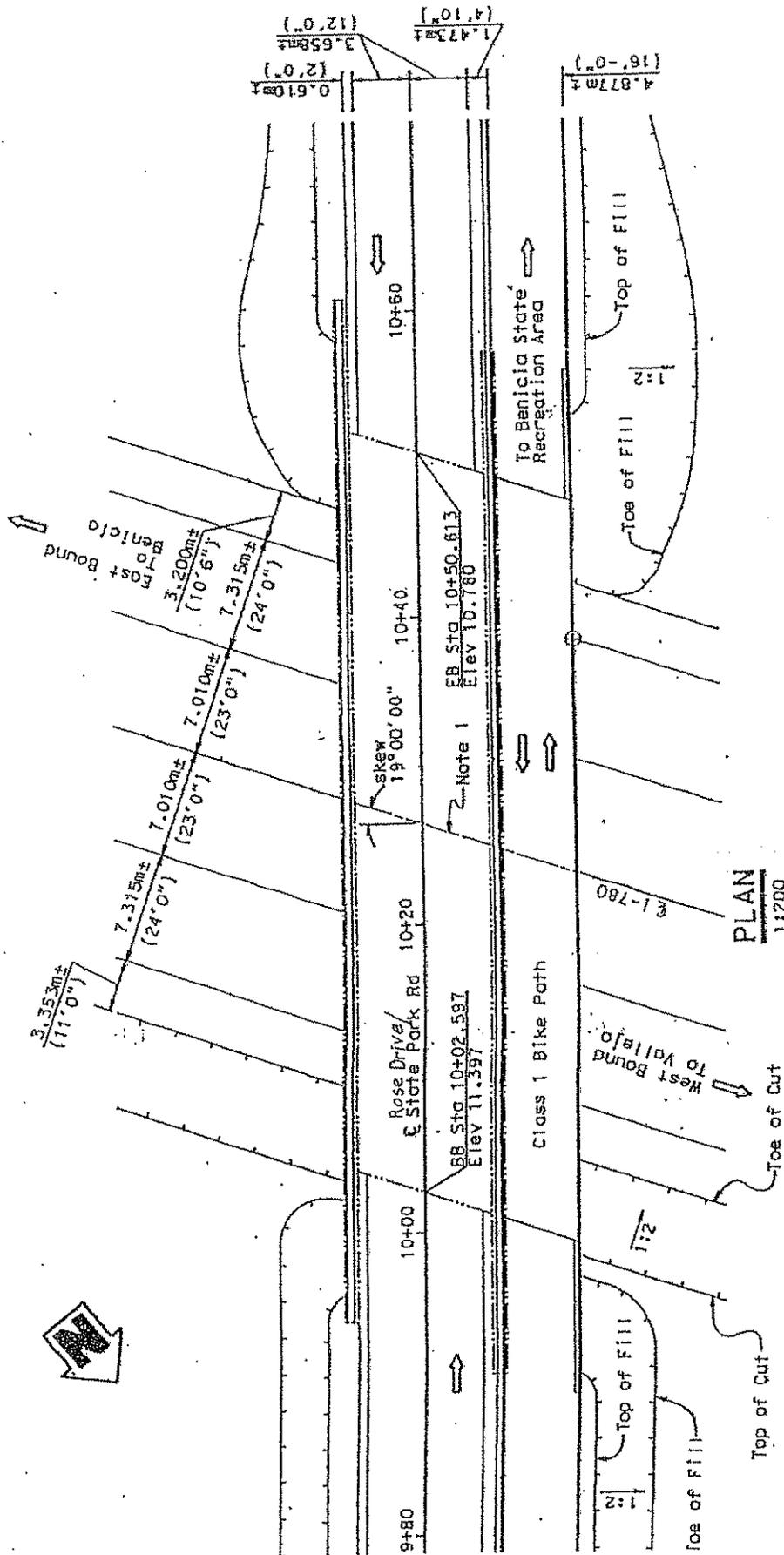
The proposed project modifies an existing street, involving negligible expansion of the existing street already in use as a pedestrian and bicycle access to the recreation area and is therefore categorically exempt from the California Environmental Quality Act (CEQA) review pursuant to 14 Cal. Code of Regulations Section 15301. Staff will file a Notice of Exemption upon approval of the proposed authorization.



VIL-C-31

EXHIBIT 2

Exhibit 3: Site Plan



VII-C-32

Exhibit 4: Project Letters

On behalf of the Ridge Trail Council, our members, Bay Area residents and visitors, we thank you for your continued support and commitment to public recreational access in Benicia and to completing the Bay Area Ridge Trail through your community. We look forward to working with you in the coming months to complete this project.

Sincerely,



Dee Swanhuysen, North Bay Trail Director
Bay Area Ridge Trail Council

1007 GENERAL KENNEDY AVENUE, SUITE 3, SAN FRANCISCO, CA 94129-1405
(415) 561-2595 FAX: (415) 561-2599
INFO@RIDGETRAIL.ORG WWW.RIDGETRAIL.ORG

VII-C-33

EXHIBIT 5

EXHIBIT 2

Exhibit 4: Project Letters



BAY AREA
RIDGE TRAIL
COUNCIL

Dan Schiada,
Public Works Director
City of Benicia
250 East L Street
Benicia, CA 94510

May 9, 2008

Dear Mr. Schiada,

The Bay Area Ridge Trail Council (Ridge Trail) is pleased to once again partner with the City of Benicia on a Ridge Trail project in Benicia – this time for the construction of the State Park Road Bike/Pedestrian Bridge and Path Project. As you know, we are creating an uninterrupted 550+ mile multi-use path on the ridgelines around San Francisco Bay and over 310 miles are now dedicated for public enjoyment.

On May 8, 2008, the Ridge Trail Executive Committee, acting on behalf of the Ridge Trail Board of Directors, endorsed a grant request from the City of Benicia for \$241,500 to help fund the construction of a .25 mile Ridge Trail segment that will cross over State Highway 780 in Solano County. The next step is to get final approval from the California Coastal Conservancy (SCC) to allocate monies from their Bay Area Ridge Trail program funds. We will ask SCC staff to place this grant endorsement on their Board's agenda later this year.

We understand that this grant will be matched by grants from several sources totaling \$3,696,500 and that you are working with the Bay Trail for a grant that would, if approved, complete the project's funding needs.

This project is the first trail link to be funded in our new Carquinez Strait Scenic Loop Trail Project which is a key focus of both the Ridge Trail and Bay Trail this year. Our goal is to close as many gaps as possible in a 50-mile loop around the Strait to coincide with the 2009 opening of the new pedestrian/bike path on the Benicia Martinez Bridge. Soon we will be providing you more details about this exciting new project as it relates to completing other Ridge Trail/Bay Trail segments in Benicia.

1007 GENERAL KENNEDY AVENUE, SUITE 3, SAN FRANCISCO, CA 94129-1405
(415) 561-2595 FAX: (415) 561-2599
INFO@RIDGETRAIL.ORG WWW.RIDGETRAIL.ORG

VII-C-34

EXHIBIT 2

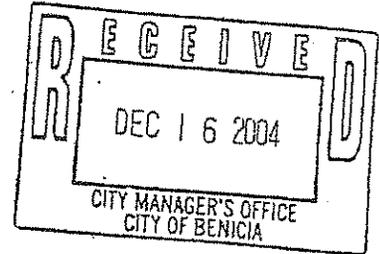
5 MEMO

BENICIA BICYCLE

CLUB

December 15, 2004

Mayor Steve Messini
City of Benicia
250 East L Street
Benicia, CA 94510



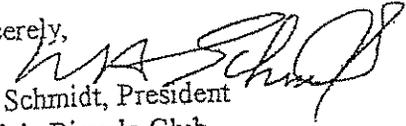
Dear Mayor Messini,

I am writing on behalf of the Benicia Bicycle Club in support of the City of Benicia's \$1,328,000 Regional Bicycle and Pedestrian Program (RBPP) grant request for the State Park Road Bike/Pedestrian Bridge and Path project.

This grant will allow the City of Benicia to construct a Class I bike path from the Rose Drive/Columbus Parkway intersection along State Park Road and over I-780 to the Benicia State Recreation Area. The project will remove a critical gap in the Solano Countywide Bicycle network, connecting north and south Benicia, Vallejo and the city of Benicia, and most of Napa and Solano Counties with the Bay Trail and recreational resources on the Carquinez Strait. This link will become even more critical in the near future when the Bay Trail is connected with the bike lanes on the new Benicia/Martinez Bridge (now under construction) and new Carquinez (Al Zampa) Bridge connecting Solano County with Contra Costa County with Benicia.

As of today, bicyclists, joggers, pedestrian, including students attending Middle and Benicia High School, as well as mothers pushing baby carriages are forced to merge with or dodge automobiles when crossing the existing automobile bridge over I-780 to cross the freeway exit-on ramp when pedaling across State Park Road when exiting the State Recreation Area heading north. These conditions are very hazardous and merit immediate corrective action. The members of the Benicia Bicycle Club have looked forward to the day when we can ride safely across I-780 via a Ped/Bicycle bridge to the other side of the City of Benicia. I hope the City of Benicia is successful with this grant application.

Sincerely,


Bill Schmidt, President
Benicia Bicycle Club

Cc: Jim Erickson, City Manager
Dan Schiada, Director of Public Works

VII-EXHIBIT 2

Attachment H



Solano Transportation Authority

One Harbor Center, Suite 130
Suisun City, California 94585

Area Code 707
424-6075 • Fax 424-6074

January 3, 2005

Members:

Benicia
Dixon
Fairfield
Rio Vista
Solano County
Suisun City
Vacaville
Vallejo

Karin McMillan, Chair
Solano Transportation Authority
One Harbor Center, Suite 130
Suisun City, CA 94585

Re: Support for Benicia's State Park Road/ I-780 Overcrossing Bicycle Project

Dear Ms. McMillan:

The Solano Bicycle Advisory Committee (BAC) reviewed the City of Benicia's State Park Road/ I-780 Overcrossing application for the Metropolitan Transportation Commission's Regional Bicycle/ Pedestrian Program at our December 16, 2004 meeting. As an advisory committee to the STA Board, the BAC unanimously recommended the STA Board support Benicia's application primarily for its importance in the countywide/regional bicycle network. This project is part of the regional bicycle network contained in MTC's Regional Bicycle Master Plan and is one of the four priority projects listed in STA's Countywide Bicycle Plan update completed in 2004. It would provide much needed improvements to an important segment of the Benicia - Vallejo Bicycle Route.

With the Benicia/Martinez Bridge being completed in the next 2 years, bicyclists will then be able to have a continuous route from the Benicia/ Martinez Bridge bicycle path to the Al Zampa (Carquinez) Bridge bicycle path while traveling through the State Park Road/ I-780 Overcrossing Project segment.

While the BAC reviewed the Benicia project primarily for it's importance to the bicycling community, we also understand its enormous potential benefit to pedestrian users and that the project is also identified in the STA's Countywide Pedestrian Plan.

Thank you for your consideration.

Sincerely,



J.B. Davis, Chair
Solano Bicycle Advisory Committee

Exhibit 4: Project Letters

unanimously recommended support for both of these pedestrian oriented projects. The STA Board unanimously supported all three projects on January 12, 2005.

Please contact Robert Guerrero, Associate Planner at 707.424.6014 if you have any questions regarding this letter.

Thank you for your consideration.

Sincerely,

Mary Ann Courville

Mary Ann Courville, Chair
Mayor, City of Dixon

Attachments:

- A. STA BAC Letter of Support for Benicia's State Park Road/ I-780 Overcrossing Bicycle Project
- B. STA PAC Letter of Support for Fairfield's Linear Park and Vallejo's Pedestrian Link Project

Cc: STA Board Members

Dah Shiada, City of Benicia Public Works Department
Brian Miller, City of Fairfield Planning and Development Department
Gary Leach, City of Vallejo Public Works Department

VII-C-37

EXHIBIT 2

Exhibit 4: Project Letters



Solano Transportation Authority

One Harbor Center, Suite 130
Suisun City, California 94585

Area Code 707
424-6075 • Fax 424-6074

January 13, 2005

Members:

Benicia
Dixon
Fairfield
Rio Vista
Solano County
Suisun City
Vacaville
Vallejo

Mr. Doug Johnson
Metropolitan Transportation Commission
101 Eight Street
Oakland, CA 94607

Re: Solano County's Priority Pedestrian and Bicycle Projects Letter of
Support for MTC's Regional Bicycle and Pedestrian Program

Dear Mr. Johnson:

On behalf of the Solano Transportation Authority (STA) Board, I would like to express STA's support for the following three countywide priority bicycle and pedestrian projects as candidates for the Regional Bicycle/Pedestrian Program:

1. City of Benicia's Bicycle Project - State Park Road/ I-780
Bicycle/Pedestrian Bridge and Path
2. City of Fairfield's Pedestrian Project- Fairfield Linear Park Trail: North
Texas Street to Dover Avenue
3. City of Vallejo's Pedestrian Project- Vallejo Station Downtown
Pedestrian Link

All three projects are either identified in the STA's Countywide Bicycle Plan or Countywide Pedestrian Plan as priority projects. Benicia's State Park Road project is identified as 1. of 4 top priority bicycle projects for Solano County. Benicia's bicycle project will improve access and safety for bicyclists for a countywide and regionally significant link across I-780 between the cities of Benicia and Vallejo. The STA's Bicycle Advisory Committee (BAC) and Pedestrian Advisory Committee (PAC) unanimously recommended support for this project given its potential benefits of for both pedestrians and cyclists.

In addition, the PAC had an additional opportunity to review and provide input for the cities of Fairfield's and Vallejo's pedestrian oriented projects. Although both projects could potentially serve cyclists as well, each project primarily benefits pedestrians. Both projects are within a 1/4 mile of transit locations. Vallejo's pedestrian project will link Downtown Vallejo to their planned intermodal station and Fairfield's pedestrian project will provide an important link between two busy arterials for pedestrians to access an important local bus transfer center. Fairfield's pedestrian project is also located in a planned redevelopment area; this project would help in the city's effort to revitalize the project area. On January 6th, 2005 the Pedestrian Advisory Committee

VII-C-38

EXHIBIT 2

Exhibit 4: Project Letters



BAY AREA
RIDGE TRAIL
COUNCIL

November 29, 2007

Benicia City Council
City of Benicia
250 East L Street
Benicia, CA 94510

Dear Mayor Messina and Councilmembers:

On behalf of the Solano County Ridge Trail Committee, I am writing in strong support of the City of Benicia's request for \$1,000,000 from the California Coastal Conservancy's Bay Area Ridge Trail program to widen the I-780 overpass at State Park Road.

This overpass provides a critical link of the Ridge Trail in Solano County in two directions: from Vallejo and the Carquinez Bridge and from Benicia and the Benicia Martinez Bridge. As you know, the new Zampa Bridge has pedestrian and bicycle access as will the Benicia Bridge when the old span is retrofitted in two years. Crossing I-780 at Columbus Parkway connects the Ridge Trail to the Buffer Trail between Vallejo and Benicia and points north. Current use of the overpass by either walkers or cyclists is dangerous since there is no real sidewalk and the two traffic lanes are narrow. Building a pedestrian/bicycle overpass will correct this deficiency.

With all the new growth along Rose Drive in Benicia and along Columbus Parkway in Vallejo with the recent approval of the Bordonni project, more and more residents are using the Benicia State Recreation Area for exercise and need a safe way to cross I-780. I cannot overemphasize the importance of this project not only for the Ridge Trail but for the hundreds of Vallejo and Benicia residents who will use it.

Thank you for your long-time support of the Bay Area Ridge Trail and your leadership with this project.

Sincerely,

Kathy Hoffman, Co-Chair
Solano Ridge Trail Committee
307 Palo Verde Way
Vallejo, CA 94589

VII-C-39

Exhibit 4: Project Letters



November 27, 2007

Douglas Bosco, Chairman
Attn: Abe Doherty
Coastal Conservancy
1330 Broadway, 13th Floor
Oakland, CA 94612

Dear Chairman Bosco:

The Bay Trail Project is a nonprofit organization administered by the Association of Bay Area Governments (ABAG) that plans, promotes and advocates for the implementation of a continuous 500-mile bicycling and hiking path around San Francisco Bay. When complete, the trail will pass through 47 cities, all nine Bay Area counties, and cross seven toll bridges. To date, slightly more than half the length of the Bay Trail alignment has been developed. Approximately 7 miles of Bay Trail are located in the City of Benicia.

It is our understanding that the City of Benicia is applying for a grant from the Bay Area Ridge Trail to widen the I-780 overpass at Columbus Parkway. The Bay Trail Project enthusiastically supports this grant application as the resulting project will complete an important connection between the Bay Area Ridge Trail and the San Francisco Bay Trail, and will provide a safe way for cyclists and pedestrians to access both of these regionally important recreational facilities. The Bay and Ridge Trail Projects have recently begun a collaborative effort to complete our respective portions of trail along the Carquinez Strait, and the I-780 overcrossing is an important component of this effort. If you have any questions about the Bay Trail, please do not hesitate to contact me at (510) 464-7935, or by e-mail at laurat@abag.ca.gov.

Sincerely,

Laura Thompson

Laura Thompson
Bay Trail Project Manager

VII-C-40

GEORGE MILLER

7TH DISTRICT, CALIFORNIA

2205 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0507
(202) 225-2095

www.house.gov/georgemiller

DANIEL WEISS
CHIEF OF STAFF

COMMITTEE ON EDUCATION
AND THE WORKFORCE
SENIOR DEMOCRAT

COMMITTEE ON RESOURCES

DEMOCRATIC POLICY COMMITTEE

CHAIRMAN
November 29, 2007

Congress of the United States

House of Representatives

Washington, DC 20515-0507

BARBARA JOHNSON
DISTRICT DIRECTOR

1333 WILLOW PASS ROAD
SUITE 203
CONCORD, CA 94520
(925) 602-1880

3220 BLUME DRIVE
SUITE 281
RICHMOND, CA 94806
(510) 262-8500

375 G STREET
SUITE #1
VALLEJO, CA 94592
(707) 645-1888

TTY (202) 225-1904

Benicia City Council
City of Benicia
250 East L Street
Benicia, CA 94510

Dear Mayor Messina and Councilmembers:

I am writing in strong support of the City of Benicia's request for \$1,000,000 from the California Coastal Conservancy's Bay Area Ridge Trail program to widen the I-780 overpass at State Park Road.

This overpass provides a critical link of the Ridge Trail in Solano County in two directions: from Vallejo and the Carquinez Bridge and from Benicia and the Benicia Martinez Bridge. As you know, the new Zampa Bridge has pedestrian and bicycle access as will the Benicia Bridge when the old span is retrofitted in two years. Crossing I-780 at Columbus Parkway connects the Ridge Trail to the Buffer Trail between Vallejo and Benicia and points north. Current use of the overpass by either walkers or cyclists is dangerous since there is no real sidewalk and the two traffic lanes are narrow. Building a pedestrian/bicycle overpass will correct this deficiency.

I have been a ardent supporter of the Ridge Trail for twenty years and have attended many of their dedication ceremonies in both Solano and Contra Costa Counties. This project is critical for both Benicia and Vallejo, and I hope you are successful with your request.

Sincerely,



GEORGE MILLER
Member of Congress
7th District, California

VII-C-41

CERTIFICATE OF INSURANCE

ISSUE DATE (/ /)

State Coastal Conservancy, State of California

Project Agreement #: 09-009 SCC Project Mgr: M. Denninger

PRODUCER (Agent or Broker)

THIS CERTIFICATE OF INSURANCE IS NOT AN INSURANCE POLICY AND DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

		COMPANIES	BEST'S RATING
COMPANY LETTER	A	_____	_____
COMPANY LETTER	B	_____	_____
COMPANY LETTER	C	_____	_____
COMPANY LETTER	D	_____	_____

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS ARE SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	ALL LIMITS IN THOUSANDS	
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY or <input type="checkbox"/> COMPREHENSIVE GENERAL LIABILITY <input type="checkbox"/> ISO form (1973) or comparable with Broad Form Comprehensive General Liability endorsement. <input type="checkbox"/> Other: _____ <input type="checkbox"/> OCCURENCE <input type="checkbox"/> OTHER _____ <input type="checkbox"/> General Aggregate applies per project				EACH OCCURRENCE	\$
					FIRE DAMAGE (Any one fire)	\$
					MEDICAL EXPENSE (any one person)	\$
					PERSONAL & ADVERTISING INJURY	\$
					GENERAL AGGREGATE	\$
					PRODUCTS-COMP/OPS AGGREGATE	\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO (ISO Form Number CA 0001, Code or equivalent.) <input type="checkbox"/> OTHER: _____ <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NONOWNED AUTOS <input type="checkbox"/> GARAGE LIABILITY				COMBINED SINGLE LIMIT (each accident)	\$
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE	\$
	EXCESS LIABILITY <input type="checkbox"/> UMBRELLA <input type="checkbox"/> OTHER THAN UMBRELLA FORM <input type="checkbox"/> WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				EACH OCCURRENCE	\$
					AGGREGATE	\$
					STATUTORY	\$
					EACH ACCIDENT	\$
					DISEASE-POLICY LIMIT	\$
					DISEASE-EACH EMPLOYEE	\$
	PROPERTY INSURANCE <input type="checkbox"/> COURSE OF CONSTRUCTION				AMOUNT OF INSURANCE	\$
					PERCENT REPLACEMENT VALUE	

DESCRIPTION OF OPERATIONS/LOCATION/VEHICLES/RESTRICTION/DEDUCTIBLES/SELF INSURED RETENTIONS/SPECIAL ITEMS

THE FOLLOWING PROVISIONS APPLY:

- None of the above-described policies will be canceled until after 30 days' written notice has been given to the State Coastal Conservancy at 1330 Broadway, 13th Floor, Oakland, CA 94612.
- The State of California (State), its officials, officers, employees and volunteers are added as insureds on all liability insurance policies listed ABOVE.
- It is agreed that any insurance or self-insurance maintained by the State will apply in excess of and not contribute with, the insurance described above.
- All rights of subrogation under the property insurance policy listed above have been waived against the State.
- The workers' compensation insurer named above, if any, agrees to waive all rights of subrogation against the State for injuries to employees of the insured resulting from work for the State or use of the State's premises or facilities.

CERTIFICATE HOLDER/ADDITIONAL INSURED

AUTHORIZED REPRESENTATIVE

State of California

SIGNATURE _____
 TITLE _____
 PHONE NO. _____

EXHIBIT 3

VII-C-42
EXHIBIT

5

**AGENDA ITEM
COUNCIL MEETING: OCTOBER 20, 2009
CONSENT CALENDAR**

DATE : October 14, 2009

TO : City Manager

FROM : Director of Public Works & Community Development

SUBJECT : **ROSE DRIVE BICYCLE/PEDESTRIAN OVERCROSSING PROJECT: AWARD OF CONTRACTS TO COMPLETE THE FINAL DESIGN AND FOR CONSTRUCTION, CONSTRUCTION MANAGEMENT, AND ENGINEERING SUPPORT SERVICES**

RECOMMENDATION:

Adopt the following four resolutions:

1. Approving Task Order No. 5 in the amount of \$46,000 with Pakpour Consulting Group to complete the final design for the Rose Drive Bicycle/Pedestrian Overcrossing Project and authorizing the City Manager to sign the task order on behalf of the City.
2. Accepting the bids for the Rose Drive Bicycle/Pedestrian Overcrossing Project, awarding the construction contract to Viking Construction of Rancho Cordova in the amount of \$1,812,135 and authorizing the City Manager to sign the contract on behalf of the City.
3. Approving Task Order No. 2 in the amount of \$333,150 with Vali Cooper & Associates for construction management/inspection services on the Rose Drive Bicycle/Pedestrian Overcrossing Project and authorizing the City Manager to sign the task order on behalf of the City.
4. Approving Task Order No. 6 in the amount of \$49,600 with Pakpour Consulting Group for construction phase engineering support on the Rose Drive Bicycle/Pedestrian Overcrossing Project and authorizing the City Manager to sign the task order on behalf of the City.

EXECUTIVE SUMMARY:

This project will construct 1,000 feet of separated bicycle/pedestrian pathway alongside Rose Drive from the Rose Center just south of Columbus Parkway into the Benicia State Recreation Area. The project includes a bicycle/pedestrian bridge over I-780 and will eliminate a gap in the trail system between north and south Benicia. This project is fully funded with regional, State, and federal funds; no local funds will be expended.

GENERAL PLAN:

Relevant Goals include:

- Goal 2.15: Provide a comprehensive system of pedestrian and bicycle routes which link the various components of the community: employment centers, residential areas, commercial areas, schools, parks, and open space
- Goal 2.20: Provide a balanced street system to serve automobiles, pedestrians, bicycles and transit, balancing vehicle-flow improvements with multi-modal considerations
- Goal 2.28: Improve and maintain public facilities and services

STRATEGIC PLAN:

Relevant Strategic Plan Issues and Strategies:

- Strategic Issue 4: Preserving and Enhancing Infrastructure
 - Strategy 1: Provide safe, functional and complete streets

BUDGET INFORMATION:

The revenues and expenditures for the final design and construction phases for this project are as follows:

Rose Drive Overcrossing Project Budget - Final Design & Construction

Project Revenues:

CMAQ Grant	\$1,351,000.00
STP ARRA Grant	\$110,000.00
TDA Article 3 Grant	\$271,000.00
TEA ARRA Grant	\$320,000.00
Bay Ridge Trail Coastal Conservancy Grant	\$241,000.00
Proposition 1B Bond Funding	\$449,000.00
BTA Grant Funding	\$500,000.00
ARRA Reobligation Funding	<u>\$62,000.00</u>
Total Revenue	\$3,304,000.00

Project Expenditures:

Design	
Task Order No.1 Final Design – Pakpour	\$496,000.00
Task Order No.2 Additional Work (Staff Approved)	\$49,000.00
Task Order No.5 Additional Work (Requested)	<u>\$46,000.00</u>
Design Total	\$591,000.00
Construction	
Right-Of-Way	\$125,000.00
Construction Contract – Viking Construction	\$1,812,000.00
Task Order No.1 Constructability Review – Vali Cooper	\$39,000.00
Task Order No.2 Construction Management - Vali Cooper	\$333,000.00
Task Order No.6 Construction Engineering Support – Pakpour	<u>\$50,000.00</u>
Subtotal	<u>\$2,359,000.00</u>
15% Construction Contingency	<u>\$354,000.00</u>
Construction Total	\$2,713,000.00
Total Expenditures (Design + Construction)	\$3,304,000.00

The project is fully funded with grants, State infrastructure bond disbursements, and American Reinvestment and Recovery Act monies. No local funding will be expended.

ENVIRONMENTAL REVIEW:

The California Department of Transportation has determined this project is Categorical Exempt under the California Environmental Quality Act (CEQA) and is a Categorical Exclusion under the National Environmental Protection Act (NEPA).

BACKGROUND:

The Rose Drive Bicycle/Pedestrian Overcrossing project consists of a 12 foot wide multipurpose trail that begins at the Rose Center, runs southerly 1,000 feet alongside Rose Drive, and terminates in the Benicia State Recreation Area. The project includes a bicycle/pedestrian bridge over I-780 that will be constructed adjacent to and just west of the existing bridge. The new trail will connect north and south Benicia and is regionally significant because it will eliminate a gap in the Ridge Trail and provide connectivity to the Bay Trail at the tie-in point to the existing trail system within the State Recreation Area.

Pakpour Consulting Group was awarded the design contract for this project in March 2008. Since that time they have worked diligently and successfully completed all assignments in a cost effective manner. Additional design work was needed to gain approval from the California Department of Transportation and the State Parks Department, which must be obtained for the project to move forward. Staff is recommending the award of Task Order No. 5 in the amount of \$46,000 to cover the cost of this additional work and to fully fund the final design of the project.

On September 23, 2009, seven bid proposals for construction of the improvements were properly received and publicly opened. The bid results are summarized in the table below:

Rank	Bidder Name and City	Total Bid
1	Viking Construction, Rancho Cordova	\$1,812,135
2	Jones Brothers, Morgan Hill	\$2,077,417
3	Shasta Constructors, Redding	\$2,128,562
4	R.A. Nementz Construction, Wilton	\$2,251,318
5	W.P. Young, San Leandro	\$2,400,994
6	A.J. Vasconi, Concord	\$2,499,297
-	Robert Bothman, San Jose	Withdrawn
-	Engineer's Estimate	\$2,323,000

Staff is therefore recommending that the construction contract be awarded to Viking Construction in the amount of \$1,812,135.

Staff also recommends approval of Task Order No. 2 in the amount of \$333,150 with Vali Cooper and Associates for construction management/inspection services. Vali Cooper and Associates was selected as best qualified to perform these services after staff conducted a thorough consultant selection process. Vali Cooper specializes in construction management on Caltrans oversight projects and is highly regarding in the Bay Area. Vali Cooper successfully

completed Task Order No. 1 for a constructability review on this project. Consultant construction management/inspection services are needed on this project because of the highly specialized, complex nature of the work, the need for full-time oversight, and to ensure safety for the traveling public on I-780.

Staff also recommends approval of Task Order No. 6 in the amount of \$49,600 with Pakpour Consulting Group for construction phase engineering support. Given the magnitude and complexity of this project, consultation with the design engineer will be necessary during the construction phase of the project to ensure the project is properly constructed and to obtain the full use of the improvements. The actual cost of the task order may be less, depending upon the level of consultation required.

cc: City Attorney
City Engineer

Attachments:

- Proposed Resolutions (4) with applicable Task Orders
- Project Simulation and Location Exhibits

Proposed Resolution approving Task Order No.
5 with Pakpour Consulting Group

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING TASK ORDER NO. 5 IN THE AMOUNT OF \$46,000 WITH PAKPOUR CONSULTING GROUP TO COMPLETE THE FINAL DESIGN ON THE ROSE DRIVE BICYCLE/PEDESTRIAN OVERCROSSING PROJECT AND AUTHORIZING THE CITY MANAGER TO SIGN THE TASK ORDER ON BEHALF OF THE CITY

WHEREAS, the Pakpour Consulting Group was awarded the engineering design contract for the Rose Drive Bicycle/Pedestrian Overcrossing Project in March 2008; and

WHEREAS, Pakpour has worked diligently since that time and has successfully completed all assignments in a cost effective manner; and

WHEREAS, additional design work is needed to gain approval from the California Department of Transportation and the State Parks Department, which must be obtained for the project to move forward.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby approves Task Order No. 5 in the amount of \$46,000 with the Pakpour Consulting Group to complete the final design for the Rose Drive Bicycle/Pedestrian Overcrossing Project and authorizes the City Manager to sign the task order on behalf of the City, subject to approval by the City Attorney.

On motion of Council Member _____, and seconded by Council Member _____, the above Resolution was introduced and passed by the City Council of the City of Benicia at a special meeting of said Council held on the 20th day of October, 2009, and adopted by the following vote.

Ayes:

Noes:

Absent

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

Task Order No. 5

ROSE DRIVE BICYCLE/PEDESTRIAN OVERCROSSING PROJECT
TASK ORDER NO. 5
PAKPOUR CONSULTING GROUP

COMPLETE FINAL DESIGN

- 1. Purpose:
The purpose of this TASK ORDER is to authorize and direct the CONSULTANT to proceed with the work specified in Item 2 of this TASK ORDER, in accordance with the provisions of Paragraph 2 of that AGREEMENT between the parties hereto dated, April 22, 2008.
- 2. Scope of Work:
The work authorized by this TASK ORDER is outlined in the "Scope of Work" attached hereto.
- 3. Time of Performance:
The work authorized by this TASK ORDER shall commence upon execution by both parties and shall be prosecuted diligently to completion.
- 4. Compensation and Payment:
Compensation shall be on a time and materials basis as provided in Section 3 of the AGREEMENT dated April 22, 2008 between the parties hereto. The total cost for this Task Order shall not exceed \$46,000. Payment shall be in accordance with Section 3 of the aforementioned AGREEMENT.
- 5. Effective Date:
This TASK ORDER shall become effective immediately upon its execution by both parties.
- 6. Items and Conditions:
All items and conditions contained in the AGREEMENT for consultant services dated April 22, 2008, between the City of Benicia and Pakpour Consulting Group are incorporated herein by reference.

Executed this ____ day of _____, 2009.

CITY OF BENICIA

PAKPOUR CONSULTING GROUP

Jim Erickson
City Manager

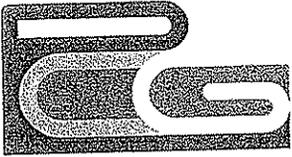
Joubin Pakpour
President

APPROVED AS TO FORM

CITY OF BENICIA

Heather McLaughlin
City Attorney

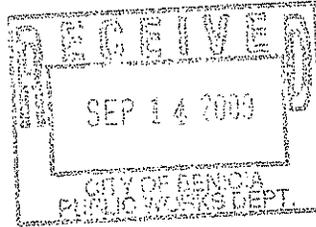
Charlie Knox
Public Works & Com. Dir.



Pakpour Consulting Group, Inc.

August 20, 2009

Mike Roberts, P.E.
Acting City Engineer
City of Benicia
250 East "L" Street
Benicia, CA 94510



10006.02

Subject: Budget Increase Request Number 2 for Additional Services
Rose Drive Pedestrian Overcrossing Project
(Formerly State Park Road Bicycle/Pedestrian Bridge Project)

Dear Mike,

The purpose of this letter is to notify the City of Benicia of additional project management and sub-consultant work required for the final design for the Rose Drive Pedestrian Overcrossing project. *Pakpour Consulting Group* (PCG) requests an additional budget in the amount of **\$46,000** due to the increased level of effort for project management, design and coordination required by the Caltrans approval process. In addition, the ARRA funding added increased complexity and required additional coordination with Local Assistance. These tasks also had an impact on our subconsultants as it also increased their scope of work. The additional coordination and project management effort by PCG and the design team was required to ensure that funding deadlines were met. The following tasks required additional effort to complete the tasks not included in the original April 22, 2008 scope of work:

Jones & Stokes (J&S)

Additional costs were accrued to complete the environmental process for this project. The outstanding amount accrued for which J&S is requesting additional budget approval is \$3,600. The additional services include:

1. Extra review cycles by Caltrans to address:
 - Section 4(f) format changes and noticing requirements under SAFETEA-LU legislation
 - CE/CE document processing under SAFETEA-LU legislation
 - Section 106 documentation procedures under Caltrans' Programmatic Agreement
 - Multiple requests for revisions to the arborist report, NES report, and cultural reports.
2. Additional project management and coordination to address, and/or support PCG due to:
 - Delays in project schedule attributed to Caltrans' review cycles (multiple reviewers, changing levels of detail, changing formats/procedures, new information provided after draft submittals, processing through DLA).
 - State Parks' request to extend tree replacement areas outside the area of potential effects

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- Evaluation by ICF Jones & Stokes archaeologist and biologists to determine if additional survey work and related revisions to technical studies would be required due to State Parks' request.
- Extended coordination with PCG/City of Benicia/Caltrans during Caltrans' environmental approval and certification process (historic tree issues, arborist survey results, 4(f) noticing procedures).

J&S goal for the project was to be very budget conscious and adopt more efficient resolutions to issues than Caltrans ultimately allowed. Unfortunately, Caltrans changed their direction in terms of what they wanted for the environmental process and subjected J&S deliverables to repeated changes that far exceeded the amount of review that they could have reasonably anticipated in prior scopes and budgets.

Hultgren-Tillis (HT)

The additional seismic analysis work by Hultgren-Tillis (HT) required for the Geotechnical Investigation Revision 3 could not have been anticipated when they published the Revision 2 report, or when the original scope was prepared. In early January 2009, HT talked to the head of the Geotechnical department in Sacramento and he told HT that the new seismic criteria was not completed, and they should use the current Caltrans version at that time (Version 1.4, June 2006). A week later, HT published the Revision 2 report (dated January 16, 2009). Two months later, Caltrans comments (provided on March 10, 2009) indicated that HT needed to redo their analysis based on different criteria. This new criteria was not yet published, but draft versions were being used within Caltrans for some projects during this "transition" period. The Caltrans comment could not have been anticipated based on our previous discussion with the head of Caltrans' seismic department. Caltrans was firm on getting this comment resolved as they have provided precise instructions on how to address the comment. It should be noted that the results of a new ARS curve had an impact the structural bridge design.

Hultgren-Tillis is requesting additional budget of \$6,000 to address Revisions 2 and 3.

YEI Engineers

YEI attended an additional field meeting with PG&E and an additional field investigation meeting that were not included in the original contract. Based on field meetings with PG&E, additional pedestals were required for the three State Park maintenance buildings which required additional pedestal design and distribution design.

YEI revised the electrical drawings and added additional drawings for PG&E services as requested by PG&E. Revisions to the electrical drawings included:

1. Added 2-8" steel casings on the bridge.
2. Added 4" and 6" conduit from the north and south pull boxes.
3. Added two 3'x5' pull boxes.
4. Designed above ground switch and fuses then changed to underground switch and fuses. After the field meeting, PG&E deleted it from the contract scope.
5. Added conduits and cables due to addition of service enclosures and relocation of PG&E service point.
6. Moved three (3) State Park maintenance building meters to outdoor pedestals.
7. Added a 30' wood utility pole (customer owned pole) for electrical overhead service.

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8. Modified entrance service design.

The revisions to the plans also required revisions to the specifications and estimates.

YEI is requesting additional budget of \$10,400 for additional electrical services.

CHS Consulting Engineers

CHS was contracted by *Pakpour Consulting Group* to review the Pavement Delineation Plans based on the 65% submittal and 90% Pavement Delineation Plan. At the request of State Parks, the plans must be reviewed by a licensed traffic engineer to ensure adequate traffic controls are in place to provide a safe intersection for bicyclists, pedestrians and vehicles. CHS performed a cursory review of the Pavement Delineation Plans to address State Parks concerns.

Pakpour Consulting Group is requesting additional budget of \$2,000 for CHS' time in reviewing the Pavement Delineation Plans.

Baseline Environmental Consulting (BASELINE)

BASELINE responded to Caltrans Hazardous Waste Branch comments dated February 26, 2009 on their January 8, 2009 Soil Investigation Report. The investigation included collection and analysis of soil samples from 14 shallow borings along the proposed bicycle path route, evaluation of worker health and safety considerations, and characterizing soil for disposal. Response to Caltrans comments was not included in their initial proposal.

BASELINE requests a budget increase of \$1,000 to cover the costs associated with providing a letter report responding to the Caltrans comments.

Pakpour Consulting Group (PCG)

Pakpour Consulting Group is requesting an additional budget of \$23,000 for additional services provided to date and to take the project through PS&E approval. The following tasks required additional effort to complete the tasks not included in the original scope of work dated April 22, 2008 and task order number 1 dated February 6, 2009:

- The original contract budgeted for six (6) project development team (PDT) meetings and task order number 1 budgeted for four (4) PDT meetings for a total of ten (1) PDT meetings. Since April 2008, PCG attended fourteen (14) PDT meetings, four (4) more than originally budgeted. PCG requests a budget increase to cover costs for the past four (4) PDT meetings, coordination with Caltrans and sub-consultants, meeting attendance and preparation of meeting minutes.
- PCG met with Caltrans staff to coordinate the E76 and PS&E submittals. PCG requests a budget increase to cover costs for four (4) coordination meetings with Caltrans.
- Coordinating the E-76 documents with Local Assistance to ensure CMAQ and ARRA-TE funds were obligated.
- Coordination with PG&E and State Parks on the temporary overhead relocation.
- Coordination with State Parks to obtain a Right of Entry Permit.
- PCG addressed Caltrans comments on the second Final Submittal which were not included in the original scope of work.

VII-D-11



- PCG budgeted reimbursable expenses up to the Final Submittal which occurred on June 30, 2009. Additional printing expenses beyond the Final Submittal were not anticipated. PCG submitted five (5) sets to Caltrans during the second Final Submittal. After the PS&E was approved Caltrans required 27 sets of plans and specifications which were provided by PCG. PCG is requesting additional budget to cover reimbursable expenses through plan approval. PCG assumes that the City will print the plans and specifications for the bidders.

Additional Budget Summary

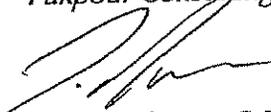
Jones & Stokes	\$ 3,600
Hultgren-Tillis	\$ 6,000
YEI Engineers	\$10,400
CHS Consulting Engineers	\$ 2,000
Baseline Environmental Consulting	\$ 1,000
<u>Pakpour Consulting Group</u>	<u>\$23,000</u>
Total	\$46,000

We are requesting a budget increase of **\$46,000** for the Rose Drive Pedestrian Overcrossing project. Please note that PCG has not marked up (typically 15%) our Phase 3 subconsultant invoices to the City which is typical for consultant services.

Should you have any questions, please do not hesitate to contact me at (925) 224-7717.

Very truly yours,

Pakpour Consulting Group, Inc.



Joubin Pakpour, P.E.
President

J:\Projects\Benicia - 10006.00\02-State Park Road\Contract\02-Ben-Roberts-2009.07.23-Ph3 Budget Increase TO2.doc

VII-D-12



Proposed Resolution Accepting the Bids and
Awarding the Construction Contract for the
Rose Drive Bicycle/Pedestrian Overcrossing
Project

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA ACCEPTING THE BIDS FOR THE ROSE DRIVE BICYCLE/PEDESTRIAN OVERCROSSING PROJECT AND AWARDING THE CONSTRUCTION CONTRACT TO VIKING CONSTRUCTION OF RANCHO CORDOVA IN THE AMOUNT OF \$1,812,135 AND AUTHORIZING THE CITY MANAGER TO SIGN THE CONTRACT ON BEHALF OF THE CITY

WHEREAS, the Rose Drive Bicycle/Pedestrian Overcrossing Project was advertised for construction bids and seven bids were properly received and publicly opened on September 23, 2009; and

WHEREAS, Viking Construction of Rancho Cordova was determined to be the bidder submitting the lowest responsive, responsible bid; and

WHEREAS, the California Department of Transportation, as the CEQA and NEPA lead agency, determined that the project is Categorically Except and a Categorical Exclusion.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby accepts the bids for the Rose Drive Bicycle/Pedestrian Overcrossing Project.

BE IT FURTHER RESOLVED THAT the City Council hereby awards the construction contract to Viking Construction of Rancho Cordova in the amount of \$1,812,135 and authorizes the City Manager to sign the contract on behalf of the City, subject to approval by the City Attorney.

On motion of Council Member _____, and seconded by Council Member _____, the above Resolution was introduced and passed by the City Council of the City of Benicia at a special meeting of said Council held on the 20th day of October, 2009, and adopted by the following vote.

Ayes:

Noes:

Absent:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

Proposed Resolution Approving Task Order No.
2 with Vali Cooper and Associates for
Construction Management/Inspection Services

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING TASK ORDER NO. 2 IN THE AMOUNT OF \$333,150 WITH VALI COOPER & ASSOCIATES FOR CONSTRUCTION MANAGEMENT/INSPECTION SERVICES ON THE ROSE DRIVE BICYCLE/PEDESTRIAN OVERCROSSING PROJECT AND AUTHORIZING THE CITY MANAGER TO SIGN THE TASK ORDER ON BEHALF OF THE CITY

WHEREAS, it is necessary to augment City staff during the construction of the Rose Drive Bicycle/Pedestrian Overcrossing Project because of the high level of oversight required and specialized expertise needed to manage and inspect the project; and

WHEREAS, construction management and inspection support services during construction of the project are essential to control cost, schedule, and effect good communication; and

WHEREAS, City staff conducted an extensive consultant selection process and selected Vali Cooper & Associates as best qualified to provide said construction management and inspection services.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby approves Task Order No. 2 in the amount of \$333,150 with Vali Cooper & Associates for construction management/inspection services on the Rose Drive Bicycle/Pedestrian Overcrossing Project and authorizes the City Manager to sign the task order on behalf of the City, subject to approval by the City Attorney.

On motion of Council Member _____, and seconded by Council Member _____, the above Resolution was introduced and passed by the City Council of the City of Benicia at a special meeting of said Council held on the 20th day of October, 2009, and adopted by the following vote.

Ayes:

Noes:

Absent:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

Task Order No. 2

STATE PARK ROAD BIKE/PEDESTRIAN BRIDGE PROJECT
TASK ORDER NO. 2
VALI COOPER & ASSOCIATES

PROFESSIONAL ENGINEERING SERVICES

1. Purpose:
The purpose of this TASK ORDER is to authorize and direct the CONSULTANT to proceed with the work specified in Item 2 of this TASK ORDER, in accordance with the provisions of Paragraph 2 of that AGREEMENT between the parties hereto dated August 10, 2009.
2. Scope of Work:
The work authorized by this TASK ORDER is outlined in the "Scope of Work" attached hereto.
3. Time of Performance:
The work authorized by this TASK ORDER shall commence upon execution by both parties and shall be prosecuted diligently to completion.
4. Compensation and Payment:
Compensation shall be on a time and materials basis as provided in Section 3 of the AGREEMENT dated August 10, 2009 between the parties hereto. The total cost for this Task Order shall not exceed \$333,150. Payment shall be in accordance with Section 3 of the aforementioned AGREEMENT.
5. Effective Date:
This TASK ORDER shall become effective immediately upon its execution by both parties.
6. Items and Conditions:
All items and conditions contained in the AGREEMENT for consultant services dated August 10, 2009, between the City of Benicia and Vali Cooper & Associates are incorporated herein by reference.

Executed this ____ day of _____, 2009.

CITY OF BENICIA

Vali Cooper & Associates, INC.

James R. Erickson
City Manager

Sybil Judd-White 10/05/09
Sybil Judd-White
Chief Financial Officer

APPROVED AS TO FORM

CITY OF BENICIA

Heather McLaughlin
City Attorney

Charlie Knox
Public Works & Com. Div. Director

Proposed Resolution Approving Task Order No.
6 with Pakpour Consulting Group for
Engineering Support Services

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING TASK ORDER NO. 6 IN THE AMOUNT OF \$49,600 WITH THE PAKPOUR CONSULTING GROUP FOR CONSTRUCTION PHASE ENGINEERING SUPPORT ON THE ROSE DRIVE BICYCLE/PEDESTRIAN OVERCROSSING PROJECT AND AUTHORIZING THE CITY MANAGER TO SIGN THE TASK ORDER ON BEHALF OF THE CITY

WHEREAS, the Rose Drive Bicycle/Pedestrian Overcrossing Project will build approximately \$1.8 million bicycle and pedestrian improvements; and

WHEREAS, the project includes constructing a cast-in-place, prestressed, concrete box girder bridge over the I-780 freeway; and

WHEREAS, given the complexity of the project consultation with the design engineer during construction is needed to obtain the full value and use of the improvements and to ensure the safety of the traveling public; and

WHEREAS, the Pakpour Consulting Group successfully completed the design of the project and has satisfactorily completed all assigned tasks.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby approves Task Order No. 6 in the amount of \$49,600 with the Pakpour Consulting Group for construction phase engineering support on the Rose Drive Bicycle/Pedestrian Overcrossing Project and authorizes the City Manager to sign the task order on behalf of the City, subject to approval by the City Attorney.

On motion of Council Member _____, and seconded by Council Member _____, the above Resolution was introduced and passed by the City Council of the City of Benicia at a special meeting of said Council held on the 20th day of October, 2009, and adopted by the following vote.

Ayes:

Noes:

Absent

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

Task Order No. 6

**ROSE DRIVE BICYCLE/PEDESTRIAN OVERCROSSING PROJECT
TASK ORDER NO. 6
PAKPOUR CONSULTING GROUP
ENGINEERING SUPPORT SERVICES**

1. Purpose:
The purpose of this TASK ORDER is to authorize and direct the CONSULTANT to proceed with the work specified in Item 2 of this TASK ORDER, in accordance with the provisions of Paragraph 2 of that AGREEMENT between the parties hereto dated, April 22, 2008.
2. Scope of Work:
The work authorized by this TASK ORDER is outlined in the "Scope of Work" attached hereto.
3. Time of Performance:
The work authorized by this TASK ORDER shall commence upon execution by both parties and shall be prosecuted diligently to completion.
4. Compensation and Payment:
Compensation shall be on a time and materials basis as provided in Section 3 of the AGREEMENT dated April 22, 2008 between the parties hereto. The total cost for this Task Order shall not exceed \$49,600. Payment shall be in accordance with Section 3 of the aforementioned AGREEMENT.
5. Effective Date:
This TASK ORDER shall become effective immediately upon its execution by both parties.
6. Items and Conditions:
All items and conditions contained in the AGREEMENT for consultant services dated April 22, 2008, between the City of Benicia and Pakpour Consulting Group are incorporated herein by reference.

Executed this ____ day of _____, 2009.

CITY OF BENICIA

PAKPOUR CONSULTING GROUP

Jim Erickson
City Manager

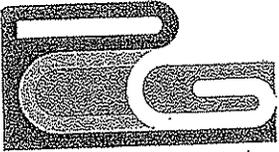
Joubin Pakpour
President

APPROVED AS TO FORM

CITY OF BENICIA

Heather McLaughlin
City Attorney

Charlie Knox
Public Works & Com. Director



Pakpour Consulting Group, Inc.

September 9, 2009

10006.16

Mike Roberts
Acting City Engineer
City of Benicia
250 East L Street
Benicia, CA 94510

Subject: Scope of Work and Budget for Bid and Construction Engineering Assistance
Rose Drive Pedestrian Overcrossing Project
City of Benicia

Dear Mike,

This scope of work and budget covers bid and construction engineering assistance from the advertise/award period through construction. Since Caltrans policy does not allow the design team to be on the Construction Administration team, the design team will be supporting Vali Cooper & Associates, the City's Construction Administration firm.

Pakpour Consulting Group (PCG) will serve as lead consultant for the bid and construction engineering assistance portion of the Rose Drive Pedestrian Overcrossing Project. The bid and construction engineering team will include the following subconsultants:

- Pakpour Consulting Group, Inc. (PCG) – Civil Engineers
- Quincy Engineering, Inc. (QEI) – Bridge Structural Engineers
- Callander Associates (CA) – Landscape Architect
- YEI Engineers (YEI) – Electrical Engineers

The tasks in this scope of work are based on our meetings with the City and previous projects completed by PCG. We have included the various items of work to be performed, any assumptions made, a detailed list of deliverables for each of the tasks, and any optional services that PCG is prepared to provide. The tasks shown below correlate directly to the tasks shown on the budget spreadsheet for the project, and together form the basis for final contract negotiations and components of project management as outlined above.

Budget for Bid and Construction Engineering Assistance

<u>Consultant</u>	<u>Budget</u>
Pakpour Consulting Group (Civil)	\$18,200
Quincy Engineers (Structural)	\$16,600
Callander Associates (Landscape)	\$ 7,400
<u>YEI Engineers (Electrical)</u>	<u>\$ 7,400</u>
Total Project Cost	\$49,600

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Task 1.0 – Bidding Assistance

Task 1.1 - Pakpour Consulting Group

PCG will be the main of contact between the bid and construction engineering team and the City and/or Vali Cooper. PCG will be managing the project on tasks affecting the bid and construction engineering support team. This sub-task provides for up to 6 hours of PCG staff time for project management during the bid assistance and attendance at the pre-bid meeting.

PCG will provide assistance, to the City and Vali Cooper, in the advertising of the project. While the project is being advertised for bids, all questions concerning the intent of the roadway plans and technical special provisions will be referred to PCG for resolution. In the event that any items requiring interpretation in the drawings or specifications are discovered during the bidding period, said items shall be analyzed by PCG for decision by City and/or Vali Cooper as to the proper procedure required. If corrective action is needed, it will either be in the form of an addendum or by a covering change order after the award of the construction contract. PCG will assist the City and/or Vali Cooper in responding to bidders' inquiries, preparing addenda, clarifications, attending pre-bid meetings and bid openings, and providing ongoing consultation and interpretation of the construction documents. This sub-task provides for up to 8 hours of PCG staff time.

Task 1.2 - Quincy Engineering, Inc.

QEI will provide up to 6 hours of effort for this sub-task at no cost to the City. Any time incurred above 6 hours will be considered as additional service and billed on a time and materials basis.

Task 1.3 - Callander Associates

CA will provide services on an as requested basis during the advertising and bidding period. Services may include:

- a. Identification of potential bidders and phone solicitation to facilitate competitive bidding
- b. Provide responses and prepare addenda and clarifications as warranted
- c. Review bids for landscape improvements only.

This sub-task provides for up to 9 hours of CA staff time.

Task 1.4 - YEI Engineers, Inc.

YEI will provide assistance, as directed by the City and/or PCG, in the advertising of the project. While the project is being advertised for bids, all questions concerning the intent of the electrical plans and technical special provisions will be referred to YEI for resolution. In the event that any items requiring interpretation in the drawings or specifications are discovered during the bidding period, said items shall be analyzed by YEI for decision by City and/or PCG as to the proper procedure required. If corrective action is needed, it will either be in the form of an addendum or by a covering change order after the award of the construction contract. YEI will assist the City and/or PCG in responding to bidders' inquiries, preparing addenda, clarifications, attending pre-bid meetings and bid openings, and providing ongoing consultation and interpretation of the construction documents.

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This sub-task provides for up to 4 hours of YEI staff time.

*Deliverables: Bidding Assistance (Electrical Portion)
Bid Review (Electrical Portion)*

Task 2.0 – Construction Engineering Assistance

Task 2.1 - Pakpour Consulting Group

Project Management - PCG will be the main of contact between the bid and construction engineering team and the City and/or Vali Cooper. PCG will be managing the project on tasks affecting the bid and construction engineering support team. This sub-task provides for up to 10 hours of PCG staff time for project management for construction engineering assistance.

Pre-Construction meeting - PCG will attend the pre-construction meeting held between the City/Vali Cooper and the Contractor prior to the start of actual construction activities. Up to 10 hours of effort have been provided for this sub-task.

Deliverables: Attendance at Pre-Construction Meeting

Review Roadway Shop Drawings - PCG will review all submittals and shop drawings related to the roadway design and others as requested by the City and/or PCG. Up to 20 hours of effort have been provided for this sub-task.

Deliverable: Roadway Shop Drawings Review

Technical Support on Construction Contract Change Orders - PCG will prepare revised construction contract documents for contract change orders (CCO) and review CCOs as requested by the City and/or PCG. Up to 20 hours of effort have been provided for this sub-task.

Deliverable: Technical Support on Construction Contract Change Orders

Construction Support and Observation – PCG will respond to contractors' requests for information (RFI) inquiries through Vali Cooper's request. In addition, QEI will make field visits to the construction site as requested by the City and/or PCG. The field visits will include discussion with the Resident Engineer to answer questions regarding the ongoing construction activities. Up to 2 site visits are provided for with a total of 20 hours for this sub-task.

Deliverable: 2 visits during construction in support of the Resident Engineer

Task 2.2 - Quincy Engineering, Inc.

Pre-Construction meeting - QEI will attend the pre-construction meeting held between the Resident Engineer and the Contractor prior to the start of actual construction activities. Up to 10 hours of effort have been provided for this sub-task.

Deliverables: Attendance at Pre-Construction Meeting

Review Structural Shop Drawings - QEI will review relevant submittals and shop drawings. The review of shop drawings shall include bridge prestress working drawing submittals, construction contractor's submittal for substitutions, and others as requested by the City and/or PCG. Up to 40

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hours of effort have been provided for this sub-task. QEI anticipates one (1) review only of the prestress shop plans.

Deliverable: Structural Shop Drawings Review

Technical Support on Construction Contract Change Orders - QEI will prepare revised construction contract documents for contract change orders (CCO) and review CCOs as requested by the City and/or PCG. Up to 20 hours of effort have been provided for this sub-task.

Deliverable: Technical Support on Construction Contract Change Orders

Construction Support and Observation - QEI will respond to contractors' requests for information (RFI) inquiries through Resident Engineer's request. In addition, QEI will make field visits to the construction site as requested by the City and/or PCG. The field visits will include discussion with the Resident Engineer to answer questions regarding the ongoing construction activities. Up to 2 site visits are provided for with a total of 20 hours for this sub-task.

Deliverable: Up to two (2) site visits during construction in support of the Resident Engineer

Task 2.3 - Callander Associates

CA will provide services on an as requested basis during the construction period. An assumption of this proposal is that these services will be complementary to the services provided by a Resident Engineer (RE) who will be the primary point of contact for the contractor during construction. The landscape architect will provide services in response to requests for assistance by the RE to address items specific to the landscape improvements. Services to be provided may include:

- a. Review and processing of submittals as required of the contractor by the specifications for landscape improvements only
- b. Preparation of clarifications and change orders as warranted
- c. Attend up to two (2) field meetings to observe installation of the landscape improvements and preparation of field reports documenting observations
- d. Substantial completion walk through and field documentation
- e. Final completion walk-through, and
- f. Review of guarantees and warranties as required in the specifications for the landscape improvements

Up to 44 hours of effort have been provided for this sub-task.

Task 2.4 - YEI Engineers, Inc.

Review Electrical Shop Drawings - YEI will review all electrical submittals and shop drawings and others as requested by the City and/or PCG. Up to 12 hours of effort have been provided for this sub-task.

Deliverable: Structural Shop Drawings Review

Technical Support on Construction Contract Change Orders - YEI will prepare revised construction contract documents for contract change orders (CCO) and review CCOs as requested by the City and/or PCG. Up to 12 hours of effort have been provided for this sub-task.

Deliverable: Technical Support on Construction Contract Change Orders

Construction Support and Observation - YEI will respond to contractors' requests for information (RFI) inquiries through Resident Engineer's request. In addition, YEI will make field visits to the



construction site as requested by the City and/or PCG. The field visits will include discussion with the Resident Engineer to answer questions regarding the ongoing construction activities. Up to 2 site visits are provided for with a total of 6 hours for this sub-task.

Deliverable: 2 visits during construction in support of the Resident Engineer

Task 3.0 – Prepare As-Built Record Drawings

Task 3.1 - Pakpour Consulting Group

PCG will take the Resident Engineer's notes on the roadway contract plans and change orders and prepare roadway As-Builts. PCG will coordinate the As-Builts received from the team. PCG will convert the team's As-Built drawings from AutoCAD to Microstation format as required by Caltrans. Up to 52 hours of effort have been provided for this sub-task.

Deliverable: Complete As-Built Plans in AutoCAD and Microstation Format

Task 3.2 - Quincy Engineering, Inc.

QEI will take the Resident Engineer's notes on the bridge contract plans and change orders and prepare Bridge As-Builts to be submitted to PCG. Up to 14 hours of effort have been provided for this sub-task.

Deliverable: Bridge As-Built Plans

Task 3.3 - Callander Associates

CA will prepare record documents by adding the RE's or contractor's field notations to original electronic CAD files to be submitted to PCG. Up to 5 hours of effort have been provided for this sub-task.

Deliverable: Landscape As-Built Plans

Task 3.4 - YEI Engineers, Inc.

YEI will take the Resident Engineer's notes on the electrical contract plans and change orders and prepare Electrical As-Builts to be submitted to PCG. Up to 18 hours of effort have been provided for this sub-task.

Deliverable: Electrical As-Built Plans

Additional Services

All tasks not specifically noted above could be performed as additional services. These tasks would include, but not be limited to:

- a. notice of completion and other administrative or financial closeout as required by the project
- b. extended claim evaluation or participation
- c. litigation, mediation, or related services
- d. monitoring contractors job site safety program compliance
- e. services beyond the designated construction period, and
- f. all other services not noted in prior sections of this proposal all revisions or additional meetings, additional design studies, or other tasks not specifically noted previously.

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These services would be billed hourly or on a lump sum fee basis to be documented in a written amendment to this agreement.

If you have any questions, please call me at (925) 224-7717.

Very truly yours,

Pakpour Consulting Group, Inc.



Joubin Pakpour, P.E.
Principal Engineer

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Budget - September 9, 2009
Rose Drive Pedestrian Overcrossing Project - Bid and Construction Engineering Support
City of Benicia, CA

Rose Drive Pedestrian Overcrossing Project
Budget for Bid and Construction Engineering Assistance

<u>Consultant</u>	<u>Budget</u>
Pakpour Consulting Group (Civil)	\$18,200
Quincy Engineers (Structural)	\$16,600
Callander Associates (Landscape)	\$7,400
YEI Engineers (Electrical)	\$7,400
<u>Total Project Cost</u>	<u>\$49,600</u>

Notes:

1. Due to the budget constraints by the City for this project, PCG will not include the typical 15% markup for the subconsultants.

Budget - September 9, 2009

Rose Drive Pedestrian Overcrossing Project - Bid and Construction Engineering Support
 City of Benicia, CA

Rose Drive Pedestrian Overcrossing Project
 Budget for 35% to 100% PS&E - Final PS&E

TASK	DESCRIPTION	COST
1.0	Bidding Assistance	
2.1	Pakpour Consulting Group (Civil)	\$1,680
2.2	Quincy Engineers (Structural)	
2.3	Callander Associates (Landscape)	\$1,074
2.4	YEI Engineers (Electrical)	\$620
	Total Task 2.0	\$3,374
2.0	Construction Engineering Assistance	
2.1	Pakpour Consulting Group (Civil)	\$9,400
2.2	Quincy Engineers (Structural)	\$13,950
2.3	Callander Associates (Landscape)	\$5,414
2.4	YEI Engineers (Electrical)	\$4,314
	Total Task 2.0	\$33,078
3.0	Prepare As-Built Record Drawings	
3.1	Pakpour Consulting Group (Civil)	\$5,880
3.2	Quincy Engineers (Structural)	\$2,170
3.3	Callander Associates (Landscape)	\$555
3.4	YEI Engineers (Electrical)	\$2,136
	Total Task 3.0	\$10,741
DIRECT COSTS		\$2,390
TOTAL PROJECT COST		\$49,583
SAY		\$49,600

Budget - September 9, 2009
 Rose Drive Pedestrian Overcrossing Project - Bid and Construction Engineering Support
 City of Benicia, CA

Pakpour Consulting Group
 Rose Drive Pedestrian Overcrossing Project
 Budget for 35% to 100% PS&E - Final PS&E

TASK	DESCRIPTION	Principal Engr		Senior Engineer		Engineer III		Engr. Tech		TOTALS	
		HRS	COST	HRS	COST	HRS	COST	HRS	COST	HRS	COST
	Hourly Rate:		\$130		\$120		\$110		\$80		
1.1	Bidding Assistance									2	\$240
1.1.1	Project Management			2	\$240					4	\$480
1.1.2	Pre-Bid Meeting			4	\$480					8	\$960
1.1.5	Respond to RFI			8	\$960					14	\$1,680
	Total Task 1.1			14	\$1,680						
2.1	Construction Engineering Assistance									10	\$1,200
2.1.1	Project Management			10	\$1,200					10	\$1,200
2.1.2	Pre-Construction Meeting			10	\$1,200	10	\$1,100			20	\$2,300
2.1.3	Review Shop Drawings			10	\$1,200	10	\$1,100			20	\$2,300
2.1.4	Tech Support on CCCO			20	\$2,400					20	\$2,400
2.1.5	Construction Support and Observation					20	\$2,200			80	\$9,400
	Total Task 2.1			60	\$7,200	20	\$2,200				
3.1	Prepare As-Built Record Drawings									52	\$5,880
3.1.1	Prepare As-Built Record Drawings	4	\$520	8	\$960	40	\$4,400			52	\$5,880
	Total Task 3.1	4	\$520	8	\$960	40	\$4,400				
TOTAL LABOR		4	\$520	82	\$9,840	60	\$6,600			146	\$16,960
DIRECT COSTS:		5% of Direct Labor covers Mileage, Reproduction, Exhibits, Prints, etc.									\$1,190
TOTAL PROJECT COST											\$18,200

Budget - September 9, 2009
 Rose Drive Pedestrian Overcrossing Project - Bid and Construction Engineering Support
 City of Benicia, CA

Quincy Engineering
 Rose Drive Pedestrian Overcrossing Project
 Budget for 35% to 100% PS&E - Final PS&E

TASK	DESCRIPTION	Principal Engr		Senior Engineer		Associate Engineer		Assistant/CADD		TOTALS	
		HRS	COST	HRS	COST	HRS	COST	HRS	COST	HRS	COST
	Hourly Rate:		\$230		\$155		\$140		\$90		
1.2	Bidding Assistance										
1.2.1	Bidding Assistance										
	Total Task 1.2										
2.2	Construction Engineering Assistance										
2.2.1	Pre-Construction Meeting			10	\$1,550					10	\$1,550
2.2.2	Review Structural Shop Drawings			40	\$6,200					40	\$6,200
2.2.2	Technical Support on CCCO			20	\$3,100					20	\$3,100
2.2.3	Construction Support and Observation			20	\$3,100					20	\$3,100
	Total Task 2.2			90	\$13,950					90	\$13,950
3.2	Prepare As-Built Record Drawings										
3.2.1	Prepare As-Built Record Drawings			14	\$2,170					14	\$2,170
	Total Task 3.2			14	\$2,170					14	\$2,170
TOTAL LABOR				104	\$16,120					104	\$16,120
DIRECT COSTS:		Direct Labor covers Mileage, Reproduction, Exhibits, Prints, etc.								\$500	
TOTAL PROJECT COST										\$16,600	

Budget - September 9, 2009
 Rose Drive Pedestrian Overcrossing Project - Bid and Construction Engineering Support
 City of Benicia, CA

Callander Associates
 Rose Drive Pedestrian Overcrossing Project
 Budget for 35% to 100% PS&E - Final PS&E

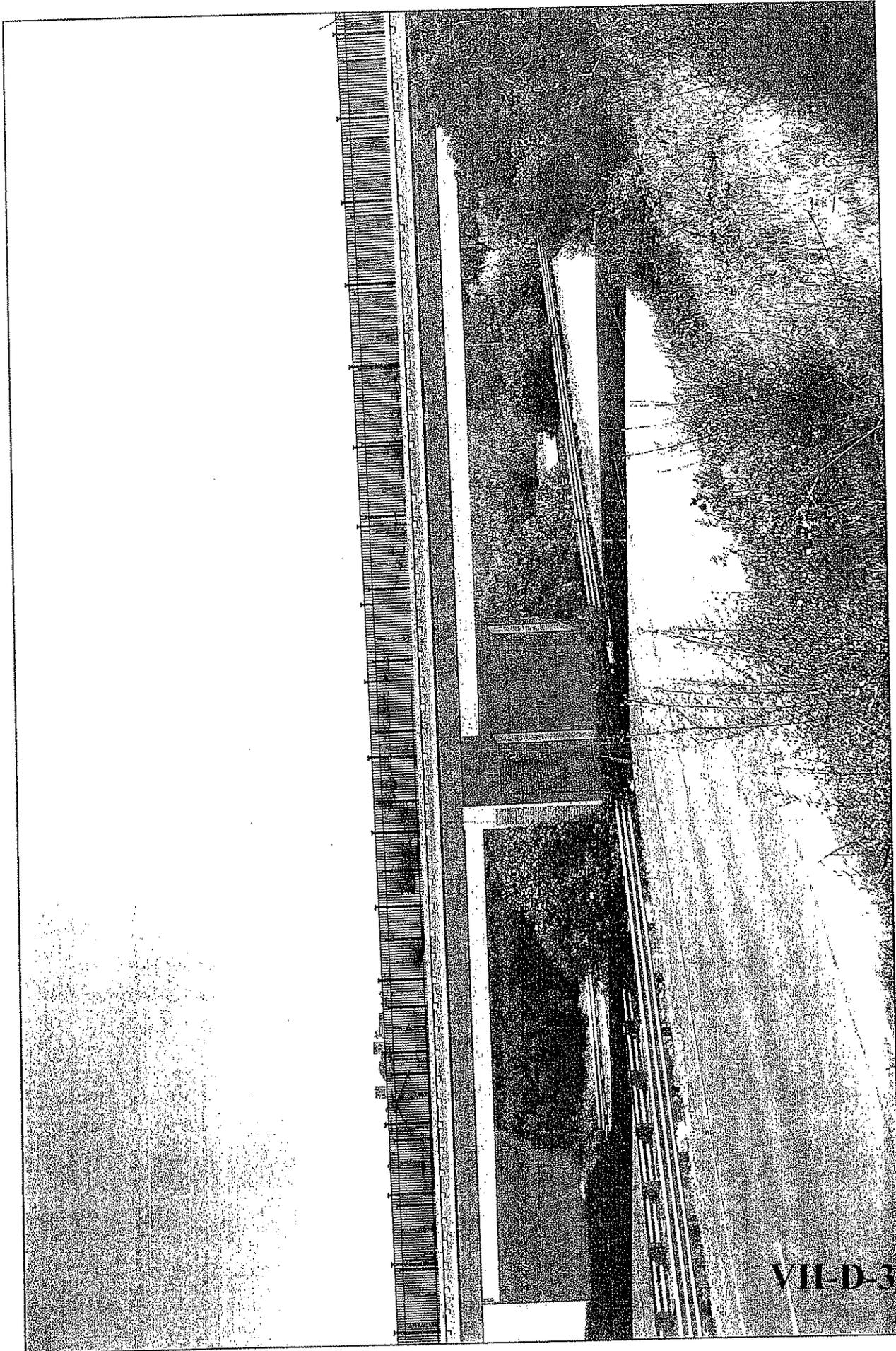
TASK	DESCRIPTION	Principal Engr		Proj Mgr (3)		Assistant (2)		Word Processor		TOTALS	
		HRS	COST	HRS	COST	HRS	COST	HRS	COST	HRS	COST
	Hourly Rate:		\$155		\$123		\$108		\$90		
1.3	Bidding Assistance							1	\$90	9.0	\$1,074
1.3.1	Bidding Assistance			8	\$984						
	Total Task 1.3			8	\$984			1	\$90	9	\$1,074
2.3	Construction Engineering Assistance							2	\$180	44	\$5,414
2.3.1	Construction Engineering Assistance	4	\$620	34	\$4,182	4	\$432				
	Total Task 2.3	4	\$620	34	\$4,182	4	\$432	2	\$180	44	\$5,414
3.3	Prepare As-Built Record Drawings										
3.3.1	Prepare As-Built Record Drawings			1	\$123	4	\$432			5	\$555
	Total Task 3.3			1	\$123	4	\$432			5	\$555
TOTAL LABOR		4	\$620	43	\$5,289	8	\$864	3	\$270	58	\$7,043
DIRECT COSTS:		5% of Direct Labor covers Mileage, Reproduction, Exhibits, Prints, etc.									\$350
TOTAL PROJECT COST											\$7,400

Budget - September 9, 2009
 Rose Drive Pedestrian Overcrossing Project - Bid and Construction Engineering Support
 City of Benicia, CA

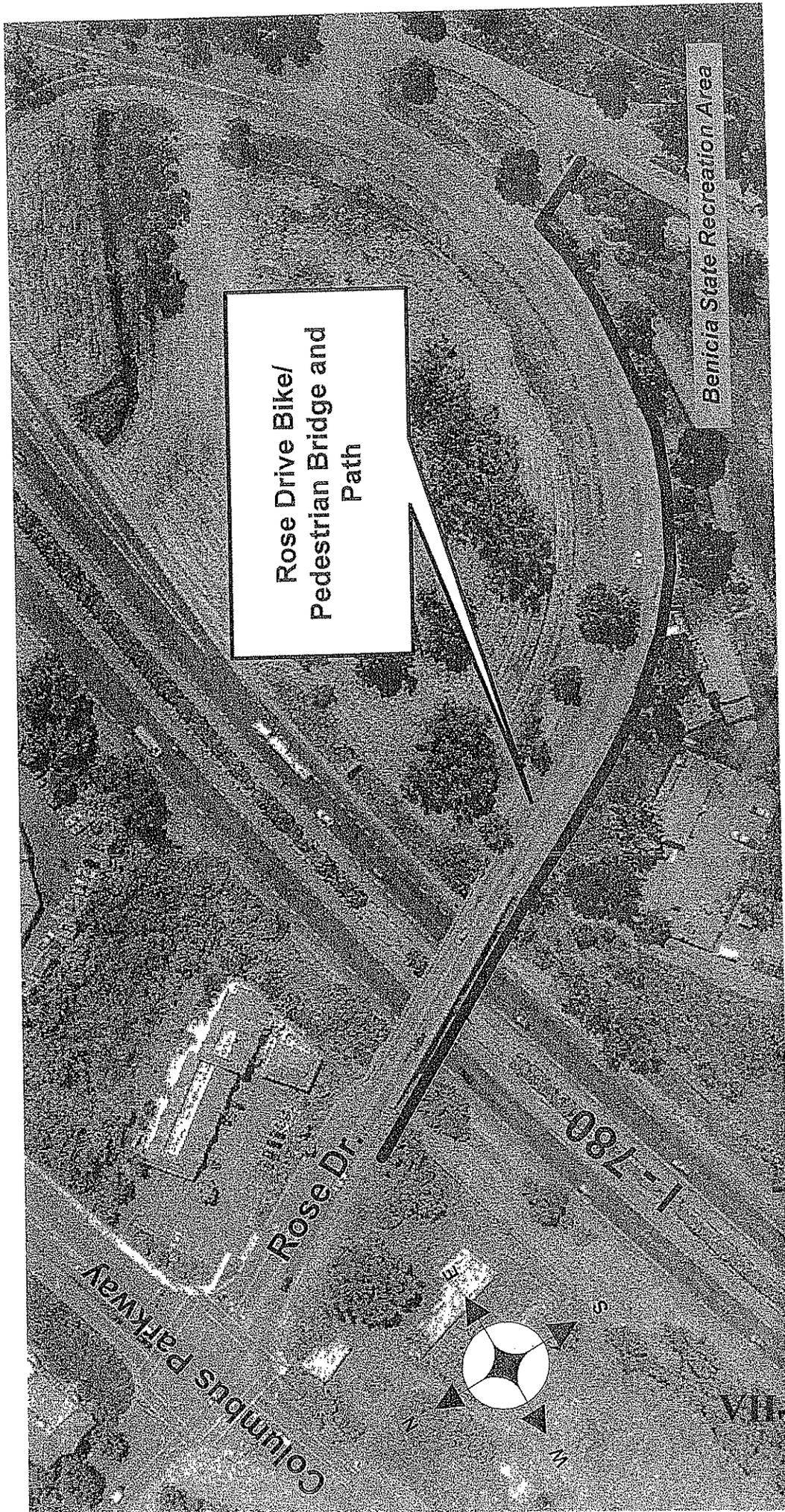
YEI Engineers, Inc.
 Rose Drive Pedestrian Overcrossing Project
 Budget for 35% to 100% PS&E - Final PS&E

TASK	DESCRIPTION	Principal Engr		Electrical Engr		Engineer I		AutoCAD		TOTALS	
		HRS	COST	HRS	COST	HRS	COST	HRS	COST	HRS	COST
	Hourly Rate:		\$176		\$134		\$89		\$83		
1.4	Bidding Assistance									4	\$620
1.3.1	Bidding Assistance	2	\$352	2	\$268					4	\$620
	Total Task 1.4	2	\$352	2	\$268						
2.4	Construction Engineering Assistance									12	\$1,692
2.4.1	Review Electrical Shop Drawings	2	\$352	10	\$1,340					12	\$1,692
2.4.2	Technical Support on CCCO	2	\$352	10	\$1,340					6	\$930
2.4.3	Construction Support and Observation	3	\$528	3	\$402					30	\$4,314
	Total Task 2.4	7	\$1,232	23	\$3,082						
3.4	Prepare As-Built Record Drawings									18	\$2,136
3.4.1	Prepare As-Built Record Drawings	2	\$352	8	\$1,072	8	\$712			18	\$2,136
	Total Task 3.4	2	\$352	8	\$1,072	8	\$712				
TOTAL LABOR		11	\$1,936	33	\$4,422	8	\$712			52	\$7,070
DIRECT COSTS:		5% of Direct Labor covers Mileage, Reproduction, Exhibits, Prints, etc.									\$350
TOTAL PROJECT COST											\$7,400

Project Simulation and Location Exhibits



Rose Drive Bike/Ped Bridge Simulation
(Looking east from east bound I-780)



ROSE DRIVE (STATE PARK ROAD) BIKE / PEDESTRIAN BRIDGE

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
CONSENT CALENDAR**

DATE : October 1, 2009

TO : City Manager

FROM : Director of Public Works and Community Development

SUBJECT : **AWARD OF CONSULTANT CONTRACT FOR PROFESSIONAL AND TECHNICAL SERVICES FOR RESIDENTIAL ENERGY AUDIT PILOT PROGRAM AND RELATED COMMUNITY OUTREACH EFFORTS**

RECOMMENDATION:

Adopt a resolution approving a contract for technical and professional services for residential energy audits, on-site energy efficiency upgrades and related community outreach efforts with HomeZ, Inc. dba Ennovationz, Inc. for a not-to-exceed cost of \$100,000 and authorizing the City Manager to sign the contract on behalf of the City.

EXECUTIVE SUMMARY:

A City-subsidized residential energy efficiency and water conservation audit pilot program will provide residents with cost-free resources that implement the Climate Action Plan and its purpose of reducing greenhouse gas emissions. The audits are anticipated to result in a 20% savings on monthly energy bills. The pilot program includes a comprehensive community outreach and education component in order to raise awareness for energy efficiency and water conservation. The City's approach includes training and hiring Benicia High School 'Students for the Advancement of Global Entrepreneurship' (SAGE) participants to assist with audits and related outreach functions.

GENERAL PLAN:

Sustainability is the overarching goal of the General Plan, and the Climate Action Plan is an implementation program that begins to develop sustainability criteria. Relevant Goals and Policies include:

- Goal 2.5: Facilitate and encourage new uses and development, which provide substantial and sustainable fiscal and economic benefits to the City and the community while maintaining health, safety and quality of life.
- Goal 2.36: Ensure an adequate water supply for current and future residents and businesses.

- Policy 2.36.3: Implement measures to reduce water consumption
- Policy 2.36.4: Encourage public and private uses to minimize water use and to recycle processed water whenever and wherever feasible.
- Goal 2.42: Enhance the recycling of solid waste
 - Policy 2.42.1: Strive to accomplish the mandated objectives of the California Integrated Waste Management Act.
- Goal 4.9: Ensure clean air for Benicia residents
 - Policy 4.9.1: Establish whether a significant air pollution problem exists in Benicia and the City's role in resolving it.

STRATEGIC PLAN:

Relevant Strategic Plan Issues and Strategies:

- Strategic Issue #2: Protect and enhance the environment
 - Strategy #1: Reduce greenhouse gas emissions and energy consumption
 - Strategy #2: Implement new water conservation projects/programs
 - Strategy #3: Pursue and adopt sustainable practices
 - Strategy #4: Protect air quality
- Strategic Issue #5: Maintain and enhance a high quality of life
 - Strategy #5: Provide support to disadvantaged segments of the community

BUDGET INFORMATION:

Staff recommends funding the \$100,000 pilot project via the 2008 Valero Improvement Project (VIP) settlement funds. Staff anticipates developing a more robust program based on lessons learned from the pilot project, which would require future funding approvals, also likely to come from VIP settlement funds.

BACKGROUND:

In May 2009, a Comprehensive Renewable Energy request for proposals (RFP) was issued requesting assistance in transitioning the City away from non-renewable energy consumption. The RFP was open-ended in order to solicit innovative projects and ideas. In August 2009, the City invited six firms to interview for four different potential projects. EnnovationZ was the only firm to propose a project related to residential energy audits.

Ennovationz, Inc. was selected based on their innovative approach to residential energy and water audits and related social marketing campaigns. The company has developed a detailed energy and water accounting model of the home, including proprietary software that enables the firm to produce high quality personalized recommendations, as well as a very customer friendly web-based platform for community members to track their energy usage. In 2008, the firm

assisted the Benicia High School SAGE team in developing their award winning Green World Audits business and has continued to play an active role in the program's development.

Ennovationz will provide services for a one-year City-subsidized pilot program that addresses energy and water efficiency for approximately 250 homes through a tiered energy audit program that is compatible with future AB 811 solar financing programs. The proposed pilot program includes 2 types of audits:

1. **Home Energy Savings Audits (open to all residents):** A customized home energy analysis and report that prioritizes the most cost-effective home energy upgrades and outlines larger energy-saving purchases and home improvements.
2. **Home Energy Rating System II (HERS2) Audits (for AB 811 participants only):** California Energy Commission sanctioned comprehensive rating system to differentiate the energy efficiency levels among California homes and to guide investment in home energy efficiency measures, based on cost-effectiveness.

The pilot program would begin by offering Home Energy Savings audits to 150 households, prior to development of an AB 811 solar financing district.

The Home Energy Savings audit includes a visual inspection of the home, utility bill analysis, use of an in-home energy monitor display. This information is used to provide residents with a clear action plan that includes habit changes and identification of simple, same-day fixes that quantify the most cost-effective savings opportunities for homeowners/residents. Same-day fixes include efficient lighting, power strips, timers, and home energy monitors and typically result in a 20% energy consumption reduction, and an annual cost savings between \$200 and \$1,350 per household.

Home Energy Savings audits will be provided at no cost to residents, with the exception of homes over 5,000 square feet (which represent 2% of housing stock). For those properties, residents will be responsible for the additional \$200 associated with audits for large residences. In addition, the participating residents pilot program will provide a \$75 per household credit for same-day direct install fixes; \$75 is the average cost for 'same-day' fixes for home sizes under 1,000 square feet.

The additional 100 audits would be reserved for participants of the AB 811 program, once it is up and running. The HERS2 audits would be a requirement for participation in the AB 811 program. They would not be subsidized by City funds, but would instead be eligible to be financed through the program, resulting in no up-front cost to the residents. (The cost for HERS2 audits ranges from \$300-500 per household, depending on the size of the residence).

In addition, the firm would provide Benicia High School students with green workforce development opportunities by training and hiring students to assist with audits as well as related education and outreach functions. The outreach campaign includes several community presentations related to energy and water conservation, as well as door-to-door marketing.

Attachments:

- Proposed Resolution
- Consultant Contract

PROPOSED RESOLUTION

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA ACCEPTING THE PROPOSAL FOR RESIDENTIAL ENERGY AUDITS AND RELATED COMMUNITY OUTREACH EFFORTS, AWARDED TO THE CONSULTANT CONTRACT TO HOMEZ, INC., A DELAWARE CORPORATION, DOING BUSINESS AS (dba) ENNOVATIONZ, INC. OF MOUNTAIN VIEW, CA IN THE AMOUNT NOT TO EXCEED \$100,000 AND AUTHORIZING THE CITY MANAGER TO SIGN THE CONTRACT ON BEHALF OF THE CITY

WHEREAS, a Request for Proposals for Comprehensive Renewable Energy Projects was released in May 2009; and

WHEREAS, sixteen proposals were received, one of which pertained to residential energy audits; and

WHEREAS, a selection committee interviewed five consultant firms who submitted project-oriented proposals; and

WHEREAS, HomeZ, Inc. (a Delaware corporation), doing business as (dba) EnnovationZ, Inc. of Mountain View, CA has been determined to be the proposer submitting the most comprehensive proposal for residential energy audits, on-site energy efficiency upgrades and related community outreach efforts.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby accepts the proposal for the residential energy audits, on-site energy efficiency upgrades and related community outreach efforts.

BE IT FURTHER RESOLVED THAT the City Council awards the consultant contract to HomeZ, Inc. (a Delaware corporation), doing business as (dba) EnnovationZ, Inc. of Mountain View, CA in the amount not to exceed \$100,000 and authorizes the City Manager to sign the contract on behalf of the City, subject to approval by the City Attorney, once the Valero Improvement Project amended settlement agreement is reached appropriating funds for such use.

BE IT FURTHER RESOLVED THAT funds sufficient to cover the consultant contract of \$100,000 will be transferred from the Valero Settlement Agreement account (217-4105-7805).

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 October, 2009, and adopted by the following vote.

Ayes:

Noes:

Absent:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

CONSULTANT CONTRACT

CONSULTANT AGREEMENT

This agreement ("Agreement") entered into on October ____, 2009, is between the City of Benicia, a municipal corporation (hereinafter "CITY"), and HomeZ dba Ennovationz, a Delaware corporation, with its primary office located at 821 Camino Real, Mountain View, CA. 94040 (hereinafter "CONSULTANT") (collectively, "the Parties").

RECITALS

WHEREAS, CITY has determined it is necessary and desirable to secure certain for technical and professional services for residential energy audits, on-site energy efficiency upgrades and related community outreach efforts The scope of work for said service (hereinafter "Project") is attached hereto as Exhibit "A" and is hereby incorporated by reference; and

WHEREAS, CONSULTANT is specially trained, experienced and competent to perform the services required by this agreement; and

WHEREAS, CONSULTANT represents it is qualified and willing to provide such services pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, IT IS AGREED by and between CITY and CONSULTANT as follows:

AGREEMENT

1. INCORPORATION OF RECITALS. The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are hereby incorporated into this Agreement as if set forth herein in full.

2. SCOPE OF SERVICE.

(a) Services to be Furnished. Subject to such policy direction and approvals as CITY through its staff may determine from time to time, CONSULTANT shall perform the services set forth in the Task Order labeled Exhibit A, which is attached hereto and incorporated herein by reference.

(b) Schedule for Performance. CONSULTANT shall perform the services identified in Exhibit A according to the completion schedule included in Exhibit A and as expeditiously as is consistent with generally accepted standards of professional skill and care, and the orderly progress of work.

(i) CONSULTANT and CITY agree that the completion schedule in Exhibit A represents the best estimate of the schedule. CONSULTANT shall comply with

completion dates noted in Exhibit A unless a written waiver is granted by the CITY's project manager. CONSULTANT and CITY agree that the completion dates will be automatically extended by written request of CONSULTANT. In the event that CONSULTANT fails to complete a work product in accordance with the completion date noted in Exhibit A, CONSULTANT agrees to pay the CITY liquidated damages in the amount of \$100.00 per day for each work product that is delayed when such delay is caused by CONSULTANT. CONSULTANT and CITY acknowledge that the actual value of delay is extremely difficult to determine, but the daily penalty specified above represents their best estimate of the daily cost of delay to CITY and shall be the exclusive penalty for delay caused by CONSULTANT

(ii) CONSULTANT shall not be responsible for performance delays caused by others, or delays beyond CONSULTANT'S control, and such delays shall extend the times for performance of the work by CONSULTANT.

(c) Standard of Quality. All work performed by CONSULTANT under this Agreement shall be in accordance with all applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in CONSULTANT'S field of expertise. CONSULTANT shall function as a technical advisor to CITY, and all of CONSULTANT'S activities under this Agreement shall be performed to the full satisfaction and approval of the Public Works & Community Development Director.

(d) Compliance With Laws. CONSULTANT shall comply with all applicable federal, state, and local laws, codes, ordinances, regulations, orders, and decrees. CONSULTANT represents and warrants to CITY that CONSULTANT shall, at its own cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, insurance and approvals which are legally required for CONSULTANT to practice its profession or are necessary and incident to the due and lawful prosecution of the services it performs under this Agreement. CONSULTANT shall maintain a City of Benicia business license. CONSULTANT shall at all times during the term of this Agreement, and for one year thereafter, provide written proof of such licenses, permits, insurance, and approvals upon request by CITY. CITY is not responsible or liable for CONSULTANT'S failure to comply with any or all of the requirements contained in this paragraph.

3. COMPENSATION.

(a) Schedule of Payment. The compensation to be paid by CITY to CONSULTANT for the services rendered hereunder shall be on a time and materials basis based upon the rate schedule in Exhibit B attached hereto and hereby incorporated by reference. The rate schedule in Exhibit B itemizes those standard and expected expenses for which CONSULTANT shall receive compensation. If CONSULTANT obtains CITY'S prior written approval from the Public Works & Community Development Director, CONSULTANT may be reimbursed for extraordinary costs incurred on the Project.

(b) Additional Services. CITY shall make no payment to CONSULTANT for any additional services unless such services and payment have been mutually agreed to and this Agreement has been formally amended in accordance with Section 7.

(i) Only the City Council can act on behalf of CITY to authorize CONSULTANT to perform additional services.

(ii) CONSULTANT shall not commence any work or services exceeding the Scope of Services in Section 2 without prior written authorization from CITY in accordance with Section 7. CONSULTANT'S failure to obtain a formal amendment to this Agreement authorizing additional services shall constitute a waiver of any and all right to compensation for such work or services.

(iii) If CONSULTANT believes that any work CITY has directed CONSULTANT to perform is beyond the scope of this Agreement and constitutes additional services, CONSULTANT shall promptly notify CITY of this fact before commencing the work. CITY shall make a determination as to whether such work is beyond the scope of this Agreement and constitutes additional services. If CITY finds that such work does constitute additional services, CITY and CONSULTANT shall execute a formal amendment to this Agreement, in accordance with Section 7, authorizing the additional services and stating the amount of any additional compensation to be paid.

(c) Invoicing and Payment. CONSULTANT shall submit monthly invoices for the services performed under this Agreement during the preceding period. Invoices or billings must be submitted in duplicate and must indicate the hours actually worked by each classification and employee name, as well as all other directly related costs by line item in accordance with Exhibit B. CITY shall approve or disapprove said invoice or billing within thirty (30) days following receipt thereof and shall pay all approved invoices and billings within thirty (30) days. Interest at the rate of one and one-half (1.5) percent per month will be charged on all past due amounts starting thirty (30) days after the invoice date, unless not permitted by law, in which case interest will be charged at the highest amount permitted by law. Payments will be credited first to interest, and then to principal.

4. PRODUCT REVIEW AND COMMENT. CONSULTANT shall provide CITY with at least two (2) copies of each product described in Exhibit A. Upon the completion of each product, CONSULTANT shall be available to meet with CITY. If additional review and/or revision is required by CITY, CITY shall conduct reviews in a timely manner.

5. TERM OF AGREEMENT. This Agreement shall be effective immediately upon the signatures of both Parties and shall remain in effect until completed, amended pursuant to Section 7, or terminated pursuant to Section 6.

6. TERMINATION:

(a) CITY shall have the right to terminate this Agreement for any reason whatsoever at any time by serving upon CONSULTANT written notice of termination. The Agreement shall terminate three (3) business days after notice of termination is given. The notice shall be deemed given on the date it is deposited in the U.S. mail, certified, postage prepaid, addressed to CONSULTANT at the address indicated in Section 11.

(b) If CITY issues a notice of termination,

(i) CONSULTANT shall immediately cease rendering services pursuant to this Agreement;

(ii) CONSULTANT shall deliver to CITY copies of all writings, whether or not completed, which were prepared by CONSULTANT, its employees, or its subcontractors, if any, pursuant to this Agreement. For purposes of this Agreement, the term "writings" shall include, but not be limited to, handwriting, typewriting, computer files and records, drawings, blueprints, printing, photostating, photographs, and every other means of recording upon any tangible thing, any form of communication or representation, including letters, words, pictures, sounds, symbols, or combinations thereof;

(iii) CITY shall pay CONSULTANT for work actually performed up to the effective date of the notice of termination, subject to the limitations prescribed by Section 3 of this Agreement, less any compensation to CITY for damages suffered as a result of CONSULTANT'S failure to comply with the terms of this Agreement. Such payment shall be in accordance with Exhibit B. However, if this Agreement is terminated for fault of CONSULTANT, CITY shall be obligated to compensate CONSULTANT only for that portion of CONSULTANT'S services which are of benefit to CITY.

7. AMENDMENTS. Modifications or amendments to the terms of this Agreement shall be in writing and executed by both Parties.

8. NONDISCLOSURE OF CONFIDENTIAL INFORMATION. CONSULTANT shall not, either during or after the term of this Agreement, disclose to any third party any confidential information relative to the work of CITY without the prior written consent of CITY.

9. INSPECTION. CITY representatives shall, with reasonable notice, have access to the work and work records, including time records, for purposes of inspecting same and determining that the work is being performed in accordance with the terms of this Agreement. Inspections by CITY do not in any way relieve or minimize the responsibility of CONSULTANT to comply with this Agreement and all applicable laws.

10. INDEPENDENT CONTRACTOR. In the performance of the services in this Agreement, CONSULTANT is an independent contractor and is not an agent or employee of CITY. CONSULTANT, its officers, employees, agents, and subcontractors, if any, shall have no power to bind or commit CITY to any decision or course of action, and shall not represent to any person or business that they have such power. CONSULTANT and CITY agree that the SAGE students assigned to assist are not the employees of CONSULTANT. SAGE students are assigned to this work by a separate agreement between the CITY and BUSD. With the exception of the SAGE students, CONSULTANT has and shall retain the right to exercise full control of the supervision of the services and over the employment, direction, compensation, and discharge of all persons assisting CONSULTANT in the performance of said service hereunder. CONSULTANT shall be solely responsible for all matters relating to the payment of its employees, including compliance with social security and income tax withholding, workers' compensation insurance, and all other regulations governing such matters.

Prior to engaging in work with the SAGE students, Consultant's employees or contractors who work directly with SAGE students are required to have background checks and be fingerprinted in accordance with the requirements of the Benicia Unified School District.

11. NOTICE. Any notices or other communications to be given to either party pursuant to this Agreement shall be in writing and delivered personally or by certified U.S. mail, postage prepaid, addressed to the party at the address set forth below. Either party may change its address for notices by complying with the notice procedures in this Section. Notice so mailed shall be deemed delivered three (3) business days after deposit in the U.S. mail. Nothing shall preclude the giving of notice by facsimile machine provided, however, that notice by facsimile machine shall be followed by notice deposited in the U.S. mail as discussed above.

If to CITY: Charlie Knox
Public Works & Community Development Director
City of Benicia
250 East L Street
Benicia, CA 94510

If to CONSULTANT: Elisa Peters
Ennovationz
821 West El Camino Real
Mountain View, CA 94040
(650) 625-0868
elisa@ennovationz.com

12. OWNERSHIP OF MATERIALS. CITY is the owner of all records and information created, produced, or generated as part of the services performed under this Agreement. At any time during the term of this Agreement, at the request of CITY, CONSULTANT shall deliver to CITY all writings, records, and information created or maintained pursuant to this Agreement.

In addition, CONSULTANT shall not use any of the writing, records, or information generated for the Project under this Agreement for any other work without CITY's consent.

13. EMPLOYEES; ASSIGNMENT; SUBCONTRACTING.

(a) Employees. CONSULTANT shall provide properly skilled professional and technical personnel to perform all services required by this Agreement. CONSULTANT shall not engage the services of any person(s) now employed by CITY without CITY's prior express written consent.

(b) Assignment. CONSULTANT shall not assign, delegate, or transfer its duties, responsibilities, or interests in this Agreement without the prior express written consent of CITY. Any attempted assignment without such approval shall be void and, at CITY's option, shall terminate this Agreement and any license or privilege granted herein.

(c) Subcontracting. CONSULTANT shall not subcontract any portion of the work to be performed under this Agreement without the prior express written consent of CITY. If CITY consents to CONSULTANT'S hiring of subcontractors, CONSULTANT shall provide to CITY copies of each and every subcontract prior to its execution. All subcontractors are deemed to be employees of CONSULTANT, and CONSULTANT agrees to be responsible for their performance. CONSULTANT shall give its personal attention to the fulfillment of the provisions of this Agreement by all of its employees and subcontractors, if any, and shall keep the work under its control.

14. BINDING AGREEMENT. This Agreement shall bind the successors in interest, legal representatives, and permitted assigns of CITY and CONSULTANT in the same manner as if they were expressly named herein.

15. WAIVER.

(a) Effect of Waiver. Waiver by either party of any default, breach, or condition precedent shall not be construed as a waiver of any other default, breach, or condition precedent or any other right under this Agreement.

(b) No Implied Waivers. The failure of either party at any time to require performance by the other party of any provision hereof shall not affect in any way the right to require such performance at a later time.

16. NONDISCRIMINATION.

(a) Consultant shall not discriminate in the conduct of the work under this Agreement against any employee, applicant for employment, or volunteer on the basis of race, religious creed, color, national origin, ancestry, physical or mental disability, marital status, pregnancy, sex, age, sexual orientation or other prohibited basis will not be tolerated.

(b) Consistent with City's policy that harassment and discrimination are unacceptable employer/employee conduct, CONSULTANT agrees that harassment or discrimination directed toward a job applicant, a City employee, or a citizen by CONSULTANT or CONSULTANT'S employee or subcontractor on the basis of race, religious creed, color, national origin, ancestry, physical or mental disability, marital status, pregnancy, sex, age, sexual orientation or other prohibited basis will not be tolerated. CONSULTANT agrees that any and all violation of this provision shall constitute a material breach of the Agreement.

17. INDEMNITY. CONSULTANT specifically agrees to indemnify, defend, and hold harmless CITY, its officers, agents, and employees from and against any and all actions, claims, demands, losses, expenses including attorneys' fees, damages, and liabilities resulting from injury or death of a person or injury to property, arising out of or in any way connected with the performance of this Agreement, however caused, regardless of any negligence of the CITY, whether active or passive, excepting only such injury or death as may be caused by the sole negligence or willful misconduct of the CITY. The CONSULTANT shall pay all costs that may be incurred by CITY in enforcing this indemnity, including reasonable attorneys' fees.

18. INSURANCE.

(a) Required Coverage. CONSULTANT, at its sole cost and expense, shall obtain and maintain in full force and effect throughout the entire term of this Agreement the following described insurance coverage. This coverage shall insure not only CONSULTANT, but also, with the exception of workers' compensation and employer's liability insurance, shall name as additional insureds CITY, its officers, agents, employees, and volunteers, and each of them:

<u>Policy</u>	<u>Minimum Limits of Coverage</u>
(i) Workers' Compensation	Statutory
(ii) Comprehensive Automobile Insurance Services Office, form #CA 0001 (Ed 1/87 covering auto liability code 1 (any auto)	Bodily Injury/Property Damage \$1,000,000 each accident
(iii) General Liability Insurance Services Office Commercial General Liability coverage on an occurrence basis (occurrence form CG 0001)	\$1,000,000 per occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit shall apply separately to this Project/location, the general aggregate limit shall be twice the required occurrence limit

- (iv) Errors and Omissions/
Professionals' Liability, errors
and omissions liability
insurance appropriate to the
CONSULTANT'S profession. Generally \$1,000,000 per
occurrence

(b) Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by CITY.

(c) Required Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

(i) For any claims related to this Project, the CONSULTANT'S insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by CITY, its officers, officials, employees, or volunteers shall be in excess of the CONSULTANT'S insurance and shall not contribute with it;

(ii) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to CITY, its officers, officials, employees, or volunteers;

(iii) The CONSULTANT'S insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability;

(iv) Each insurance policy required by this Section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after giving CITY 30 days' prior written notice by certified mail, return receipt requested.

(d) Acceptability of Insurers. CONSULTANT shall place insurance with insurers with a current A.M. Best's rating of no less than [A:VII] unless CONSULTANT requests and obtains CITY'S express written consent to the contrary.

(e) Verification of Coverage. CONSULTANT must provide complete, certified copies of all required insurance policies, including original endorsements affecting the coverage required by these specifications. The endorsements are to be signed by a person authorized by CONSULTANT'S insurer to bind coverage on its behalf. All endorsements are to be received and approved by CITY before work commences.

19. WORKERS' COMPENSATION.

(a) Covenant to Provide. CONSULTANT warrants that it is aware of the provisions of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code. CONSULTANT further agrees that it will comply with such provisions before commencing the performance of the work under this Agreement.

(b) Waiver of Subrogation. CONSULTANT and CONSULTANT'S insurance company agree to waive all rights of subrogation against CITY, its elected or appointed officials, agents, and employees for losses paid under CONSULTANT'S workers' compensation insurance policy which arise from the work performed by CONSULTANT for CITY.

20. FINANCIAL RECORDS. CONSULTANT shall retain all financial records, including but not limited to documents, reports, books, and accounting records which pertain to any work or transaction performed pursuant to this Agreement for four (4) years after the expiration of this Agreement. CITY or any of its duly authorized representatives shall, with reasonable notice, have access to and the right to examine, audit, and copy such records.

21. CONFLICT OF INTEREST. CONSULTANT shall exercise reasonable care and diligence to prevent any actions or conditions which could result in a conflict with CITY'S interest. During the term of this Agreement, CONSULTANT shall not accept any employment or engage in any consulting work which creates a conflict of interest with CITY or in any way compromises the services to be performed under this Agreement. CONSULTANT shall immediately notify CITY of any and all violations of this Section upon becoming aware of such violation.

22. TIME OF THE ESSENCE. CONSULTANT understands and agrees that time is of the essence in the completion of the work and services described in Section 2.

23. SEVERABILITY. If any court of competent jurisdiction or subsequent preemptive legislation holds or renders any of the provisions of this Agreement unenforceable or invalid, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected.

24. GOVERNING LAW AND CHOICE OF FORUM. This Agreement shall be administered and interpreted under California law as if written by both parties. Any litigation arising from this Agreement shall be brought in the Superior Court of Solano County.

25. COSTS AND ATTORNEYS' FEES. If either party commences any legal action against the other party arising out of this Agreement or the performance thereof, the prevailing party in such action may recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorneys' fees. In any action seeking recovery of monetary damages, the plaintiff shall not be considered to be the prevailing party unless it recovers at least 66% of the dollar amount requested in the complaint's prayer for relief.

26. INTEGRATION. This Agreement represents the entire understanding of CITY and CONSULTANT as to those matters contained herein and supersedes all prior negotiations,

representations, or agreements, both written and oral. This Agreement may not be modified or altered except in accordance with Section 7.

Executed by CITY and CONSULTANT on the date shown next to their respective signatures.
The effective date of this Agreement shall be the date of execution by the CITY as shown below.

Ennovationz

CITY OF BENICIA

BY: _____
Martha Amram

BY: _____
Jim Erickson

DATED: _____

DATED: _____

RECOMMENDED FOR APPROVAL

Charlie Knox
Public Works & Community Development Director

APPROVED AS TO FORM

Heather McLaughlin
City Attorney

06/30/03

EXHIBIT A
PROJECT SCOPE OF WORK

MAJOR TASK LIST

Task #	Task Name
1	Outreach
2	In-Home Services
3	Program Management
4	Coordination with Homeowner Financing

TASK 1.0: OUTREACH

Task 1.1: Web Portal for Benicia Residents

The goal of this task is to provide Benicia residents with information about the program, about their home energy use, and information to sign up for the subsidized home energy audits.

The Contractor Shall:

- Create an online program webpage to describe the program and benefits to Benicia residents and provide an opportunity to sign up for audits. The webpage will include an online energy bill comparison tool.

Contractor Deliverables:

- Program-specific web landing page.
- Online energy bill comparison tool for residents.

Task 1.2: Outreach Events

The goal of this task is to educate Benicia residents about the program and sign them up for audits.

The Contractor Shall:

- Social marketing in conjunction with students from the Benicia High School SAGE team, including forums to describe the program to residents and educational events to share program results and connect residents to local contractors.

Contractor Deliverables:

- Three forums to describe program to residents.
- Two free educational events to share program results, connect residents with local contractors and vendors, and encourage further participation.

Task 1.3: Door-to-Door Marketing

The goal of this task is to let Benicia residents in two specific, targeted areas know about the program and how to sign up for an audit.

The Contractor Shall:

- Deliver program flyers door-to-door

Contractor Deliverables:

- Two neighborhood door-to-door sweeps with flyers (leaving flyers for approximately 250 homes per neighborhood).

TASK 2.0: IN-HOME SERVICES

Task 2.1: Home Energy Savings Audits

The goal of this task is to deliver Home Energy Savings audits (subsidized up to \$299 per household) to approximately Benicia residences, up to the program budget of \$53,676.¹

The Contractor Shall:

- Provide Home Energy Savings Audits to Benicia residents, including a visual inspection of the home, utility bill analysis, use of an in-home energy monitor display (when applicable), and creation of a customized home energy report that prioritizes the most cost-effective home energy upgrades, and outlines the path forward for larger energy-saving purchases and home improvements.
- Provide audits at the prices detailed in the following table.

Cost-Share and Benefits for Audits and Same-Day Fixes

Renter-occupied homes							
Home size (sq. feet)	Number of homes in this size category*	Average cost for same-day fixes		Total cost per home	Cost to City per home	Cost to resident per home	
		Audit price				% paid by City	
0-1800	40	\$75	\$99	\$174	\$174	\$0	100%
1800-3000	25	\$150	\$149	\$299	\$224	\$75	75%
3001-4999	8	\$455	\$199	\$654	\$274	\$380	42%
5000+	0	\$460	\$199	\$659	\$274	\$385	42%

Owner-occupied homes							
Home size (sq. feet)	Number of homes in this size category*	Average cost for same-day fixes		Total cost per home	Total cost to City	Total cost to resident	
		Audit price				% paid by City	
0-1800	97	\$75	\$199	\$274	\$274	\$0	100%
1800-3000	61	\$150	\$199	\$349	\$274	\$75	79%
3001-4999	20	\$455	\$299	\$754	\$374	\$380	50%
5000+	3	\$460	\$499	\$959	\$374	\$585	39%

* Extrapolated from US Census data for size and ownership status of homes in Benicia. Actual participation will vary.

- Numbers in the table above are estimates of numbers of home in each category, and actual participation may vary. Ennovationz is not responsible for actual types participating, but will report actuals monthly to the City of Benicia.

Contractor Deliverables:

- Audits to residents, up to program budget of \$53,676.

¹ The number of audits completed for the total program budget assumes participation is evenly distributed across local home sizes and ownership rates, as determined from US Census demographic data. Actual participation may vary across house types.



821 W. El Camino Real, Mountain View, CA 94040
(650) 625-0868
www.Ennovationz.com

Task 2.2: Same-Day Fixes with the Home Energy Savings Audits

The goal of this task is to deliver same-day fixes (subsidized up to \$75 per home) to the Benicia residences receiving audits, up to the program budget of \$19,016.²

The Contractor Shall:

- Provide residents receiving an audit with the opportunity to purchase same-day fixes such as efficient lighting (CFLs), power strips, timers, low-flow showerheads, hot water temperature adjustments, and home energy monitors. Same-day fixes are available at the time of the Home Energy Savings Audit. If a second trip to the home is needed, travel time and costs will apply.

Contractor Deliverables:

- Same-day fixes for all audit recipients, available on the day of the audit, subsidized up to \$75 per home, and up to program maximum City spending of \$19,016.

Task 2.3: Provide Indoor Water Savings Advice with the Home Energy Savings Audits

The goal of this task is to provide residents with indoor water-savings advice.

The Contractor Shall:

- With each audit, when appropriate to the home, detail indoor water savings recommendations such as clothes washer and dishwasher upgrades and low-flow showerheads, and direct residents to local water-saving initiatives.

Contractor Deliverables:

- Water-savings recommendations, where appropriate, as part of Home Energy Savings Audits.

Task 2.4: Provide SAGE Program Students with Audit Training and Experience

The goal of this task is to provide students in the Benicia High School SAGE program with the opportunity for training and experience with the Ennovationz Home Energy Savings audit.

The Contractor Shall:

- Provide a series of training classes for Benicia High School students in the SAGE program to learn how to perform the assistant role on the Ennovationz Home Energy Savings audits, and allow one trained SAGE student to accompany an Ennovationz Home Energy Consultant in the assistant role on each audit provided under this program (as student schedules permit).
- Cost for outreach and for training of SAGE students will be shared between Ennovationz and the City of Benicia.³ Program line items and cost-share are detailed in the following table.

² The number of same-day fixes completed for the total program budget assumes participation is evenly distributed across local home sizes and ownership rates, as determined from US Census demographic data. Actual participation may vary across house types.

³ Note that students will not be paid through this program budget, and that liability insurance for their work on audits must be covered by the City or another source.



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Exhibit A: Project Scope of Work

OUTREACH PROGRAM COSTS			
	Total Cost	Ennovationz share	Benicia share
Community Events			
5 events at \$650 each, including venue rental, consumables and janitor services	\$3,250	\$1,125	\$2,125
Materials			
Flyers for door-to-door outreach in two neighborhoods	\$1,200	\$415	\$785
Staffing: Program Manager			
Organize and execute outreach events and training for students to help with outreach events and to assist on audits; \$45 per hour	\$37,308	\$12,910	\$24,398
	Total:	\$41,758	\$27,308
	Cost share:	35%	65%

- In addition to sharing of these costs, the students will be paid through separate City funding for their work on the community events and audits.

Contractor Deliverables:

- A series of up to six training sessions for SAGE students.
- The opportunity for SAGE students trained for the assistant role to accompany Ennovationz staff on audits subsidized by the City of Benicia.

TASK 3.0: PROGRAM MANAGEMENT

Task 3.1: Reporting

The goal of this task is to periodically verify program results and progress towards achieving program goals.

The Contractor Shall:

Prepare progress reports which summarize program results during the reporting period, including:

- Outreach events.
- Number of home audits performed.
- Energy savings results.
- Water savings results.
- Number of specific "same-day fixes" performed in homes.
- Specific devices installed as part of the "same-day fixes" in participating homes.

Contractor Deliverables:

Monthly progress reports.

TASK 4.0: COORDINATION WITH HOMEOWNER FINANCING

Task 4.1: Green Homes & Neighborhoods Program

The goal of this task is to periodically verify program results and progress towards achieving program goals.

The Contractor Shall:

- A Green Homes & Neighborhoods loan program in partnership with Prosper to help residents finance home improvements (loans from \$1,000 to \$25,000 available).



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Task 4.2: Coordination with AB 811 Homeowner Financing

- When the City of Benicia is ready to provide AB 811 financing, we will offer residents California HERS2 Audits and Ratings, with information gathered and transferred in coordination with the financing program managers. These audits would be paid for by the homeowners through their property tax financing. This coordinated deployment with AB 811 financing will include verification of home improvements and inclusion of audit and verification fees in the loan.

Contractor Deliverables:

- Audits and verification for AB 811 financing, at homeowner expense.
- Loan program with Prosper for home improvements.



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EXHIBIT B

PROJECT RATE SCHEDULE

MAJOR TASK LIST

Task #	Task Name
1	Outreach
2	In-Home Services
3	Program Management
4	Coordination with Homeowner Financing

TASK 1.0: OUTREACH

Website for Benicia Residents

Rate: This item will not be charged to the City of Benicia.

Outreach Events, Door-to-Door Marketing

Rates: Rates for events, materials and staff time for outreach and training of SAGE students are detailed in the following table.

OUTREACH PROGRAM COSTS	Total Cost	Ennovationz share	Benicia share
Community Events			
5 events at \$650 each, including venue rental, consumables and janitor services	\$3,250	\$1,125	\$2,125
Materials			
Flyers for door-to-door outreach in two neighborhoods	\$1,200	\$415	\$785
Staffing: Program Manager			
Organize and execute outreach events and training for students to help with outreach events and to assist on audits; \$45 per hour	\$37,308	\$12,910	\$24,398
Total:	\$41,758	\$14,450	\$27,308
Cost share:		35%	65%

TASK 2.0: IN-HOME SERVICES

Home Energy Savings Audits

Rates: Home Energy Savings Audits will be provided for Benicia residents at the rates detailed in the following table. The table contains estimates of numbers of home in each category, and actual participation may vary. Ennovationz is not responsible for actual types participating, but will report actuals monthly so the City of Benicia can adjust incentives or program parameters if desired



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Cost-Share and Benefits for Audits and Same-Day Fixes

Renter-occupied homes							
Home size (sq. feet)	Number of homes in this size category*	Average cost for same-day fixes			Cost to resident per home		
		Audit price	Total cost per home	Cost to City per home	% paid by City		
0-1800	40	\$75	\$99	\$174	\$174	\$0	100%
1800-3000	25	\$150	\$149	\$299	\$224	\$75	75%
3001-4999	8	\$455	\$199	\$654	\$274	\$380	42%
5000+	0	\$460	\$199	\$659	\$274	\$385	42%

Owner-occupied homes							
Home size (sq. feet)	Number of homes in this size category*	Average cost for same-day fixes			Total cost to resident per home		
		Audit price	Total cost per home	Total cost to City	% paid by City		
0-1800	97	\$75	\$199	\$274	\$274	\$0	100%
1800-3000	61	\$150	\$199	\$349	\$274	\$75	79%
3001-4999	20	\$455	\$299	\$754	\$374	\$380	50%
5000+	3	\$460	\$499	\$959	\$374	\$585	39%

* Extrapolated from US Census data for size and ownership status of homes in Benicia. Actual participation will vary.

Same-Day Fixes with the Home Energy Savings Audits

Rates: Same-day fixes for all audit recipients, subsidized up to \$75 per home, and up to program maximum City spending of \$19,016.

Audit Training for SAGE Students

Rates: Rate for training of SAGE students is detailed in the table under Task 1.0, Outreach, above.

TASK 3.0: PROGRAM MANAGEMENT

Rates: Ennovationz will not charge the City of Benicia for program management costs.

TASK 4.0: COORDINATION WITH HOMEOWNER FINANCING

Rates: Ennovationz will not charge the City of Benicia for coordination with homeowner financing. Audits and verification for AB 811 financing will be a homeowner expense, paid through the property tax financing.

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
CONSENT CALENDAR**

DATE : October 1, 2009

TO : City Manager

FROM : Director of Public Works and Community Development

SUBJECT : **AWARD OF CONSULTANT CONTRACT FOR
PROFESSIONAL SERVICES FOR ENERGY EFFICIENCY AND
RENEWABLE ENERGY PROJECT MANAGEMENT**

RECOMMENDATION:

Adopt a resolution approving a contract for professional services to perform a detailed energy audit analysis study, as well as consulting services for the development of a micro-utility, with Chevron Energy Solutions Company, a division of Chevron U.S.A., Inc. and authorizing the City Manager to sign the contract on behalf of the City.

EXECUTIVE SUMMARY:

An energy efficiency and renewable energy project manager will provide the City with a cost-neutral solution toward implementing the Climate Action Plan and meeting the greenhouse gas reductions set by the City Council in September 2008. This will be accomplished in two phases with two separate contracts: phase one – detailed energy audit analysis study of all City facilities; and, phase two – design and development of viable energy savings and energy generation opportunities, based on outcomes from audit analysis.

Chevron Energy Solutions will also provide consulting services to the City for the purpose of negotiating terms for the development of a micro-utility north of Lake Herman Road, for a not-to-exceed cost of \$15,000. This project is identified in the City's 2009-2011 Strategic Plan.

GENERAL PLAN:

Sustainability is the overarching goal of the General Plan, and the Climate Action Plan is an implementation program that begins to develop sustainability criteria. Relevant Goals and Policies include:

- Goal 2.28 Improve and maintain public facilities and services
- Goal 3.27 Improve energy efficiency
- Goal 4.9 Ensure clean air for Benicia residents

STRATEGIC PLAN:

Relevant Strategic Plan Issues and Strategies:

- Strategic Issue #2: Protect and enhance the environment
 - Strategy #1: Reduce greenhouse gas emissions and energy consumption
 - Strategy #3: Pursue and adopt sustainable practices

BUDGET INFORMATION:

The cost for the energy efficiency improvements and renewable energy generation study is \$50,000, which will be incorporated into the final construction price of the project (phase two), assuming that a project results from the study. If, after agreeing on appropriate cost-neutral projects, the City chooses not to move forward with project development, the City would be responsible for the \$50,000 fee.

The cost for consulting services pertaining to the development of a renewable energy micro-utility is a separate budget item and is proposed to cost \$15,000. Staff recommends using Valero Improvement Project (VIP) settlement funds to cover this cost.

BACKGROUND:

In May 2009, a Comprehensive Renewable Energy request for proposals (RFP) was issued requesting assistance in transitioning the City away from non-renewable energy consumption. The RFP was open-ended in order to solicit innovative projects and ideas. In August 2009, the City invited six firms to interview for four different potential projects. Chevron Energy Solutions was one of two firms interviewed that proposed work related to energy efficiency and renewable energy development at City facilities.

Chevron Energy Solutions was selected based on their extensive track record of high quality projects and the financial guarantee for the performance of the projects that they engineer and build. The firm develops, designs and constructs projects that increase energy efficiency, reduce energy costs and ensure reliable, high-quality power for public institutions and businesses at no up-front cost to the owner. Chevron Energy Solutions assures the owner a minimum level of energy savings from energy efficiency upgrades and production of renewable power from renewable energy facilities, and helps the owner secure financing and grants based on that assurance. The more grants and subsidies that Chevron Energy Solutions can secure for the projects, the smaller the required financing, resulting in a shorter project payback timeframe. Over the finance period – typically 8 to 20 years – the savings from reduced utility bills are used to pay back the remaining capital investment in the renewable energy project (equipment, installation, and related financing fees).

The project is anticipated to occur in two phases with two distinct contracts:

- **Phase One:** Over a four-to-five month period, Chevron Energy Solutions will conduct a comprehensive energy analysis to identify, quantify and prioritize viable energy savings

and energy generation opportunities for all of the City's facilities. The report will include a list of each viable energy project with predicted annual energy production or savings, and cost of implementation. The appropriate contract for this portion of the project is the attached Professional Services Agreement Contract, which covers the preliminary engineering design work for energy efficiency improvements and renewable energy generation at City facilities, as well as for consulting services related to the City's efforts to develop a micro-utility north of Lake Herman Road. The cost for the energy efficiency improvements and renewable energy generation study is \$50,000, which is incorporated into the final construction price of the project. Assuming that a project is built, the only upfront cost for Chevron's services will be the cost for the micro-utility consulting services, which is \$15,000. If a project is not built, the City is responsible for the cost of the analysis.

- **Phase Two:** Over several years, Chevron Energy Solutions will finalize designs for and develop the most cost effective group of energy savings and energy generation opportunities identified by the study and agreed upon by the City. This second phase will require a second contract with the City for design and construction called an Energy Services Contract; its scope of work will be defined during phase one. This second contract includes a guarantee that all energy conservation savings projects designed and built by Chevron will continue to be cost effective after development. Energy conservation savings are those savings achieved through the reduction in energy consumption, demand, energy rates, maintenance, or materials through the implementation of the Scope of Work. Should the developed savings measures be less than the projected savings for that year, Chevron will pay the difference to the City within 30 days.

Staff recommends that Council approve phase one of the contract with Chevron Energy Solutions Company, a division of Chevron U.S.A., Inc. (a Pennsylvania corporation), for a cost not-to-exceed \$15,000.

Attachments:

- Proposed Resolution
- Consultant Contract

PROPOSED RESOLUTION

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA ACCEPTING THE PROPOSAL FOR ENERGY EFFICIENCY AND RENEWABLE ENERGY PROJECT MANAGEMENT, AWARDING THE CONSULTANT CONTRACT TO CHEVRON ENERGY SOLUTIONS COMPANY, A DIVISION OF CHEVRON U.S.A., INC., A PENNSYLVANIA CORPORATION, OF SAN FRANCISCO, CA IN THE AMOUNT NOT TO EXCEED \$65,000 AND AUTHORIZING THE CITY MANAGER TO SIGN THE CONTRACT ON BEHALF OF THE CITY

WHEREAS, a Request for Proposals for Comprehensive Renewable Energy Projects was released in May 2009; and

WHEREAS, sixteen proposals were received, two of which pertained to energy efficiency and renewable energy project development for all City facilities; and

WHEREAS, a selection committee interviewed five consultant firms who submitted project-oriented proposals; and

WHEREAS, Chevron Energy Solutions Company, a division of Chevron U.S.A., Inc. (a Pennsylvania corporation), of San Francisco, CA has been determined to be the proposer submitting the most comprehensive proposal for energy efficiency and renewable energy project management.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby accepts the proposal for energy efficiency and renewable energy project management.

BE IT FURTHER RESOLVED THAT the City Council awards the consultant contract to Chevron Energy Solutions Company, a division of Chevron U.S.A., Inc. (a Pennsylvania corporation), of San Francisco, CA in the amount not to exceed \$65,000 and authorizes the City Manager to sign the contract on behalf of the City, subject to approval by the City Attorney, once the Valero Improvement Project amended settlement agreement is reached appropriating funds for such use.

BE IT FURTHER RESOLVED THAT funds sufficient to cover the consultant contract of \$15,000 will be transferred from the Valero Settlement Agreement account (217-4105-7805).

On motion of Council Member , and seconded by Council Member , the above Resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 20th day of October, 2009, and adopted by the following vote.

Ayes:

Noes:

Absent:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

CONSULTANT CONTRACT



PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter "Agreement") is made and entered into by and between the City of Benicia, a municipal corporation (hereinafter "CITY"), and CHEVRON ENERGY SOLUTIONS COMPANY, A DIVISION OF CHEVRON U.S.A., INC. (hereinafter "CONSULTANT").

RECITALS

- A. CONSULTANT services are needed to perform a detailed energy audit analysis study for the CITY to identify certain energy related projects that can be performed for the CITY that will save the CITY on its overall energy costs.
- B. CONSULTANT has the capability to perform such a detailed energy audit analysis study.
- C. At the request of the CITY, CONSULTANT submitted its proposal to the CITY to perform the services described in this Agreement. After negotiations with the CITY and CONSULTANT, the parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement. On _____, 20____, the City Council authorized the execution of this Agreement

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. SCOPE OF SERVICES. CONSULTANT shall perform a detailed energy analysis of CITY owned facilities identified on Attachment A, "List of City Owned Facilities to be Analyzed" ("Facilities"), attached hereto and incorporated herein, and to provide to CITY a written Energy Analysis Report that will identify certain energy savings measures ("ESM") that are recommended for implementation at these Facilities. These services are described in greater detail in Attachment B, "Scope of Services" which is attached hereto and incorporated herein. It is also anticipated that if any recommended ESMs can meet the Gross Savings Goal identified herein and the requirements of California Government Code Section 4217.10 - .8, CITY will begin negotiations with CONSULTANT to implement the recommended ESM projects a under a separate Energy Services Contract.

2. COMPENSATION.

- 2.1 For the Services performed by CONSULTANT in accordance with this Agreement, CITY shall pay CONSULTANT a fixed fee, lump sum amount of Fifty Thousand Dollars (\$50,000.00) ("Contract Amount"). The Contract Amount shall cover all CONSULTANT's costs and expenses pertaining to the CONSULTANT's performance of this Agreement. No work shall be performed by CONSULTANT in excess of the Contract Amount without the prior written approval of the CITY.
- 2.2 CONSULTANT shall submit an invoice to the CITY for payment of the Contract Amount upon delivery of the written Energy Analysis Report to the CITY.
- 2.3 Within thirty (30) days after the CITY's receipt of invoice, CITY shall make payment to the CONSULTANT for the work performed hereunder, or shall notify CONSULTANT of its intent of entering into good faith negotiations of an Energy Services Contract. If the CITY executes an Energy Services Contract with CONSULTANT for construction of any of the recommended ECM projects within sixty (60) calendar days of delivery of the Energy Analysis Report to the

CITY, CONSULTANT shall add the Contract Amount of this Agreement to the Contract Amount of the subsequently executed Energy Services Contract. However, if the parties do not execute an Energy Services Contract within sixty (60) calendar days after CONSULTANT's submission of the final Energy Analysis report, or such longer period as the parties may mutually agree, then the Contract Amount set forth above shall be immediately due and payable by CITY to CONSULTANT.

3. **SCHEDULE.** CONSULTANT shall commence performance and complete the identified Scope of Services within twenty six (26) weeks of the execution of this Agreement. CONSULTANT shall submit all requests for extensions of time to the CITY in writing no later than ten (10) days after the start of the condition which purportedly caused the delay, but not later than the date on which performance is due.
4. **TERM.** The term of this Agreement shall extend until an Energy Services Contract is executed or two (2) years from the effective date of this Agreement, whichever occurs first.
5. **TERMINATION.** The CITY may terminate this Agreement by giving ten (10) days written notice to CONSULTANT. Upon termination, CONSULTANT shall give the CITY all original documents, including preliminary drafts and supporting documents, prepared by CONSULTANT for this Agreement ("Information"). The CITY shall pay CONSULTANT for all services performed in accordance with this Agreement, including earned profit and overhead and costs incurred up to the date notice of termination is given to CONSULTANT.
6. **OWNERSHIP OF WORK.** All original documents prepared by CONSULTANT for this Agreement, whether complete or in progress, shall be the property of the CITY, and shall be given to the CITY at the completion of CONSULTANT's Services. CITY, however, shall not, by virtue of this Agreement, acquire any interest in any formulas, patterns, devices, secret inventions or processes, copyrights, patents, other intellectual or proprietary rights, or similar items of property which are or may be used in connection with the Agreement.
7. **INDEMNIFICATION.** Each Party shall indemnify, hold harmless, release and defend the other Party, its officers, employees and agents from and against any and all actions, claims, demands, damages, disability, losses, expenses including attorney's fees and other defense costs and liabilities of any nature that may be asserted by any person or entity in whole or in part, arising out of that Party's activities hereunder excepting liabilities due to the negligence or willful misconduct of the indemnified Party. Further, under no circumstances will either Party be liable to the other Party for any special, indirect, incidental, consequential or punitive damages, however caused and on any theory of liability. In addition, if CITY initiates implementation of any of CONSULTANT's Energy Analysis Report recommended ECMs without the participation of CONSULTANT, CONSULTANT will not be liable in connection with this any analysis, report, or other deliverables provided hereunder for damages of any kind, including special, indirect, incidental, consequential or punitive damages, however caused, under any theory of liability and regardless of either party's fault. In addition, if CITY uses the information provided hereunder for construction purposes, CITY shall waive and release, and indemnify and hold harmless, CONSULTANT, its subcontractors, and their directors, employees, subcontractors, and agents from any and all liability, claims, damages, losses and/or costs associated with or resulting from such use.
8. **INSURANCE.** Chevron ES shall maintain, or cause to be maintained, for the duration of this Contract the insurance coverage outlined in 8.1 through 8.7 below, and all such other insurance as required by applicable law. Evidence of coverage will be provided to Customer on an annual basis, prior to policy expiration, via a Certificate of Insurance or a Self Administered Claims Letter.
 - 8.1 Workers' Compensation/Employers Liability for states in which Chevron ES is not a qualified self-insured. Limits as follows:
 - * Workers' Compensation - Statutory
 - * Employers Liability - Bodily Injury by accident \$1,000,000 each accident
Bodily Injury by disease \$1,000,000 each employee

Bodily Injury by disease \$1,000,000 policy limit

- 8.2 Commercial General Liability insurance with limits of:
- * \$1,000,000 per occurrence for Bodily Injury and Property Damage
 - * \$1,000,000 General Aggregate - other than Products/Completed Operations
 - * \$1,000,000 Products/Completed Operations Aggregate
 - * \$1,000,000 Personal & Advertising Injury
 - * \$ 100,000 Fire Damage

Coverage to be written on a Claims-made form. Coverage to be at least as broad as ISO form CG 002 (07/98), without endorsements that limit the policy terms with respect to: (1) the definition of an Insured Contract, (2) provisions for severability of interest, (3) explosion, collapse, underground hazard.

- 8.3 Auto Liability insurance for owned, hired and non-owned vehicles with limits of \$1,000,000 per accident. Coverage to be written on an Occurrence form.

- 8.4 Professional Liability insurance with limits of:
- * \$1,000,000 per occurrence
 - * \$1,000,000 aggregate

Coverage to be written on a Claims-made form.

- 8.5 Excess Liability insurance. Limits as follows:
- * \$1,000,000 each occurrence
 - * \$1,000,000 aggregate

Coverage to be written on a Claims-made form. Coverage terms and limits to apply excess of the per occurrence and/or aggregate limits provided for Commercial General Liability, Auto Liability and Professional Liability. Coverage terms and limits to also apply in excess of those required for Employers Liability.

- 8.6 Policy Endorsements.
- * The insurance specified in clause 10.3(i) above shall contain waivers of subrogation rights against Customer.
 - * The insurance provided for Commercial General Liability and Auto Liability above shall:
 - (a) include the Customer as an additional insured with respect to Work performed under this Contract, and
 - (b) provide that the insurance is primary coverage with respect to all insureds and shall not be considered contributory insurance with any insurance policies of the Customer.

- 8.7 In lieu of any insurances required in this Section, Chevron ES may self insure hereunder and use a Self Administered Claims Program for this purpose. Chevron ES will notify Customer in writing 30 days prior to cancellation of the Self Administered Claims Program.

9. **FORCE MAJEURE.** Neither Party shall be considered to be in default in the performance of any material obligation under this Agreement (other than the obligation to make payments) when a failure of performance shall be due to an event of Force Majeure. The term "Force Majeure" shall mean any cause beyond the control of the affected Party and which by the exercise of due diligence such Party could not reasonably have been expected to avoid and which it has been unable to overcome. Neither Party shall be relieved of its obligation to perform if such failure is due to causes arising out of its own negligence or due to removable or remediable causes which it fails to remove or remedy within a reasonable time period. Either Party rendered unable to fulfill any of its obligations under this Agreement by reason of an event of Force Majeure shall give prompt written notice of such fact to the other Party.

10. CONFLICT OF INTEREST. Conflicts of interest relating to this Agreement are strictly prohibited. Except as otherwise expressly provided herein, no Party nor any director, employee or agent of any Party shall give to or receive from any director, employee or agent of any other Party any gift, entertainment or other favor of significant value, or any commission, fee or rebate in connection with this Agreement. Likewise, no Party nor any director, employee or agent of any Party, shall without prior notification thereof to all Parties enter into any business relationship with any director, employee or agent of another Party or of any Affiliate of another Party, unless such person is acting for and on behalf of the other Party or any such Affiliate. A Party shall promptly notify the other Parties of any violation of this section and any consideration received as a result of such violation shall be paid over or credited to the Party against whom it was charged. Any representative of any Party, authorized by that Party, may audit the records of the other Parties related to this Agreement, including the expense records of the Party's employees involved in this Agreement, upon reasonable notice and during regular business hours, for the sole purpose of determining whether there has been compliance with this Section.

11. INDEPENDENT CONTRACTOR. CONSULTANT is an independent contractor and is solely responsible for all acts of its employees, agents, or subcontractor, including any negligent acts or omissions. CONSULTANT, nor its employees or subcontractor employees, are not CITY employees and CONSULTANT, nor any of its employees, shall not have authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless the CITY provides prior written authorization to CONSULTANT. CONSULTANT is free to work for other entities while under contract with the CITY. CONSULTANT and any of its employees, or subcontractors are not entitled to CITY benefits.

12. ASSIGNMENT AND DELEGATION. This Agreement may not be assigned by either party in whole or in part without the prior written consent of the other party, which consent may not be unreasonably withheld or delayed; provided however, that Chevron ES may assign this Agreement and all related agreements without the consent of Customer (i) to an affiliate; (ii) to an entity that is controlled by, controls, or is under common control with Chevron ES; or (iii) pursuant to a merger, consolidation, transfer of substantially all its assets, or by operation of law; and provided further that Chevron ES may assign its rights, but not its obligations, under this Agreement and all related agreements without the consent of Purchaser to (x) a lender providing financing to Chevron ES, or (y) a special purpose entity that is an affiliate of or is controlled by such lender. This Agreement will be binding on, enforceable by, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns. Any assignment made in contravention of this clause shall be void and unenforceable.

13. NOTICES. Any notices hereunder shall be given in writing and shall be delivered by hand or by first class certified U. S. Mail, return receipt requested to the addresses set forth below, or to such other address as either Party may substitute by written notice to the other in the matter contemplated herein, and will be deemed given when delivered, or, if delivery is not accomplished by some fault of the addressee, when tendered.

To CONSULTANT:	With copy to:	To CITY:
Chevron Energy Solutions 345 California Street, 18 th Floor San Francisco, CA 94104 Attn: Adan Rosillo Phone Number: 415-733-4534 Fax Number: 415-733-4961	Chevron Energy Solutions 345 California Street, 18 th Floor San Francisco, CA 94104 Attn: Law Department	City of Benicia 250 East L Street Benicia, CA 94510 Attn: Mike Marcus Phone: 707-746-4200

14. MODIFICATIONS. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both parties.

- 15. **WAIVERS.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.
- 16. **JURISDICTION AND VENUE.** The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the City and County of San Francisco.
- 17. **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between the parties concerning the services to be performed for this project. This Agreement supersedes all prior negotiations, representations, or agreements.
- 18. **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties do hereby agree to the full performance of the terms set forth herein.

CHEVRON ES:
Chevron Energy Solutions Company, a Division of
Chevron U.S.A., Inc.

CUSTOMER:
City of Benicia _____

By: _____

By: _____

Print Name: _____

Print Name: Jim Erickson

Title:

Title: City Manager

Recommended for Approval By:
Name: Charlie Knox
Title: Director, Public Works & Community Development
Date: _____

Approved As To Form:
By: _____
Name: Heather McLaughlin
Title: City Attorney
Date: _____

**EXHIBIT A
SCOPE OF SERVICES**

A. Overview

CONSULTANT shall perform an energy survey, review, and energy analysis ("Energy Analysis") of the CITY owned facilities ("Facilities") identified on Exhibit B attached hereto. CONSULTANT shall also provide to the CITY a written Energy Analysis Report that will identify and summarize the technical and financial feasibility of any Energy Conservation Measures (ECM) projects CONSULTANT identifies and recommends for implementation as the result of its Energy Analysis. Also, if there are any ECM projects identified and recommended in the Energy Analysis Report, CONSULTANT will provide to the CITY a draft Energy Services Contract to implement the recommended ECMs that can achieve the identified Savings Goal and comply with the requirements of California Government Code Section 4217.10 - .18.

B. Criteria to Identify Energy Cost Savings Projects

The aggregated energy savings projects that the Energy Analysis Report shall identify and recommend for implementation as a result of the Energy Analysis must be budget neutral. This budget neutral criterion will be defined as the project implementation cost to the CITY, minus any rebates that may be available, divided by the total annual net energy cost savings ("Savings Goal"). The resultant Savings Goal must be less than the life cycle of the improvements made.

Also, the Performance Standard in determining if a project can achieve the Savings Goal shall be determined by CONSULTANT and the CITY identifying applicable current annual operating costs (including, but not limited to, electricity, natural gas, water, waste, maintenance, and power quality) for the CITY ("Baseline Energy Budget"). CONSULTANT will also document the CITY's anticipated energy cost savings in operating expenditures from the savings opportunities identified in the Energy Analysis. Using the Baseline Energy Budget as a starting point, CONSULTANT will provide a cash flow analysis to demonstrate the economics of the recommended Projects described in the Energy Analysis Report. The energy analyses shall also utilize the Existing Condition Assumptions listed in Exhibit C herein.

C. Financing for Projects

If the CITY so elects, CONSULTANT will use reasonable efforts to facilitate arrangements with a third party financial institution, acceptable to the CITY, for the CITY to finance the implementation of the recommended Projects. The CITY will reasonably cooperate with CONSULTANT and the financial institution in the arrangement of such financing. If the CITY elects to arrange for the funding of the Projects utilizing its own resources, CONSULTANT will reasonably cooperate with the CITY in connection with such efforts.

D. Possible Energy-Related Projects and Services (the "Projects")

The Energy Analysis will evaluate the potential to improve energy efficiency, reliability, and reduce unit energy costs by installing or upgrading energy efficient practices, equipment, and capital improvements to existing energy consuming equipment, energy producing equipment,

and other systems within the CITY's Facilities. Types of Energy Conservation Measures that may be recommended include the following:

- Billing and Tariff Verification
- Meter and Account Consolidation
- Energy Management Installation or Expansion
- Street Lighting and Other Appropriate Lighting Retrofits
- Daylighting and Occupancy Lighting Controls
- High Efficiency Motors and Corrective Motor Sizing
- Motors Controls
- Energy management controls system enhancements
- Variable Speed Drive applications and energy efficient motor replacement
- Upgrading of HVAC systems and efficiency
- Upgrading waste management and trash compaction
- Electricity supply and substation enhancements
- Cogeneration w/ heat recovery applications
- Upgrades to the waste water treatment plant including potential grease receiving
- Wind driven power generation opportunities
- Installation of solar energy equipment
- Utility bill analysis including rate tariff and commodity supply strategies
- Billing management strategies
- Peak shaving and load shedding capabilities
- Automated Water Meters
- Geothermal Energy

D. Other Energy Services

- a. Assist the CITY with identification of current, applicable rebates, grants, or other monetary incentives that may offset the implementation cost of the Projects recommended by the Energy Analysis.
- b. Assist the CITY by providing consulting services with regard to development of a micro-grid. This work will be done on an hourly basis at a rate of \$150 per hour. This work will not exceed 100 hours (\$15,000.00) without prior written authorization from CITY.

E. Deliverables

1. ENERGY ANALYSIS REPORT

The written Energy Analysis Report to be provided to the CITY will comprise the following:

- a. Identification of energy cost savings Project implementation opportunities based on assessment data and meeting the requirements set forth in California Government Code Section 4217.10 - .18.;
- b. Identification of City's baseline energy usage, with estimates of consumption by system or category, where appropriate;
- c. Delineation of potential net cost benefit to the City that will result from the implementation of measures listed by project. This will also include method of calculation;
- d. Project-by-Project scope of work write-ups suitable for inclusion in a subsequent Energy Service Contract for project implementation in compliance with California Government Code Section 4217.10-.18.
- e. An estimated Project implementation schedule for the identified energy cost savings measure projects.
- f. Cost estimates for the implementation of the identified energy projects.
- g. Identification of current relevant utility and governmental rebates and/or incentives available to the project, as applicable.
- h. Description of the Monitoring & Verification ("M&V") methodology that would be used to assess the energy cost savings performance of the energy cost savings projects measured before and after the energy project implementation.
- i. Documentation of the final cash flow analysis associated with the proposed project implementation package showing the calculation of the net cost benefit energy savings along with all the assumptions made to calculate the net energy savings benefit from the energy project implementation, and that the recommended projects can achieve the Savings Goal.

2. FIXED FEE IMPLEMENTATION PROPOSAL

CONSULTANT shall also provide CITY with a firm, fixed fee proposal and draft Energy Services Contract to construct the ECM cost savings Projects identified in the Energy Analysis Report that can achieve the identified Savings Goal and is in accordance with the requirements of California Government Code Section 4217.10 - .18.

Exhibit B
List of City Owned Facilities To Be Analyzed
(TO BE FINALIZED DURING STUDY)

Exhibit C
Existing Condition Assumptions

CONSULTANT and the CITY stipulate and agree to the design and pricing assumptions for the CITY owned Facilities as described below:

1. General assumptions for all existing Facilities

- a. No future charges will be imposed by legislative or regulatory action relating to a reduction in the amount of power taken from the grid;
- b. Currently available monetary incentives can be obtained and will be used to offset Project costs; and
- c. The electrical and heating requirements will continue to substantially remain the same, unless otherwise identified by the CITY.

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
CONSENT CALENDAR**

DATE : September 24, 2009

TO : City Manager

FROM : Chief of Police

SUBJECT : **ACCEPT A FISCAL YEAR 2009 BUFFER ZONE PROTECTION PLAN (BZPP) GRANT PROGRAM AWARD FROM THE CALIFORNIA EMERGENCY MANAGEMENT AGENCY**

RECOMMENDATION:

Adopt a resolution accepting a fiscal year 2009 Buffer Zone Protection Plan (BZPP) grant program award from the California Emergency Management Agency, and authorizing the City Manager to act as the authorized agent on behalf of the City.

EXECUTIVE SUMMARY:

The Department of Homeland Security (DHS) notified Solano County Office of Emergency Services (OES) and the Benicia Police Department in February, 2009, that it had identified the Valero Refinery in Benicia as critical infrastructure, which qualifies the Benicia Police Department to receive grant funding. This funding, through the BZPP Grant Program, is for purchases that are designed to deter attacks against critical infrastructure and will bolster the preventive, response, and protective measures of State and local efforts against terrorist attacks and threats.

Benicia PD has identified a variety of radio interoperability communication equipment, video cameras, still cameras, binoculars, rifle scopes, GPS devices, lighting, and support equipment to be purchased with the grant funds.

STRATEGIC PLAN:

Relevant Strategic Plan Issues and Strategies:

- Strategic Issue #2: Protecting Community Health and Safety
 - Strategy #3: Provide a high state of preparedness for disasters/emergencies

BUDGET INFORMATION:

Solano County OES is identified as a subgrantee on this grant. Benicia PD will purchase radio interoperability communication equipment with the BZPP Grant funding. Benicia PD will then submit receipts for the equipment to Solano County OES. Solano County OES will in turn

submit the receipt to the California Emergency Management Agency (Cal-EMA). Cal-EMA will send reimbursement funds totaling the amount on the receipt(s) to Solano County OES. Solano County OES will then give those reimbursement funds to Benicia PD.

The grant program will reimburse Benicia PD for qualified expenses as they are incurred. The Department of Homeland Security has determined that the amount allocated to Benicia PD should be \$194,000. There is no matching requirement.

Allocations will be awarded upon the completion and submission of the grant application, submission of receipt(s) from purchase(s) of qualified expenses; Benicia PD will recognize the revenue at that time.

The performance period is 36 months. Extensions to the period of performance will be considered only through formal requests to FEMA that includes specific and compelling justification why an extension is required.

BACKGROUND:

The purpose of the FY 2009 BZPP grant is to help state and local governments protect national critical infrastructure and key resources (CIKR) from terrorist attacks. The program supports the implementation of Buffer Zone Plans (BZPs) by providing the funding to buy equipment and support planning efforts.

DHS encourages state and local jurisdictions to consider the following activities as priorities under the FY 2009 BZPP:

- Coordination of operational activities with public and private sector partners
- Coordination of operational and situational awareness activities with fusion centers and/or emergency operations centers (EOCs)
- Coordination and involvement of multidisciplinary partners in the development and implementation of preventive and protective measures
- Strengthening improved explosion device (IED) attack prevention and protection capabilities
- Integration of Constellation/Automated Critical Asset Management System (CA/CAMS) and the DHS CIKR Taxonomy in CIKR collection, storage/catalog, and reporting information technology (IT) solutions, databases and processes

The State Administrative Agency (SAA) is the only agency eligible to apply for FY 2009 BZPP funds and is responsible for obligating the funds to the appropriate local units of government or other designated recipients. The SAA must coordinate all BZPP activities with the respective State Homeland Security Advisor (HSA).

The *Consolidated Security, Disaster Assistance and Continuing Appropriations Act of 2009* (Public Law 110-329) provided funding for this program.

The proposed expenses for the FY2009 BZPP grant program were developed by the Benicia PD and the Solano County OES. Benicia PD has identified \$194,000 of qualifying expenses to include in this application. The application expenses are designed to deter attacks against state critical infrastructure and will bolster the preventive and protective measures of State and local efforts against terrorist attacks and threats by repair to the vulnerabilities identified by the shareholders in preventing and reporting an undesirable event at the Valero Refinery. It will also provide communications interoperability and common security measures, which will enhance local first responders to prevent, deter, neutralize, and mitigate this critical infrastructure facility.

Attachment:

- Proposed Resolution

**PROPOSED
RESOLUTION**

RESOLUTION NO. 09-_____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA
AUTHORIZING THE ACCEPTANCE OF A FISCAL YEAR 2009 BUFFER ZONE
PROTECTION PLAN GRANT PROGRAM AWARD FROM THE CALIFORNIA
EMERGENCY MANAGEMENT AGENCY IN THE AMOUNT OF \$194,000; AND
AUTHORIZING THE CITY MANAGER TO ACT AS THE AUTHORIZED AGENT ON
BEHALF OF THE CITY**

WHEREAS, the Department of Homeland Security (DHS) notified Solano County Office of Emergency Services (OES) and the Benicia Police Department in February, 2009, that it had identified the Valero Refinery in Benicia as a critical infrastructure which qualifies the Benicia Police Department to receive BZPP grant funding; and

WHEREAS, the grant program will reimburse Benicia PD for qualified expenses as they are incurred up to \$194,000, without a matching requirement; and

WHEREAS, Benicia PD has identified a variety of qualifying expenses including radio interoperability communication equipment, video cameras, still cameras, binoculars, GPS devices, lighting, and support equipment to be purchased with the grant funds; and

WHEREAS, Solano County OES is identified as a subgrantee on this grant and Benicia PD will make the authorized purchases and then submit receipt for the equipment to Solano County OES; and

WHEREAS, Solano County OES will in turn submit the receipt to the California Emergency Management Agency (Cal-EMA), Cal-EMA will send reimbursement funds totaling the amount on the receipt(s) to Solano County OES and Solano County OES will then give those reimbursement funds to Benicia PD.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby authorizes the acceptance of a Fiscal Year 2009 Buffer Zone Protection Plan grant from the California Emergency Management Agency in the amount of \$194,000 and authorizes the City Manager to act as the authorized agent on behalf of the City.

* * * * *

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 October 2009, and adopted by the following vote:

Ayes:

Noes:

Absent:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
CONSENT CALENDAR**

DATE : October 7, 2009
TO : City Manager
FROM : Chief of Police
SUBJECT : **RENEW ELIGIBILITY WITH THE DEPARTMENT OF
GENERAL SERVICES TO OBTAIN STATE SURPLUS
PROPERTY**

RECOMMENDATION:

Adopt a resolution authorizing the police department to renew eligibility with the Department of General Services to acquire surplus property through the auspices of the California State Agency of Surplus Property.

EXECUTIVE SUMMARY:

The California Highway Patrol has reduced its vehicle fleet. As a result, they have surplus ballistic door panels specifically designed for the Ford Crown Victoria patrol vehicle which they are transferring (donating at no cost) to other law enforcement agencies; however, the accepting (donee) law enforcement agency must have a current application on file with the Department of General Services. The Benicia Police Department's application has expired as each application and renewal is only valid for a three year period. The Department of General Services requires a resolution from local government in order to renew an application from a local public safety organization.

STRATEGIC PLAN:

Relevant Strategic Plan Issues and Strategies:

- Strategic Issue #2: Protecting Community Health and Safety
 - Strategy #3: Promote community and personal health
- Strategic Issue #4: Preserving and Enhancing Infrastructure
 - Strategy #4: Provide adequate funding for ongoing infrastructure needs

BUDGET INFORMATION:

No impact.

BACKGROUND:

The California Highway Patrol has reduced its vehicle fleet. As a result, they have surplus ballistic door panels specifically designed for the Ford Crown Victoria patrol vehicle which they are transferring (donating at no cost) to other law enforcement agencies; however, the accepting (donee) law enforcement agency must have a current application on file with the Department of General Services. The Benicia Police Department's application has expired as each renewal is only valid for a three year period.

The Benicia Police Department utilizes the Ford Crown Victoria patrol vehicle. The acquisition of these ballistic panels would significantly increase the safety of first responders and therefore increase the safety of the entire community. These ballistic panels can be installed by City staff thus making this important upgrade cost neutral.

cc: City Attorney

Attachments:

- Proposed Resolution
- California State SASP form 201-A (Eligibility Renewal Application) and all related forms

Proposed Resolution

RESOLUTION NO. 09-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA
AUTHORIZING THE BENICIA POLICE DEPARTMENT TO RENEW ELIGIBILITY
WITH THE DEPARTMENT OF GENERAL SERVICES TO ACQUIRE SURPLUS
PROPERTY THROUGH THE AUSPICES OF THE CALIFORNIA STATE AGENCY OF
SURPLUS PROPERTY**

WHEREAS, the current authorization of the Benicia Police Department to receive donated property through the California State Department of General Services has expired and must be renewed every three years; and

WHEREAS, the Department of General Services require a resolution from local government in order to renew an application from a local public safety organization.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby authorizes the Benicia Police Department to acquire surplus property through the auspices of the California State Agency of Surplus and authorizing the City Manager to sign the California State form SASP 201-A and all related forms on behalf of the City.

BE IT FURTHER RESOLVED and hereby ordered that the officials and/or employees whose names and titles are listed below shall be and are hereby authorized as our representatives to acquire surplus property through the auspices of the California State Agency for Surplus Property and accept responsibility for payment of incidental fees by the surplus property agency under the Terms and Conditions accompanying this form.

Andrew Bidou	Deputy Chief of Police
Bob Oettinger	Lieutenant
Frank Hartig	Sergeant
Michael Greene	Sergeant
Chris Bidou	Sergeant

* * * * *

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 October 2009, and adopted by the following vote:

Ayes:

Noes:

Absent:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

ELIGIBILITY RENEWAL APPLICATION



State of California • Arnold Schwarzenegger, Governor
 State and Consumer Services Agency
DEPARTMENT OF GENERAL SERVICES
OFFICE OF FLEET AND ASSET MANAGEMENT

1700 National Drive • Sacramento, CA 95834 • (916) 928-5800 • Fax (916) 928-7965 • www.ofa.dgs.ca.gov/opsr

ELIGIBILITY RENEWAL APPLICATION STATE & FEDERAL SURPLUS PROPERTY PROGRAM

A. Name of the Organization Benicia Police Department Telephone 707-745-3411
 Address 200 East "L" Street City Benicia Zip 94510
 Fax Number 707-746-0131 E-mail Address mgreene@ci.benicia.ca.us

Organization is a: PUBLIC GOVERNMENTAL AGENCY PRIVATE AGENCY/ORGANIZATION
 A. Conservation _____ A. Homeless Program _____
 B. Economic Development _____ B. Private Education - ADA _____
 C. Education - ADA _____ C. Private Health _____
 D. Parks & Recreation _____ D. Older Americans Act for Sr. Citizens _____
 E. Public Health _____ E. Other, Explain _____
 XXX F. Public Safety _____
 G. Other, Explain _____

Number of Service Sites _____
 Total Number of Clients Served Each Day _____

RESOLUTION

B. "BE IT RESOLVED by the Governing Board, and hereby ordered that the official(s) and/or employee(s) whose name(s), title(s), and signature(s) are listed below shall be and is (are) hereby authorized as our representative(s) to acquire surplus property through the auspices of the California State Agency for Surplus Property and accept responsibility for payment of incidental fees by the surplus property agency under the Terms and Conditions accompanying this form or listed on the reverse side of this form."

NAME (Print or type)	TITLE	SIGNATURE	E-MAIL ADDRESS
<u>Andrew Bidou</u>	<u>Deputy Chief</u>		<u>abidou@ci.benicia.ca.us</u>
<u>Bob Oettinger</u>	<u>Lieutenant</u>		<u>boettinger@ci.benicia.ca.us</u>
<u>Frank Hartig</u>	<u>Sergeant</u>		<u>fhartig@ci.benicia.ca.us</u>
<u>Michael Greene</u>	<u>Sergeant</u>		<u>mgreene@ci.benicia.ca.us</u>
<u>Chris Bidou</u>	<u>Sergeant</u>		<u>cbidou@ci.benicia.ca.us</u>

***Note: All signatures must be in original form. No copied or stamped signatures.**

The above resolution was PASSED AND ADOPTED this _____ day of _____ 20 _____ by the Governing Board of the:

_____ by the following vote: AYES: _____ NOES: _____ ABSENT: _____

I, _____ Clerk of the Governing Board known as _____

Do hereby certify that the foregoing is a full, true, and correct resolution adopted by the governing board of the above named organization at the meeting thereof held at its regular place of meeting on the date and by the vote above stated, a copy of said resolution is on file in the principal office of the Governing Board.

Signed by: _____

NOTE: ALL LOCAL GOVERNMENT & NON-PROFIT INCORPORATED ORGANIZATIONS HAVE A GOVERNING BOARD, THEREFORE COMPLETE ONLY SECTIONS "A" & "B". THE FOLLOWING SECTION "C" IS FOR STATE AGENCIES ONLY.

C. AUTHORIZED BY: _____
 Printed Name and Title of Chief Administrative Officer

Signature of Chief Administrative Officer

Date

STATE OF CALIFORNIA AGENCIES ARE REQUIRED TO PROVIDE THEIR STATE BILLING CODE# _____

FOR STATE SURPLUS AGENCY USE ONLY

Renewal Application Approved _____ Renewal Application Disapproved _____

Date: _____ Signed: _____

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND
VOLUNTARY EXCLUSION – LOWER TIER COVERED TRANSACTIONS**

This certification is required by the General Services Administration regulations implementing Executive Order 12549-41 CFR 105-68 – for all lower tier transactions meeting the requirements stated at 41 CFR 105-68.110.

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department of agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage section of rule implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitation for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

NAME OF DONEE APPLICANT

BENICIA Police Department

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

Deputy Chief Andrew Bidou

SIGNATURE

DATE

VII-H-8

TERMS AND CONDITIONS

A. THE DONEE CERTIFIES THAT:

- (1) It is a public agency; or an approved nonprofit organization, exempt from taxation under Section 501 of the Internal Revenue Code of 1954; within the meaning of Section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended.
- (2) The property is needed and will be used by the recipient for carrying out for the residents of a given political area one or more public purposes, or, if an approved nonprofit tax-exempt organization or 8(a) business, the property is needed for and will be used by the recipient for educational or public health purposes, or for programs for older individuals, or for business purposes. The property is not acquired for any other use or purpose, or for sale or other distribution; or for permanent use outside the state, except with prior approval of the State Agency for Surplus Property, hereafter referred to "the SASP".
- (3) Funds are available to pay any and all costs and charges incidental to the receipt of surplus property, that the property is not being acquired for any other use(s) or purpose(s), is not for sale. Fee schedule is available upon request from the California SASP.
- (4) Any transaction shall be subject to the nondiscrimination regulations governing the donation of federal surplus personal property issued under Title VI of the Civil Rights Act of 1964, (41 USC 2000d-2000d-4a), as amended; Section 504 of the Rehabilitation Act of 1973 (29 USC 794), as amended; Title IX of the Education Amendments of 1972 (20 U.S.C. 1681-1688), as amended; and Section 303 of the Age Discrimination Act of 1975 (42 USC 6101-6107).
- (5) If the Donee is designated by the Federal Small Business Administration 8a Program as a socially and economically disadvantaged small business and the SASP has determined the Donee is eligible to receive federal surplus personal property as a donation, the Donee certifies that the property acquired is needed and will be used solely for the conduct of the Donee's business enterprise; and the Donee certifies to A. (3), A. (4), and A. (5) above.

B. The Donee agrees to the following federal conditions:

- (1) All items of property, other than items with a unit acquisition cost of \$5,000 or more and passenger motor vehicles, regardless of acquisition cost, shall be placed in use for the purpose(s) for which acquired within one year of receipt, and shall be placed in continuous use for one year from the date the property was placed in use. In the event the Donee does not so place the property in use, or in continuous use, the Donee shall immediately notify the SASP and, at the Donee's expense, make the property available for transfer or other disposal as directed by the SASP.
- (2) Special handling or use limitations as are imposed by the Federal General Services Administration (GSA) on any item(s) of property under which the item(s) are being allocated to the Donee.
- (3) In the event the Donee does not so use the property as required by C. (1) and C. (2), above, at the option of the GSA title and right to the possession of such property shall revert to the United States of America and, upon demand, the Donee shall release such property to such person as the GSA or its designee shall direct.

C. The Donee agrees to the following conditions applicable to items with a unit acquisition cost of \$5,000 or more and passenger motor vehicles, except vessels of 50 feet or more in length and aircraft, regardless of acquisition cost:

- (1) The property shall be placed in use within one year of receipt and shall be used only for the purpose(s) for which acquired and for no other purpose(s).
- (2) There shall be a period of restriction which will expire after such property has been used for the purpose(s) for which acquired for 18 months from the date the property is placed in use, except for such item(s) of major equipment for which the SASP designates a further period of restriction.
- (3) In the event the property is not so used as required by C. (1) and C. (2), above, at the option of the SASP title and right to the possession of such property shall revert to the State of California, and the Donee shall release such property to such person, as the SASP shall direct.

D. The Donee agrees to the following terms, reservations and restrictions:

- (1) From the date the Donee receives the property and throughout the time period(s) imposed by B. or C. above (as applicable) remain in effect, the Donee shall not sell, trade, lease, lend, bail, cannibalize, encumber, or otherwise dispose of such property or remove it permanently for use outside the State of California without the prior approval of the GSA or the SASP. The proceeds from any sale, trade, lease, loan, bailment, encumbrance, or other disposal of the property, when the GSA or the SASP authorizes such action, shall be remitted promptly by the Donee to the GSA or the SASP, as applicable. If a Donee takes action in ignoring or disregarding the foregoing restrictions after the date the Donee receives the property and before expiration of the time periods imposed by C. or D. as applicable at the option of the GSA or the SASP, the Donee shall pay to the GSA or the SASP any proceeds derived from the disposal, and/or the fair market or fair rental value of the property at the time of such unauthorized disposal as determined by the GSA or the SASP as applicable.
- (2) If at any time from the date the Donee receives the property and throughout the time periods imposed by B. or C. above (as applicable) the Donee determines that some or all of the property is no longer suitable, usable, or further needed for the purpose(s) for which it was acquired, the Donee shall promptly notify the SASP and shall, as directed by the SASP, return the property to the SASP, or release the property to another Donee or another state agency or a department or agency of the United States, or sell or otherwise dispose of the property. The Donee shall remit the proceeds from any sale promptly to the SASP.
- (3) The Donee shall make reports to the SASP which shall state the use, condition and location of the property, and shall report on other pertinent matters as may be required from time to time by the SASP.
- (4) At the option of the SASP, the Donee may abrogate the conditions set forth in B, above, and the terms, reservations and restrictions pertaining thereto in D by payment of an amount determined by the SASP.

E. The Donee agrees to the following conditions applicable to all items of property:

- (1) The property acquired by the Donee is on an "as is," "where is" basis without warranty of any kind.
- (2) If the Donee carries insurance against damages to or loss of property because of fire or other hazards, and damage to, loss or destruction of donated property with unexpired terms, conditions, reservations or restrictions occurs, the SASP will be entitled to reimbursement from the Donee out of the insurance proceeds in an amount equal to the unamortized portion of the fair value of the lost, damaged or destroyed property.

F. Terms, conditions, reservations and restrictions set forth in the Conditional Transfer Document executed by the authorized Donee representative are applicable to the donation of aircraft and vessels of 50 feet or more in length having an acquisition cost of \$5,000 or more, regardless of the purpose for which acquired.

**ASSURANCE OF COMPLIANCE WITH GSA REGULATIONS UNDER TITLE VI OF
THE CIVIL RIGHTS ACT OF 1964, SECTION 606 OF TITLE VI OF THE FEDERAL
PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED,
SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED,
TITLE IX OF THE EDUCATION AMENDMENTS OF 1972, AS AMENDED
AND SECTION 303 OF THE AGE DISCRIMINATION ACT OF 1975**

Benicia Police Department, (hereinafter called the "donee"),
(Name of donee organization)

HEREBY AGREES THAT the program for or in connection with which any property is donated to the donee will be conducted in compliance with, and the donee will comply with and will require any other person (any legal entity) who through contractual or other arrangements with the donee is authorized to provide services or benefits under said program to comply with, all requirements imposed by or pursuant to the regulations of the General Services Administration (41 CFR 101-6.2) issued under the provisions of Title VI of the Civil Rights Act of 1964, Section 606 of Title VI of the Federal Property and Administrative Services Act of 1949, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, Title IX of the Education Amendments of 1972, as amended, and Section 303 of the Age Discrimination Act of 1975, to the end that no person in the United States shall on the ground of race, color, national origin, sex, or age, or that no otherwise qualified handicapped person shall solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity for which the donee received Federal assistance from the General Services Administration; and **HEREBY GIVES ASSURANCE THAT** it will immediately take any measures necessary to effectuate this agreement.

The donee further agrees that this agreement shall be subject in all respects to the provisions of said regulations; that this agreement shall obligate the donee for the period during which it retains ownership or possession of any such property; that the United States shall have the right to seek judicial enforcement of this agreement; and, this agreement shall be binding upon any successor in interest of the donee and the word "donee" as used herein includes any such successor in interest.

Date _____ Benicia Police Department
Donee Organization

BY _____
(President/Chairman of the Board
or comparable authorized official)

Benicia Police Department
200 East "L" Street
Benicia, Ca. 94510
Donee Mailing Address

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
CONSENT CALANDER**

DATE : October 14, 2009

TO : City Manager

FROM : Director of Park and Community Services

SUBJECT : **AWARD OF CONSTRUCTION CONTRACT FOR JAMES LEMOS
POOL ROOF STRUCTURAL REPAIRS PROJECT**

RECOMMENDATION:

Adopt the resolution awarding a construction agreement to Cailin Construction Inc. of Novato, California, in the amount of \$226,391 and authorizing the City Manager to sign the contract on behalf of the City.

EXECUTIVE SUMMARY:

Staff opened bids for the James Lemos Pool Roof Structural Repairs Project on October 14, 2009. A total of six (6) bids were received. A low bid of \$226,391 was received from Cailin Construction Inc., of Novato, CA. The City Council is asked to accept the bids received and award the construction contract to Cailin Construction Inc.

STRATEGIC PLAN:

Relevant Strategic Plan Goals and Strategies:

- Strategic Issue 1: Protecting Community Health and Safety
 - Strategy 5: Promote community and personal health

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

- Strategic Issue 5: Maintain and Enhance a High Quality of Life
 - Strategy 1: Provide community activity centers

BUDGET INFORMATION:

The City Council in the 2009-10 Capital Improvement budget approved \$250,000 from Park Dedication account number 047-9047-9616 for this project. Design for this project was \$19,000. We would have liked to have had a 10% contingency for this project, however due to the design and project cost we will only have a 2% contingency (\$4,609).

BACKGROUND:

As seen in the chart below, the bid from Cailin Construction Inc. is the lowest bid. Cailin Construction Inc., in the last three (3) years, completed over eight (8) civic building repairs and/or renovations. It is staff's judgment this length of experiences and depth in talent will result in a superior product and offer the opportunities of cost savings throughout construction.

Bid Results:

<i>RANK</i>	<i>BIDDER'S NAME AND ADDRESS</i>	<i>Total BID</i>
1	Cailin Construction Inc. Novato, CA	\$226,391
2	Custom Remodel Concord, CA	\$236,086
3	Albay Construction Co. Martinez, CA	\$258,102
4	River View Construction Inc. Sacramento, CA	\$289,152
5	PCRB Construction Inc. Concord, CA	\$297,000
6	IMR Contractor Co. Hayward, CA	\$381,500

Staff recommends that the construction contract be awarded to Cailin Construction Inc.

cc: City Attorney

Attachments:

- Proposed Resolution – Award of Consultant Contract

Proposed Resolution

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA ACCEPTING THE BID FOR CONSTRUCTION CONTRACT SERVICES FOR THE JAMES LEMOS POOL ROOF STRUCTURAL REPAIRS PROJECT, AWARDING THE CONSTRUCTION CONTRACT TO CAILIN CONSTRUCTION INC. OF NOVATO, CALIFORNIA IN THE AMOUNT OF \$226,391, AND AUTHORIZING THE CITY MANAGER TO SIGN THE CONSULTANT CONTRACT ON BEHALF OF THE CITY

WHEREAS, a request for construction services for the James Lemos Pool Roof Structural Repairs Project was advertised for construction bids and six (6) were received by October 14, 2009; and

WHEREAS, Staff subsequently reviewed and assessed the bid proposals;and

WHEREAS, Cailin Construction Inc. of Novato, California has agreed to do the project and is the lowest bidder; and

WHEREAS, sufficient funds are available in the project budget.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Benicia hereby awards the construction contract, in the amount of \$226,391, to Cailin Construction Inc., of Novato, California for the James Lemos Pool Roof Structural Repairs Project.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to sign the consultant contract on behalf of the City, subject to approval by the City Attorney.

On motion of Council Member _____ and seconded by Council Member _____, the above Resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 20th day of October, 2009, and adopted by the following vote.

Ayes:

Noes:

Absent:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
CONSENT CALENDAR**

DATE : October 7, 2009
TO : City Manager
FROM : Finance Director
SUBJECT : **REVIEW AND ACCEPTANCE OF THE INVESTMENT REPORT
FOR THE QUARTER ENDED JUNE 2009**

RECOMMENDATION:

Accept, by motion, the investment report for the quarter ended June 2009.

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 Finance, Audit and Budget Committee has reviewed these reports and recommends acceptance.

STRATEGIC PLAN:

Relevant Strategic Plan Goals and Strategies:

- Goal 8.00: Build Organizational Quality and Capacity
 - Strategy 8.20: Measure and track service performance

BUDGET INFORMATION:

There is no effect on the City's budget.

BACKGROUND:

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

The City 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 Finance, Audit and Budget 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 Union Bank and California State Controller's Office for the LAIF investments.

Attachment:

- Investment Report for June 2009.

**INVESTMENT REPORT FOR
THE QUARTER ENDED JUNE 2009**

**City of Benicia
Investment Report
As of June 30, 2009**

Type of Investment	Name of Issuer	Purchase Date	Maturity Date	Current Yield	Par Value	Cost of Investment	Current Market Value
On Demand							
L.A.I.F.	L.A.I.F.			1.510%	\$ 12,135,596.90	\$ 12,135,596.90	\$ 12,151,430.74
Checking	Bank of America			0.400%	774,404.20	774,404.20	774,404.20
Money Market	Union Bank			0.240%	169,921.92	169,921.92	169,921.92
Money Market	Union Bank			0.240%	952,796.45	952,796.45	952,796.45
Subtotal					14,032,719.47	14,032,719.47	14,048,553.31
Up to 6 Months							
US Obligation	U.S. Treasury	23-Aug-06	15-Aug-09	4.850%	500,000.00	501,210.94	502,870.00
US Obligation	FFCB	6-Oct-06	21-Sep-09	4.950%	1,000,000.00	1,003,740.00	1,010,630.00
US Obligation	U.S. Treasury	30-Nov-06	15-Nov-09	4.550%	500,000.00	500,781.25	507,970.00
US Obligation	FNMA	27-Mar-08	15-Dec-09	4.540%	1,250,000.00	1,298,675.00	1,274,612.50
Subtotal					3,250,000.00	3,304,407.19	3,296,082.50
6 Months to 1 Year							
US Obligation	FHLB	15-Oct-08	15-Jan-10	3.800%	1,000,000.00	1,009,240.00	1,018,750.00
US Obligation	U.S. Treasury	3-Apr-07	15-Feb-10	4.630%	500,000.00	502,812.50	513,475.00
US Obligation	FNMA	15-May-08	12-May-10	4.000%	1,000,000.00	1,019,994.00	1,030,630.00
US Obligation	FHLB	29-Aug-07	11-Jun-10	5.030%	1,250,000.00	1,267,018.00	1,305,862.50
US Obligation	FHLB	23-Aug-06	11-Jun-10	5.030%	500,000.00	502,590.00	522,345.00
Subtotal					4,250,000.00	4,301,654.50	4,391,062.50
1 Year to 2 Years							
US Obligation	FHLMC	16-Jan-07	16-Aug-10	4.660%	500,000.00	497,190.00	523,290.00
US Obligation	FHLB	11-Mar-08	1-Sep-10	4.760%	1,000,000.00	1,059,102.00	1,050,630.00
US Obligation	FHLMC	30-Nov-06	8-Dec-10	4.500%	500,000.00	499,370.00	527,815.00
US Obligation	FFCB	18-Jan-08	18-Jan-11	3.370%	1,000,000.00	1,009,340.00	1,038,750.00
US Obligation	FHLMC	17-Dec-07	24-Feb-11	3.930%	750,000.00	762,227.50	786,330.00
US Obligation	FNMA	25-Mar-08	25-Feb-11	1.990%	1,250,000.00	1,250,000.00	1,258,600.00
US Obligation	FHLB	17-Nov-08	11-Mar-11	3.140%	1,250,000.00	1,250,650.00	1,295,700.00
US Obligation	FHLMC	16-Mar-09	16-Mar-11	1.990%	1,000,000.00	1,000,000.00	1,006,150.00
US Obligation	FNMA	18-Apr-08	15-Apr-11	4.790%	965,000.00	1,022,186.87	1,033,457.10
US Obligation	FNMA	2-Apr-09	15-Apr-11	1.740%	1,750,000.00	1,750,000.00	1,756,020.00
US Obligation	FFCB	11-May-07	25-Apr-11	4.510%	500,000.00	498,760.00	532,500.00
US Obligation	FHLB	15-May-08	20-May-11	2.580%	1,000,000.00	979,335.00	1,019,380.00
US Obligation	fhfb	5-Jun-09	3-Jun-11	1.130%	1,000,000.00	993,465.20	997,810.00
Subtotal					12,465,000.00	12,561,646.57	12,826,432.10

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**City of Benicia
Investment Report
As of June 30, 2009**

Type of Investment	Name of Issuer	Purchase Date	Maturity Date	Current Yield	Par Value	Cost of Investment	Current Market Value	
2 Years to 3 Years								
US Obligation	FHLMC	8-May-09	11-Aug-11	1.630%	1,000,000.00	1,000,000.00	999,220.00	
US Obligation	FHLMC	22-Oct-08	15-Sep-11	5.050%	1,500,000.00	1,580,167.50	1,634,535.00	
US Obligation	FHLMC	5-Dec-08	15-Sep-11	5.050%	1,370,000.00	1,477,892.98	1,492,875.30	
US Obligation	FHLB	13-Nov-08	18-Nov-11	4.520%	1,400,000.00	1,476,021.40	1,510,250.00	
US Obligation	FFCB	2-Jun-09	28-Nov-11	1.590%	1,000,000.00	997,300.00	998,750.00	
US Obligation	FFCB	3-Apr-07	8-Dec-11	4.340%	500,000.00	495,205.00	533,440.00	
US Obligation	FNMA	1-May-09	17-Feb-12	2.490%	1,000,000.00	1,006,430.00	1,003,130.00	
US Obligation	FHLMC	17-Sep-07	5-Mar-12	4.400%	1,000,000.00	1,003,890.00	1,079,380.00	
US Obligation	FNMA	29-May-09	20-Apr-12	1.870%	1,900,000.00	1,907,676.00	1,907,714.00	
US Obligation	FNMA	4-Oct-07	18-May-12	4.490%	750,000.00	756,780.00	815,160.00	
US Obligation	FHLB	11-Jun-09	20-Jun-12	1.880%	1,050,000.00	1,039,185.00	1,048,687.50	
	Subtotal				12,470,000.00	12,740,547.88	13,023,141.80	
3 Years to 5 Years								
US Obligation	FFCB	25-Sep-07	1-Aug-12	4.790%	500,000.00	509,923.50	548,440.00	
US Obligation	FHLMC	3-Jun-09	1-Apr-14	2.000%	500,000.00	498,375.00	498,995.00	
	Subtotal				1,000,000.00	1,008,298.50	1,047,435.00	
Total (before fiscal agent accounts)							\$ 47,467,719.47	\$ 48,632,707.21
Fiscal Agent Accounts							75,334.97	75,334.97
TOTAL INVESTMENT PORTFOLIO							\$ 48,024,609.08	\$ 48,708,042.18
INVESTMENTS WITH PFM							\$ 17,557,099.17	\$ 17,782,235.82
INVESTMENTS WITH MBIA							\$ 17,482,173.84	\$ 17,924,636.45
WEIGHTED AVERAGE MATURITY OF THE INVESTMENT PORTFOLIO							1.78	Years

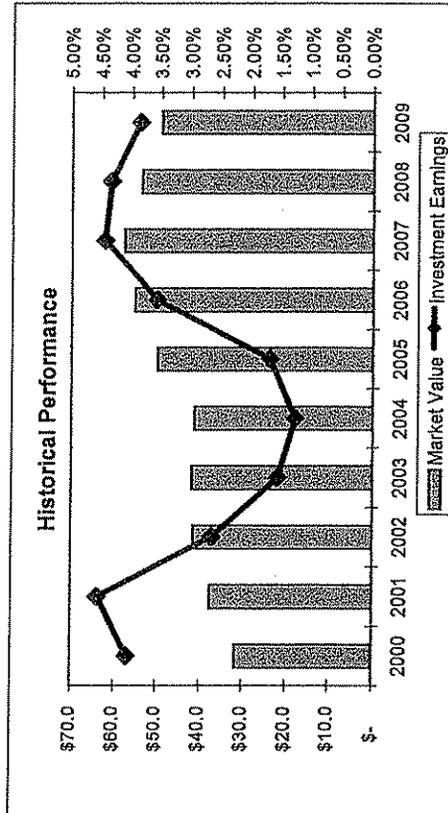
The City of Benicia complies with Government Code Sections 53600 et seq. and the City's investment Policy. The source of market value is Union Bank of California. The City has the ability to meet expenditure requirements for the next six months. This report, to the best of my knowledge, is accurate representation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


Robert Sousa, Director of Finance

**City of Benicia
Historical Portfolio Comparison**

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

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



Investment Earnings - Dollars					
Fiscal Year / Quarter	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual Average
2008	319,789.25	789,398.11	474,719.57	731,456.95	\$ 578,635.97
2009	275,114.02	580,504.43	577,776.19	736,864.05	\$ 542,564.67

AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
CONSENT CALENDAR

DATE : October 7, 2009

TO : City Manager

FROM : Finance Director

SUBJECT : **ANNUAL REVIEW OF CITY OF BENICIA INVESTMENT POLICY WITH RECOMMENDED CHANGES**

RECOMMENDATION:

Adopt the resolution recognizing the annual review of the City of Benicia Investment Policy in accordance with California State Government Code §53646.

EXECUTIVE SUMMARY:

The City Council is required to review the Investment Policy annually to assure compliance with changes in State law, principally Government Code §53646. There are minor changes and additions recommended this year, as extensive revisions were approved in February 2008. The changes focus on providing more precise definitions of eligible investments, maturity and diversification, as well as portfolio performance. The Finance Audit and Budget Committee also requested that a Glossary of California Government Code and Glossary of Cash Management Terms be included to assist in understanding the Investment Policy.

STRATEGIC PLAN:

Relevant Strategic Plan Goals and Strategies:

- Goal 8.00: Build Organizational Quality and Capacity
 - Strategy 8.20: Measure and track service performance

BUDGET INFORMATION:

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

BACKGROUND:

Neil Waud, MBIA Vice President and Portfolio Manager has assisted staff in updating the City's Investment Policy to streamline and tighten up the current processes. The policy went through extensive review and modification again this year, as well as in February 2008 when the City retained the use of professional Investment Advisors to assist in the oversight of the City's investment portfolio.

The Finance, Audit and Budget Committee reviewed the Investment Policy on August 28 and September 25, 2009 and recommends approval of the attached Resolution and Investment Policy.

Attachments:

- Resolution
- City of Benicia Investment Policy (~~Strikeout Version~~)
- City of Benicia Investment Policy

RESOLUTION

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING THE ANNUAL REVIEW OF THE CITY'S INVESTMENT POLICY WITH RECOMMENDED CHANGES

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

WHEREAS, the Finance, Audit and Budget Committee and Finance Director have reviewed the City Investment Policy and recommend approval of the annual review process with recommended changes; and

WHEREAS, the City Council last reviewed the Investment Policy on February 5, 2008, recognizing the City's investment reporting practices are in accordance with California State Government Code §53600 et seq.

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

On motion of _____, seconded by _____, the above Resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of the Council held on the 20th day of October, 2009 and adopted by the following vote:

Ayes:

Noes:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

**CITY OF BENICIA
INVESTMENT POLICY
(~~Strikeout Version~~)**

City of Benicia
Investment Policy

(Revised February 5, 2008 _____, 2009)

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 _____, 2009 February 5, 2008 pursuant to City Council Resolution No. 08-06. It replaces any previous investment policy of the City.

I. SCOPE

The provisions of this Investment Policy shall apply to all financial assets as accounted for in the City's Comprehensive Annual Financial Report 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~~ investment performance (rate of return and volatility) consistent with the performance of the Merrill Lynch 1-3 Year Treasury index.
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

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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 without risk and that the investment activities of the City are a matter of public record. Accordingly, the City recognizes that occasional measured losses may occur in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the City.

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

V. ETHICS AND CONFLICTS OF INTEREST

Elected officials and City employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or

could impair or create the appearance of an impairment of their ability to make impartial investment decisions. Elected officials and 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 trade settlement.
2. Federal Agency debentures and mortgage-backed securities with a final maturity not exceeding five years from the date of trade settlement purchase issued by the Government National Mortgage Association (GNMA).

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

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

5. Prime Commercial Paper with a maturity not exceeding 270 days from the date of trade settlement 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 \$500,000,000 and (3) have debt other than commercial paper, if any, that is rated A, or higher, or the equivalent, by a NRSRO.

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

The total investment in the commercial paper of any one issuer shall be limited to the lesser of 10% of the City's total portfolio or \$1 million, and the aggregate investment in commercial paper shall not exceed 25% of the City's total portfolio.

6. Eligible Bankers Acceptances rated at least A-1 or the equivalent by each NRSRO that rates them at the time of purchase, with maturities not exceeding 180 days from the date of trade settlement 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 banks that meet the criteria set forth in Section X of this Investment Policy. The aggregate amount invested in Certificates of Deposit shall not exceed 25% of the City's total portfolio.
8. 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 net asset value per share of \$1.00; (3) invest only in the securities and obligations authorized in the applicable California statutes 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.

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

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

VII. PORTFOLIO MATURITIES AND LIQUIDITY, DIVERSIFICATION, and REALIGNMENTS

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The City will not invest in securities maturing more than five years from the date of ~~trade settlement~~ 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.

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

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

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

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

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

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

VIII. SELECTION OF BROKER/DEALERS

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

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

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

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

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

IX. COMPETITIVE TRANSACTIONS

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

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

X. SELECTION OF BANKS

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

XI. SAFEKEEPING AND CUSTODY

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

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

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

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

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 investment portfolio shall be compared to the average performance yield on the Merrill Lynch 1-3 Year Treasury Index. The Merrill Lynch 1-3 Year Treasury Index represents all U.S. Treasury securities maturing over one year, but less than three years. This maturity range is an appropriate benchmark based on the objectives of the City. to the return on the U.S. Treasury index that most closely corresponds to the portfolio's target weighted average effective maturity or duration. When comparing the performance of the City's investment portfolio, all fees involved with managing it shall be included in the computation of its rate of return net of fees its rate of return will be computed net of all fees and expenses.

XIII. REPORTING

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

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

XIV. POLICY REVIEW

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

GLOSSARY OF CALIFORNIA GOVERNMENT CODE

The glossary below briefly defines each California Government Code that is referenced in the City's policy and in the order in which they are cited.

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

53600: Defines the term "local agency".

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

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

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

53601: Provides guidelines for the investment of money in a sinking fund.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

53630.5: Defines depositories.

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

53632: Outlines the three classes of deposits.

53632.5: Outlines the three classes of security for deposits.

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

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

53635: Recognizes the distinct characteristics of investment pools.

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

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

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

- 53637: Requires that the money be deposited in the institutions approved in 53635.2 with the objective of realizing maximum return.
- 53638: States that the deposit shall not exceed the shareholder's equity of any depository bank.
- 53639: Expresses that the depository shall bear the expenses of transportation of money to and from the depository.
- 53640: States that the depository shall handle, collect, and pay all checks, drafts, and other exchange without cost to the local agency.
- 53641: Requires the Treasurer to take and preserve a receipt, certificate of deposit, or other evidence of depository when money is deposited in a depository.
- 53642: Enables the money deposited to be drawn out by check or order of the Treasurer.
- 53643: Allows the Treasurer to deposit any part of the money as agreed upon between the Treasurer and the depository.
- 53644: Outlines the options allowed if an agreement is not made as provided for in 53643.
- 53646: Discusses requirements of a local agencies investment policy and investment reports.
- 53647: States how interest on deposited money shall be paid.
- 53647.5: Provides that interest earned on bail money deposited in a bank account shall be allocated for the support of the courts in that county.
- 53648: Regards the payment of interest of public moneys.
- 53648.5: Provides for the conditions under which a depository may be terminated.
- 53469: Allows the Treasurer to be responsible for the safekeeping of money.
- 53651: Defines eligible securities.
- 53651.2: Defines the provision with which a promissory note shall comply.
- 53651.4: Outlines the requirements of reports that depositories using eligible securities shall file.
- 53651.6: Lists the requirements of letters of credit for eligible securities.
- 53652: Outlines the collateral required to secure active and inactive deposits.

- 53653: Provides the conditions under which the Treasurer may waive security for a portion of deposits.
- 53654: Delineates the circumstances under which the depository may add or substitute securities in a pool.
- 53655: Defines the effect that the placement of securities by a depository with an agent of depository shall have.
- 53656: Defines how the Treasurer shall enter into a contract with a depository.
- 53657: Defines who shall act as an agent of depositories.
- 53658: Outlines how an agent of a depository shall hold and pool securities.
- 53659: Allows for an agent of depository that accepts securities to place such securities for safekeeping.
- 53660: Outlines the information that the Treasurer shall provide when deposits of a local agency are secured by pooled securities.
- 53661: Defines the responsibilities of the Commissioner of Financial Institutions.
- 53663: Defines the information that an agent of depository shall report in writing to the administrator after a withdrawal, substitution, or addition or pooled securities.
- 53664: States that the individual reports specified in Sections 53654, 53660, 53661, and 53663 are not public documents.
- 53666: Stipulates that the only liability that shall attach to the administrator as the result of the operation of this article is that which would attach as a result of other laws of this state.
- 53667: Discusses the expenses incurred by the administrator in conjunction with carrying out the duties and responsibilities assigned to the administrator.
- 53669: States that the Treasurer or other authorized official is not responsible for money while it is deposited pursuant to this article.
- 53676: States that the Treasurer is not responsible for securities delivered to and receipted for by any bank, savings and loan association, credit union, federally insured industrial loan company, or trust company.

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

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

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

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

53682: Specifies contract requirements for monies being deposited.

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

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

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

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

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

25210: Outlines the requirements of approved broker/dealers.

GFOA's GLOSSARY OF CASH MANAGEMENT TERMS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Coupon Rate - The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate."

Credit Quality - The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

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

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

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

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

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

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

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

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

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

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

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

Interest Rate - See "Coupon Rate."

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

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

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

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

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

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

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

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

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

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

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

Market Value - Current market price of a security.

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

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

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

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.

6. Have all individuals who sells SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus which is updated and filed by the SEC annually.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Repurchase Agreement (repo or RP) - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

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

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

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

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

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

Swap - Trading one asset for another.

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

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

Treasury Bills - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000. Auctions of three-

and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

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

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

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

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

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

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

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

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

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

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

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

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

**CITY OF BENICIA
INVESTMENT POLICY**

City of Benicia
Investment Policy
(Revised _____, 2009)

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 _____, 2009 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 as accounted for in the City's Comprehensive Annual Financial Report.

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

II. OBJECTIVES

The 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 without risk and that the investment activities of the City are a matter of public record. Accordingly, the City recognizes that occasional measured losses may occur in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the City.

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

V. ETHICS AND CONFLICTS OF INTEREST

Elected officials and City employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or

could impair or create the appearance of an impairment of their ability to make impartial investment decisions. Elected officials and 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 trade settlement.
2. Federal Agency debentures and mortgage-backed securities with a final maturity not exceeding five years from the date of trade settlement issued by the Government National Mortgage Association (GNMA).
3. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises, such as Federal Home Loan Banks (FHLB), Federal National Mortgage Association (FNMA), Federal Farm Credit Banks (FFCB) and Federal Home Loan Mortgage Corporation (FHLMC), with a final maturity not exceeding five years from the date of trade settlement.

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

4. Repurchase Agreements with a final termination date not exceeding 30 days collateralized by U.S. Treasury obligations, Federal Agency securities, or Federal Instrumentality securities listed in items 1, 2 and 3 above with the maturity of the collateral not exceeding 10 years. For

the purpose of this section, the term collateral shall mean purchased securities under the terms of the City's approved Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the funds borrowed. Collateral shall be held in the City's custodian bank, as safekeeping agent, and the market value of the collateral securities shall be marked-to-the-market daily. Repurchase agreements with any one counterparty shall be limited to \$1 million.

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

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

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

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

The total investment in the commercial paper of any one issuer shall be limited to the lesser of 10% of the City's total portfolio or \$1 million, and the aggregate investment in commercial paper shall not exceed 25% of the City's total portfolio.

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

7. Non-negotiable Certificates of Deposit with a maturity not exceeding five years, in banks that meet the criteria set forth in Section X of this Investment Policy. The aggregate amount invested in Certificates of Deposit shall not exceed 25% of the City's total portfolio.
8. 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 net asset value per share of \$1.00; (3) invest only in the securities and obligations authorized in the applicable California statutes 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.

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

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

VII. PORTFOLIO MATURITIES, DIVERSIFICATION, and REALIGNMENTS

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

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

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

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

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

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

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

VIII. SELECTION OF BROKER/DEALERS

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

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

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

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

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

IX. COMPETITIVE TRANSACTIONS

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

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

X. SELECTION OF BANKS

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

XI. SAFEKEEPING AND CUSTODY

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

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

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

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

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

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

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

XII. PORTFOLIO PERFORMANCE

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for

eligible securities, and cash flow requirements. The performance of the investment portfolio shall be compared to the average yield on the Merrill Lynch 1-3 Year Treasury Index. The Merrill Lynch 1-3 Year Treasury Index represents all U.S. Treasury securities maturing over one year, but less than three years. This maturity range is an appropriate benchmark based on the objectives of the City. When comparing the performance of the investment portfolio, all fees involved with managing it shall be included in the computation of its rate of return net of fees.

XIII. REPORTING

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

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

XIV. POLICY REVIEW

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

GLOSSARY OF CALIFORNIA GOVERNMENT CODE

The glossary below briefly defines each California Government Code that is referenced in the City's policy and in the order in which they are cited.

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

53600: Defines the term “local agency”.

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

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

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

53601: Provides guidelines for the investment of money in a sinking fund.

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

53601.2: Defines “corporation” to include a limited liability company.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

53630.5: Defines depositories.

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

53632: Outlines the three classes of deposits.

53632.5: Outlines the three classes of security for deposits.

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

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

53635: Recognizes the distinct characteristics of investment pools.

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

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

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

- 53637:** Requires that the money be deposited in the institutions approved in 53635.2 with the objective of realizing maximum return.
- 53638:** States that the deposit shall not exceed the shareholder's equity of any depository bank.
- 53639:** Expresses that the depository shall bear the expenses of transportation of money to and from the depository.
- 53640:** States that the depository shall handle, collect, and pay all checks, drafts, and other exchange without cost to the local agency.
- 53641:** Requires the Treasurer to take and preserve a receipt, certificate of deposit, or other evidence of depository when money is deposited in a depository.
- 53642:** Enables the money deposited to be drawn out by check or order of the Treasurer.
- 53643:** Allows the Treasurer to deposit any part of the money as agreed upon between the Treasurer and the depository.
- 53644:** Outlines the options allowed if an agreement is not made as provided for in 53643.
- 53646:** Discusses requirements of a local agencies investment policy and investment reports.
- 53647:** States how interest on deposited money shall be paid.
- 53647.5:** Provides that interest earned on bail money deposited in a bank account shall be allocated for the support of the courts in that county.
- 53648:** Regards the payment of interest of public moneys.
- 53648.5:** Provides for the conditions under which a depository may be terminated.
- 53469:** Allows the Treasurer to be responsible for the safekeeping of money.
- 53651:** Defines eligible securities.
- 53651.2:** Defines the provision with which a promissory note shall comply.
- 53651.4:** Outlines the requirements of reports that depositories using eligible securities shall file.
- 53651.6:** Lists the requirements of letters of credit for eligible securities.
- 53652:** Outlines the collateral required to secure active and inactive deposits.

- 53653:** Provides the conditions under which the Treasurer may waive security for a portion of deposits.
- 53654:** Delineates the circumstances under which the depository may add or substitute securities in a pool.
- 53655:** Defines the effect that the placement of securities by a depository with an agent of depository shall have.
- 53656:** Defines how the Treasurer shall enter into a contract with a depository.
- 53657:** Defines who shall act as an agent of depositories.
- 53658:** Outlines how an agent of a depository shall hold and pool securities.
- 53659:** Allows for an agent of depository that accepts securities to place such securities for safekeeping.
- 53660:** Outlines the information that the Treasurer shall provide when deposits of a local agency are secured by pooled securities.
- 53661:** Defines the responsibilities of the Commissioner of Financial Institutions.
- 53663:** Defines the information that an agent of depository shall report in writing to the administrator after a withdrawal, substitution, or addition or pooled securities.
- 53664:** States that the individual reports specified in Sections 53654, 53660, 53661, and 53663 are not public documents.
- 53666:** Stipulates that the only liability that shall attach to the administrator as the result of the operation of this article is that which would attach as a result of other laws of this state.
- 53667:** Discusses the expenses incurred by the administrator in conjunction with carrying out the duties and responsibilities assigned to the administrator.
- 53669:** States that the Treasurer or other authorized official is not responsible for money while it is deposited pursuant to this article.
- 53676:** States that the Treasurer is not responsible for securities delivered to and receipted for by any bank, savings and loan association, credit union, federally insured industrial loan company, or trust company.

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

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

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

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

53682: Specifies contract requirements for monies being deposited.

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

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

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

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

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

25210: Outlines the requirements of approved broker/dealers.

GFOA's GLOSSARY OF CASH MANAGEMENT TERMS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Coupon Rate - The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate."

Credit Quality - The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

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

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

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

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

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

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

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

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

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

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

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

Interest Rate - See "Coupon Rate."

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

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

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

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

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

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

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

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

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

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

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

Market Value - Current market price of a security.

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

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

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

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.

6. Have all individuals who sells SEC-registered products licensed with a self-regulating organization (SRO) such as the National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus which is updated and filed by the SEC annually.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Repurchase Agreement (repo or RP) - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

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

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

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

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

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

Swap - Trading one asset for another.

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

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

Treasury Bills - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000. Auctions of three-

and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

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

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

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

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

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

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

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

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

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

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

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

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

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
ACTION ITEM**

DATE : October 9, 2009
TO : City Manager
FROM : Finance Director
SUBJECT : **APPROVAL OF A RESOLUTION TO JOIN THE
PROPOSITION 1A SECURITIZATION PROGRAM**

RECOMMENDATION:

Adopt the proposed Proposition 1A Securitization Resolution and approve the Purchase and Sale Agreement or adopt the Alternate Resolution authorizing the appropriation of Undesignated Reserves below the 20% minimum reserve level.

EXECUTIVE SUMMARY:

Proposition 1A was passed by California voters in 2004 to ensure local property tax and sales tax revenues remain with local governments. The emergency suspension of Proposition 1A was signed by the Governor on July 28, 2009, as part of the 2009-10 budget package. The suspension provisions allow the State to borrow 8% of the amount of property tax revenue apportioned to cities, counties and special districts. The Proposition 1A Securitization Program provides relief to cities, counties and special districts from the impact of the suspension. If a local agency chooses not to participate in the Program, it must wait for the State to reimburse the local agency plus interest at 2%, which could be as late as June 30, 2013. Under the Program, the California Communities would purchase the local agencies' accounts receivables created as part of the suspension provisions, for a purchase price that equals 100% of the agency's receivables. California Communities would then issue tax-exempt bonds and pay local agencies from the bond proceeds in two equal installments on January 15, 2010, and May 3, 2010, to coincide with the dates that the State will be shifting property tax from local agencies. The amount in question for the City of Benicia is \$1,420,887. If the Council chooses not to enter the Program, an alternate resolution would need to be approved by a 4/5ths vote that would authorize the allocation of Undesignated Reserves below the 20% minimum reserve level.

STRATEGIC PLAN:

Relevant Strategic Plan Issues and Strategies:

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

BUDGET INFORMATION:

The amount in question for the City of Benicia is \$1,420,887. This amount represents approximately 4.5% of budgeted General Fund revenues in FY 2009-10.

BACKGROUND:

Proposition 1A was passed by California voters in 2004 to ensure local property tax and sales tax revenues remain with local government in order to safeguard funding for public safety, health, libraries, parks, and other local services. Provisions for the revenues can only be suspended if the Governor declares a fiscal necessity and two-thirds of the Legislature concur.

The emergency suspension of Proposition 1A was passed by the Legislature and signed by the Governor on July 28, 2009, as ABX4 14 and ABX4 15 as part of the 2009-10 budget package. The suspension provisions allow the State to borrow 8% of the amount of property tax revenue apportioned to cities, counties and special districts, by way of a reduction in the percentage of the total amount of ad valorem property tax revenues allocated to local agencies during the State's 2009-10 fiscal year.

The Proposition 1A Securitization Program ("Program") provides relief to cities, counties and special districts from the impact of the suspension. Among other things, the Program allows cities, counties and special districts to obtain immediate cash relief from the effects of the emergency suspension of Proposition 1A. If a local agency chooses not to participate in the Program, it must wait for the State to reimburse the local agency plus interest (the interest rate has been set by the Department of Finance at 2%), as is required under the applicable provisions. However, it could be as late as June 30, 2013, before the State repays the agency.

Regarding the mechanics of the Program, the California Communities would purchase the local agencies' accounts receivables ("Receivables") created as part of the suspension provisions, for a purchase price that equals 100% of the agency's Receivables. California Communities would also issue tax-exempt bonds to bondholders and through a trustee, would then pay the local agencies from the bond proceeds in two equal installments on January 15, 2010, and May 3, 2010, to coincide with the dates that the State will be shifting property tax from local agencies. The Receivables would be pledged to secure repayment of the corresponding amount of the bonds. Ultimately, the State would repay the bondholders principal plus interest. The benefits of the Program include the following:

Immediate cash relief: The sale of the local agencies' Proposition 1A Receivables will provide the agencies with 100% of its reduced property tax allocations for the 2009-10 fiscal year, in two equal installments on January 15, 2010, and May 3, 2010;

Mitigates the impact of the 8% property tax withholding in January and May of 2010: Per ABX4 14 and ABX4 15 and the proposed clean-up legislation of SB 67, the State will withhold 8% of property tax receivables due cities, counties and special districts under Proposition 1A. The financing outlines bond proceeds to be distributed to coincide with the dates that the State will shift property tax from local agencies;

All costs of financing borne by the State: The local agency will not have to pay any interest cost or costs of issuance in connection with its participation; and

No obligations on bonds: The local agency has no obligation with respect to the payment of the bonds, nor any reporting, disclosure or other compliance obligations associated with the bonds.

The Legislature failed to enact a clean-up bill, SB 67, prior to adjournment of the Senate, which bill would provide for a few critical changes to the enacted legislation, including provisions for financing to occur in November; county auditor certification of amount of Receivables; tax-exempt structure; California Communities as the only issuer; more flexibility on bond structure; sales among local agencies; and revision to the hardship mechanism provided in AB 15. While SB 67 has not yet been passed and signed into law, California Communities expects that to occur in the coming weeks, and is keeping the Program on schedule so that the financing can be completed in a timely fashion assuming SB 67 is enacted soon. The Program has been structured with the assumption that SB 67 will become law. However, if for any reason SB 67 is not enacted and the bonds cannot be sold by December 31, 2009, the entire series of transactions contemplated under the Program shall become void and of no further force or effect, and all applicable documents will be destroyed.

The Program documents (Resolution, Purchase and Sale Agreement, etc.) cannot be modified for the sake of uniformity.

In order for agencies to participate in the financing, all the Program documents provided by Orrick, Herrington & Sutcliffe, LLP ("Transaction Counsel"), must be adopted (in the case of the Resolution), signed and delivered back to Transaction Counsel by no later than November 6, 2009.

Benicia Impact: The amount in question, \$1,420,887, represents about 4.5% of the City's General Fund Expenditure Budget and would drop the City's financial reserves from 20% to 15.5%. While the City has adequate reserves to cover the receivable for the next three years, the low interest rate of two percent does not provide an incentive to carry the note. In addition, State legislators are recommending that all costs of issuing the bonds be paid for by the State, which provides for a 100% recovery of the receivable.

Budget Action Required if Program Denied: If the City Council chooses not to enter the Program or if the Program does not proceed, the City's Undesignated Fund Balance will fall below 20%, as the \$1,420,887 will be reclassified to a "Designated Fund Balance" account. The required account name is "Loans to Other Agencies." The Benicia Fund Balance Reserve Policy requires the City Council to approve budget appropriations that reduce the Undesignated Fund Balance below 20% by a 4/5ths majority. Should the City Council choose not to enter the Program, the Alternate Resolution attached to this report will need to be adopted by a 4/5ths majority.

Attachments:

- Resolution
- Purchase and Sale Agreement
- Alternate Resolution

RESOLUTION

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE SALE OF THE SELLER'S PROPOSITION 1A RECEIVABLE FROM THE STATE; AND DIRECTING AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, pursuant to Section 25.5 of Article XIII of the California Constitution and Chapter 14XXXX of the California Statutes of 2009 (Assembly Bill No. 15), as amended (the "Act"), certain local agencies within the State of California (the State") are entitled to receive certain payments to be made by the State on or before June 30, 2013, as reimbursement for reductions in the percentage of the total amount of ad valorem property tax revenues allocated to such local agencies during the State's 2009-10 fiscal year (the "Reimbursement Payments"), which reductions have been authorized pursuant to Sections 100.05 and 100.06 of the California Revenue and Taxation Code;

WHEREAS, the City of Benicia, a local agency within the meaning of Section 6585(f) of the California Government Code (the "Seller"), is entitled to and has determined to sell all right, title and interest of the Seller in and to its "Proposition 1A receivable", as defined in Section 6585(g) of the California Government Code (the "Proposition 1A Receivable"), namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code, in order to obtain money to fund public capital improvements or working capital;

WHEREAS, the Seller is authorized to sell or otherwise dispose of its property as the interests of its residents require; **WHEREAS**, the California Statewide Communities Development Authority, a joint exercise of powers authority organized and existing under the laws of the State (the "Purchaser"), has been authorized pursuant to Section 6588(x) of the California Government Code to purchase the Proposition 1A Receivable;

WHEREAS, the Purchaser desires to purchase the Proposition 1A Receivable and the Seller desires to sell the Proposition 1A Receivable pursuant to a purchase and sale agreement by and between the Seller and the Purchaser in the form presented to this City Council (the "Sale Agreement") for the purposes set forth herein;

WHEREAS, in order to finance the purchase price of the Proposition 1A Receivable from the Seller and the purchase price of other Proposition 1A Receivables from other local agencies, the Purchaser will issue its bonds (the "Bonds") pursuant to Section 6590 of the California Government Code and an Indenture (the "Indenture"), by and between the Purchaser and Wells Fargo Bank, National Association, as trustee (the "Trustee"), which Bonds will be payable solely from the proceeds of the Seller's Proposition 1A Receivable and other Proposition 1A Receivables sold to the Purchaser by local agencies in connection with the issuance of the Bonds;

WHEREAS, the Seller acknowledges that (i) any transfer of its Proposition 1A Receivable to the Purchaser pursuant to the Sale Agreement shall be treated as an absolute sale and transfer of the property so transferred and not as a pledge or grant of a security interest by City of Benicia to secure a borrowing, (ii) any such sale of its Proposition 1A Receivable to the Purchaser shall automatically be perfected without the need for physical delivery, recordation, filing or further act, (iii) the provisions of Division 9 (commencing with Section 9101) of the California Commercial Code and Sections 954.5 to 955.1 of the California Civil Code, inclusive, shall not apply to the sale of its Proposition 1A Receivable, and (iv) after such transfer, the Seller shall have no right, title, or interest in or to the Proposition 1A Receivable sold to the Purchaser and the Proposition 1A Receivable will thereafter be owned, received, held and disbursed only by the Purchaser or a trustee or agent appointed by the Purchaser;

WHEREAS, the Seller acknowledges that the Purchaser will grant a security interest in the Proposition 1A Receivable to the Trustee and any credit enhancer to secure payment of the Bonds;

WHEREAS, a portion of the proceeds of the Bonds will be used by the Purchaser to, among other things, pay the purchase price of the Proposition 1A Receivable;

WHEREAS, the Seller will use the proceeds received from the sale of the Proposition 1A Receivable for any lawful purpose as permitted under the applicable laws of the State;

NOW THEREFORE, the City Council of the City of Benicia hereby resolves as follows:

Section 1. All of the recitals set forth above are true and correct, and this City Council hereby so finds and determines.

Section 2. The Seller hereby authorizes the sale of the Proposition 1A Receivable to the Purchaser for a price equal to the amount certified as the Initial Amount (as defined in the Sale Agreement) by the County auditor pursuant to the Act. The form of Sale Agreement presented to the City Council is hereby approved. An Authorized Officer (as set forth in Appendix A of this Resolution, attached hereto and by this reference incorporated herein) is hereby authorized and directed to execute and deliver the Sale Agreement on behalf of the Seller, which shall be in the form presented at this meeting.

Section 3. Any Authorized Officer is hereby authorized and directed to send, or to cause to be sent, an irrevocable written instruction to the State Controller (the "Irrevocable Written Instruction") notifying the State of the sale of the Proposition 1A Receivable and instructing the disbursement pursuant to Section 6588.6(c) of California Government Code of the Proposition 1A Receivable to the Trustee, on behalf of the Purchaser, which Irrevocable Written Instruction shall be in the form presented at this meeting.

Section 4. The Authorized Officers and such other Seller officers, as appropriate, are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, including but not limited to, if required, appropriate escrow instructions relating to the delivery into escrow of executed documents prior to the closing of the

Bonds, and such other documents mentioned in the Sale Agreement or the Indenture, which any of them may deem necessary or desirable in order to implement the Sale Agreement and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution; and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the sale of the Proposition 1A Receivable or the issuance of the Bonds, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, may be given or taken by an Authorized Officer without further authorization by this City Council, and each Authorized Officer is hereby authorized and directed to give any such consent, approval, notice, order or request, to execute any necessary or appropriate documents or amendments, and to take any such action that such Authorized Officer may deem necessary or desirable to further the purposes of this Resolution.

Section 6. The City Council acknowledges that, upon execution and delivery of the Sale Agreement, the Seller is contractually obligated to sell the Proposition 1A Receivable to the purchaser pursuant to the Sale Agreement and the Seller shall not have any option to revoke its approval of the Sale Agreement or to determine not to perform its obligations thereunder.

Section 7. This Resolution shall take effect from and after its adoption and approval.

On motion of _____, seconded by _____,
the above Resolution was introduced and passed by the City Council of the City of Benicia, State
of California at a regular meeting of the Council held on the 20th day of October, 2009 and
adopted by the following vote:

Ayes:

Noes:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

Approved as to form :
SELLER'S COUNSEL

Heather McLaughlin, City Attorney

Date

APPENDIX A
CITY OF BENICIA

Authorized Officers: James R. Erickson, City Manager
Robert Sousa, Finance Director

any designee of any of them, as appointed in a written certificate of such Authorized Officer delivered to the Trustee.

PURCHASE AND SALE AGREEMENT

CITY OF BENICIA, CALIFORNIA,
as Seller

and

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY,
as Purchaser

PURCHASE AND SALE AGREEMENT

Dated as of November 1, 2009

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PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT, dated as of November 1, 2009 (this "Agreement"), is entered into by and between:

(1) CITY OF BENICIA, a local agency of the State of California within the meaning of Section 6585(f) of the California Government Code (the "Seller"); and

(2) CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY, a joint exercise of powers authority organized and existing under the laws of the State of California (the "Purchaser").

RECITALS

A. Pursuant to Section 25.5 of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code, local agencies within the meaning of Section 6585(f) of the California Government Code are entitled to receive certain payments to be made by the State of California (the "State") on or before June 30, 2013, as reimbursement for reductions in the percentage of the total amount of ad valorem property tax revenues allocated to such local agencies during the State's 2009-10 fiscal year, which reductions have been authorized pursuant to Sections 100.05 and 100.06 of the California Revenue and Taxation Code.

B. The Seller is the owner of the Proposition 1A Receivable (as defined below) and is entitled to and has determined to sell all right, title and interest in and to the Proposition 1A receivable, namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code, in order to obtain money to fund any lawful purpose as permitted under the applicable laws of the State.

C. The Seller is authorized to sell or otherwise dispose of its property as the interests of its residents require.

D. The Purchaser, a joint exercise of powers authority organized and existing under the laws of the State, has been authorized pursuant to Section 6588(x) of the California Government Code to purchase the Proposition 1A Receivable.

E. The Seller is willing to sell, and the Purchaser is willing to purchase, the Proposition 1A Receivable upon the terms specified in this Agreement.

F. Pursuant to its Proposition 1A Receivable Financing Program (the "Program"), the Purchaser will issue its bonds (the "Bonds") pursuant to an Indenture (the "Indenture"), between the Purchaser and Wells Fargo Bank, National Association, as trustee (the "Trustee"), and will use a portion of the proceeds thereof to purchase the Proposition 1A Receivable from the Seller.

G. The Purchaser will grant a security interest in such Proposition 1A Receivable to the Trustee and each Credit Enhancer to secure the Bonds.

AGREEMENT

NOW, THEREFORE, in consideration of the above Recitals and the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Definitions and Interpretation.

(a) For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in Exhibit A attached hereto and which is incorporated by reference herein.

(b) The words "hereof," "herein," "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; section and exhibits references contained in this Agreement are references to sections and exhibits in or to this Agreement unless otherwise specified; and the term "including" shall mean "including without limitation."

(c) Any agreement, instrument or statute defined or referred to herein or in any instrument or certificate delivered in connection herewith means such agreement, instrument or statute as from time to time may be amended, modified or supplemented and includes (in the case of agreements or instruments) references to all attachments and exhibits thereto and instruments incorporated therein; and any references to a Person are also to its permitted successors and assigns.

2. Agreement to Sell and Purchase; Conditions Precedent.

(a) The Seller agrees to sell, and the Purchaser agrees to purchase, on the Closing Date, for an amount equal to the Purchase Price, all right, title and interest of the Seller in and to the "Proposition 1A receivable" as defined in Section 6585(g) of the California Government Code (the "Proposition 1A Receivable"), namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code. The Purchase Price shall be paid by the Purchaser to the Seller in two equal cash installment payments, without interest (each, an "Installment Payment" and, collectively, the "Installment Payments"), on January 15, 2010, and May 3, 2010 (each a "Payment Date" and, collectively, the "Payment Dates"). The Purchaser shall pay the Purchase Price by wire transfer pursuant to wire instructions provided by the Seller to the Trustee by e-mail to john.delaray@wellsfargo.com or by facsimile to 213-614-3355, Attention: John Deleray. If wire instructions are not provided to the Trustee (or if such wire instructions are invalid) payment will be made by check mailed to the Seller's Principal Place of Business.

(b) The performance by the Purchaser of its obligations hereunder shall be conditioned upon:

- (i) Transaction Counsel receiving on or before the date the Bonds are sold (the "Pricing Date"), to be held in escrow until the Closing Date and then delivered to the Purchaser on the Closing Date, the following documents

duly executed by the Seller or its counsel, as applicable: (1) an opinion of counsel to the Seller dated the Pricing Date in substantially the form attached hereto as Exhibit B1, (2) certificates dated the Pricing Date in substantially the forms attached hereto as Exhibit C1 and Exhibit C2, (3) irrevocable instructions to the Controller dated as of the Closing Date in substantially the form attached hereto as Exhibit D, (4) this Agreement, (5) a certified copy of the resolution of the Seller's City Council approving this Agreement, the transactions contemplated hereby and the documents attached hereto as exhibits, and (6) an escrow instruction letter in substantially the form attached hereto as Exhibit E;

- (ii) Transaction Counsel receiving on or before the Pricing Date, (1) a bringdown opinion of counsel to the Seller dated as of the Closing Date in substantially the form attached hereto as Exhibit B2, and (2) a bill of sale and bringdown certificate of the Seller (the "Bill of Sale") in substantially the form attached hereto as Exhibit C3; provided that the Purchaser may waive, in its sole discretion, the requirements of Section 2(b)(ii)(1);
- (iii) the Purchaser issuing Bonds in an amount which will be sufficient to pay the Purchase Price; and
- (iv) the receipt by the Purchaser of a certification of the County Auditor confirming the Initial Amount of the Proposition 1A Receivable pursuant to the Act.

(c) The performance by the Seller of its obligations hereunder shall be conditioned solely upon the Purchaser's issuance of the Bonds its execution and delivery of this Agreement, pursuant to which it is legally obligated to pay the Installment Payments to the Seller on the Payment Dates as set forth in this Agreement, and no other act or omission on the part of the Purchaser or any other party shall excuse the Seller from performing its obligations hereunder. Seller specifically disclaims any right to rescind this Agreement, or to assert that title to the Proposition 1A Receivable has not passed to the Purchaser, should Purchaser fail to make Installment Payments in the requisite amounts on the Payment Dates.

3. Purchase Price, Conveyance of Proposition 1A Receivable and Payment of Purchase Price.

(a) Upon pricing of the Bonds by the Purchaser, the Purchaser will inform the Seller that it will pay the Purchase Price in Installment Payments on the Payment Dates.

(b) In consideration of the Purchaser's agreement to pay and deliver to the Seller the Installment Payments on the Payment Dates, the Seller agrees to (i) transfer, grant, bargain, sell, assign, convey, set over and deliver to the Purchaser, absolutely and not as collateral security, without recourse except as expressly provided herein, and the Purchaser agrees to purchase, accept and receive, the Proposition 1A Receivable, and (ii) assign to the Purchaser, to the extent permitted by law, all present or future rights, if any, of the Seller to enforce or cause the enforcement of payment of the Proposition 1A Receivable pursuant to the Act and other

applicable law. Such transfer, grant, bargain, sale, assignment, conveyance, set over and delivery is hereby expressly stated to be a sale and, pursuant to Section 6588.6(b) of the California Government Code, shall be treated as an absolute sale and transfer of the Proposition 1A Receivable, and not as a grant of a security interest by the Seller to secure a borrowing. This is the statement referred to in Sections 6588.6(b) and (c) of the California Government Code.

4. Representations and Warranties of the Purchaser. The Purchaser represents and warrants to the Seller, as of the date hereof, as follows:

(a) The Purchaser is duly organized, validly existing and in good standing under the laws of the State of California.

(b) The Purchaser has full power and authority to enter into this Agreement and to perform its obligations hereunder and has duly authorized such purchase and assignment of the Proposition 1A Receivable by the Purchaser by all necessary action.

(c) Neither the execution and delivery by the Purchaser of this Agreement, nor the performance by the Purchaser of its obligations hereunder, shall conflict with or result in a breach or default under any of its organizational documents, any law, rule, regulation, judgment, order or decree to which it is subject or any agreement or instrument to which it is a party.

(d) To the best of the knowledge of the Purchaser, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or threatened in any way against the Purchaser affecting the existence of the Purchaser or the titles of its commissioners or officers, or seeking to restrain or to enjoin the purchase of the Proposition 1A Receivable or to direct the application of the proceeds of the purchase thereof, or in any way contesting or affecting the validity or enforceability of any of the Transaction Documents or any other applicable agreements or any action of the Purchaser contemplated by any of said documents, or in any way contesting the powers of the Purchaser or its authority with respect to the Transaction Documents to which it is a party or any other applicable agreement, or any action on the part of the Purchaser contemplated by the Transaction Documents, or in any way seeking to enjoin or restrain the Purchaser from purchasing the Proposition 1A Receivable or which if determined adversely to the Purchaser would have an adverse effect upon the Purchaser's ability to purchase the Proposition 1A Receivable, nor to the knowledge of the Purchaser is there any basis therefor.

(e) This Agreement, and its execution, delivery and performance hereof have been duly authorized by it, and this Agreement has been duly executed and delivered by it and constitutes its valid and binding obligation enforceable against it in accordance with the terms hereof, subject to the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally or the application of equitable principles in any proceeding, whether at law or in equity.

(f) The Purchaser is a separate legal entity, acting solely through its authorized representatives, from the Seller, maintaining separate records, books of account, assets, bank accounts and funds, which are not and have not been commingled with those of the Seller.

(g) All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would adversely affect, the purchase by the Purchaser of the Proposition 1A Receivable or the performance by the Purchaser of its obligations under the Transaction Documents to which it is a party and any other applicable agreements, have been obtained and are in full force and effect.

(h) Insofar as it would materially adversely affect the Purchaser's ability to enter into, carry out and perform its obligations under any or all of the Transaction Documents to which it is a party, or consummate the transactions contemplated by the same, the Purchaser is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or to which it or any of its property or assets is otherwise subject, and, to the best of the knowledge of the Purchaser, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, and the execution and delivery by the Purchaser of the Transaction Documents to which it is a party, and compliance by the Purchaser with the provisions thereof, under the circumstances contemplated thereby, do not and will not conflict with or constitute on the part of the Purchaser a breach of or default under any agreement or other instrument to which the Purchaser is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Purchaser is subject.

5. Representations and Warranties of the Seller. The Seller hereby represents and warrants to the Purchaser, as of the date hereof, as follows:

(a) The Seller is a local agency within the meaning of Section 6585(f) of the California Government Code, with full power and authority to execute and deliver this Agreement and to carry out its terms.

(b) The Seller has full power, authority and legal right to sell and assign the Proposition 1A Receivable to the Purchaser and has duly authorized such sale and assignment to the Purchaser by all necessary action; and the execution, delivery and performance by the Seller of this Agreement has been duly authorized by the Seller by all necessary action.

(c) This Agreement has been, and as of the Closing Date the Bill of Sale will have been, duly executed and delivered by the Seller and, assuming the due authorization, execution and delivery of this Agreement by the Purchaser, each of this Agreement and the Bill of Sale constitutes a legal, valid and binding obligation of the Seller enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws relating to or affecting creditors' rights generally or the application of equitable principles in any proceeding, whether at law or in equity.

(d) All approvals, consents, authorizations, elections and orders of or filings or registrations with any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would adversely affect, the sale by the Seller of the Proposition 1A Receivable or the performance by the Seller of its

obligations under the Resolution and the Transaction Documents to which it is a party and any other applicable agreements, have been obtained and are in full force and effect.

(e) Insofar as it would materially adversely affect the Seller's ability to enter into, carry out and perform its obligations under any or all of the Transaction Documents to which it is a party, or consummate the transactions contemplated by the same, the Seller is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which it is a party or to which it or any of its property or assets is otherwise subject, and, to the best of the knowledge of the Seller, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, and the adoption of the Resolution and the execution and delivery by the Seller of the Transaction Documents to which it is a party, and compliance by the Seller with the provisions thereof, under the circumstances contemplated thereby, do not and will not conflict with or constitute on the part of the Seller a breach of or default under any agreement or other instrument to which the Seller is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Seller is subject.

(f) To the best of the knowledge of the Seller, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or threatened in any way against the Seller affecting the existence of the Seller or the titles of its City Council members or officers to their respective offices, or seeking to restrain or to enjoin the sale of the Proposition 1A Receivable or to direct the application of the proceeds of the sale thereof, or in any way contesting or affecting the validity or enforceability of any of the Transaction Documents or any other applicable agreements or any action of the Seller contemplated by any of said documents, or in any way contesting the powers of the Seller or its authority with respect to the Resolution or the Transaction Documents to which it is a party or any other applicable agreement, or any action on the part of the Seller contemplated by the Transaction Documents, or in any way seeking to enjoin or restrain the Seller from selling the Proposition 1A Receivable or which if determined adversely to the Seller would have an adverse effect upon the Seller's ability to sell the Proposition 1A Receivable, nor to the knowledge of the Seller is there any basis therefor.

(g) Prior to the sale of the Proposition 1A Receivable to the Purchaser, the Seller was the sole owner of the Proposition 1A Receivable, and has such right, title and interest to the Proposition 1A Receivable as provided in the Act. From and after the conveyance of the Proposition 1A Receivable by the Seller to Purchaser on the Closing Date, the Seller shall have no right, title or interest in or to the Proposition 1A Receivable. Except as provided in this Agreement, the Seller has not sold, transferred, assigned, set over or otherwise conveyed any right, title or interest of any kind whatsoever in all or any portion of the Proposition 1A Receivable, nor has the Seller created, or to the best knowledge of the Seller permitted the creation of, any lien, pledge, security interest or any other encumbrance (a "Lien") thereon. Prior to the sale of the Proposition 1A Receivable to the Purchaser, the Seller held title to the Proposition 1A Receivable free and clear of any Liens. As of the Closing Date, this Agreement, together with the Bill of Sale, constitutes a valid and absolute sale to the Buyer of all of the Seller's right, title and interest in and to the Proposition 1A Receivable.

(h) The Seller acts solely through its authorized officers or agents.

(i) The Seller maintains records and books of account separate from those of the Purchaser.

(j) The Seller maintains its respective assets separately from the assets of the Purchaser (including through the maintenance of separate bank accounts); the Seller's funds and assets, and records relating thereto, have not been and are not commingled with those of the Purchaser.

(k) The Seller's principal place of business and chief executive office is located at 250 East E Street, Benicia, CA 94510.

(l) The aggregate amount of the Installment Payments is reasonably equivalent value for the Proposition 1A Receivable. The Seller acknowledges that the amount payable to or on behalf of the Purchaser by the State with respect to the Proposition 1A Receivable will be in excess of the Purchase Price and the Initial Amount of the Proposition 1A Receivable and confirms that it has no claim to any such excess amount whatsoever.

(m) The Seller does not act as an agent of the Purchaser in any capacity, but instead presents itself to the public as an entity separate from the Purchaser.

(n) The Seller has not guaranteed and shall not guarantee the obligations of the Purchaser, nor shall it hold itself out or permit itself to be held out as having agreed to pay or as being liable for the debts of the Purchaser; and the Seller has not received nor shall the Seller accept any credit or financing from any Person who is relying upon the availability of the assets of the Purchaser in extending such credit or financing. The Seller has not purchased and shall not purchase any of the Bonds or any interest therein.

(o) All transactions between or among the Seller, on the one hand, and the Purchaser on the other hand (including, without limitation, transactions governed by contracts for services and facilities, such as payroll, purchasing, accounting, legal and personnel services and office space), whether existing on the date hereof or entered into after the date hereof, shall be on terms and conditions (including, without limitation, terms relating to amounts to be paid thereunder) which are believed by each such party thereto to be both fair and reasonable and comparable to those available on an arms-length basis from Persons who are not affiliates.

(p) The Seller has not, under the provisions of Section 100.06(b) of the California Revenue and Taxation Code, received a reduction for hardship or otherwise, nor has it requested, made arrangements for, or completed a reallocation or exchange with any other local agency, of the total amount of the ad valorem property tax revenue reduction allocated to the Seller pursuant to Section 100.06(a) of the California Revenue and Taxation Code.

6. Covenants of the Seller.

(a) The Seller shall not take any action or omit to take any action which adversely affects the interests of the Purchaser in the Proposition 1A Receivable and in the proceeds thereof. The Seller shall not take any action or omit to take any action that shall adversely affect

the ability of the Purchaser, and any assignee of the Purchaser, to receive payments of the Proposition 1A Receivable.

(b) The Seller shall not take any action or omit to take any action that would impair the validity or effectiveness of the Act, nor, without the prior written consent of the Purchaser or its assignees, agree to any amendment, modification, termination, waiver or surrender of, the terms of the Act, or waive timely performance or observance under the Act. Nothing in this agreement shall impose a duty on the Seller to seek to enforce the Act or to seek enforcement thereof by others, or to prevent others from modifying, terminating, discharging or impairing the validity or effectiveness of the Act.

(c) Upon request of the Purchaser or its assignee, (i) the Seller shall execute and deliver such further instruments and do such further acts (including being named as a plaintiff in an appropriate proceeding) as may be reasonably necessary or proper to carry out more effectively the purposes and intent of this Agreement and the Act, and (ii) the Seller shall take all actions necessary to preserve, maintain and protect the title of the Purchaser to the Proposition 1A Receivable.

(d) On or before the Closing Date, the Seller shall send (or cause to be sent) an irrevocable instruction to the Controller pursuant to Section 6588.6(c) of California Government Code to cause the Controller to disburse all payments of the Proposition 1A Receivable to the Trustee, together with notice of the sale of the Proposition 1A Receivable to the Purchaser and the assignment of all or a portion of such assets by the Purchaser to the Trustee. Such notice and instructions shall be in the form of Exhibit D hereto. The Seller shall not take any action to revoke or which would have the effect of revoking, in whole or in part, such instructions to the Controller. Upon sending such irrevocable instruction, the Seller shall have relinquished and waived any control over the Proposition 1A Receivable, any authority to collect the Proposition 1A Receivable, and any power to revoke or amend the instructions to the Controller contemplated by this paragraph. Except as provided in Section 2(c) of this Agreement, the Seller shall not rescind, amend or modify the instruction described in the first sentence of this paragraph. The Seller shall cooperate with the Purchaser or its assignee in giving instructions to the Controller if the Purchaser or its assignee transfers the Proposition 1A Receivable. In the event that the Seller receives any proceeds of the Proposition 1A Receivable, the Seller shall hold the same in trust for the benefit of the Purchaser and the Trustee and each Credit Enhancer, as assignees of the Purchaser, and shall promptly remit the same to the Trustee.

(e) The Seller hereby covenants and agrees that it will not at any time institute against the Purchaser, or join in instituting against the Purchaser, any bankruptcy, reorganization, arrangement, insolvency, liquidation, or similar proceeding under any United States or state bankruptcy or similar law.

(f) The financial statements and books and records of the Seller prepared after the Closing Date shall reflect the separate existence of the Purchaser and the sale to the Purchaser of the Proposition 1A Receivable.

(g) The Seller shall treat the sale of the Proposition 1A Receivable as a sale for regulatory and accounting purposes.

(h) From and after the date of this Agreement, the Seller shall not sell, transfer, assign, set over or otherwise convey any right, title or interest of any kind whatsoever in all or any portion of the Proposition 1A Receivable, nor shall the Seller create, or to the knowledge of the Seller permit the creation of, any Lien thereon.

7. The Purchaser's Acknowledgment. The Purchaser acknowledges that the Proposition 1A Receivable is not a debt or liability of the Seller, and that the Proposition 1A Receivable is payable solely by the State from the funds of the State provided therefor. Consequently, neither the taxing power of the Seller, nor the full faith and credit thereof is pledged to the payment of the Proposition 1A Receivable. No representation is made by the Seller concerning the obligation or ability of the State to make any payment of the Proposition 1A Receivable pursuant to Section 100.06 of the Revenue and Taxation Code and Section 25.5 of Article XIII of the California Constitution, nor is any representation made with respect to the ability of the State to enact any change in the law applicable to the Transaction Documents (including without limitation Section 100.06 of the Revenue and Taxation Code or Section 6588.6 of the Government Code). The Purchaser acknowledges that the Seller has no obligation with respect to any offering document or disclosure related to the Bonds.

8. Notices of Breach.

(a) Upon discovery by the Seller or the Purchaser that the Seller or Purchaser has breached any of its covenants or that any of the representations or warranties of the Seller or the Purchaser are materially false or misleading, in a manner that materially and adversely affects the value of the Proposition 1A Receivable or the Purchase Price thereof, the discovering party shall give prompt written notice thereof to the other party and to the Trustee, as assignee of the Purchaser, who shall, pursuant to the Indenture, promptly thereafter notify each Credit Enhancer and the Rating Agencies.

(b) The Seller shall not be liable to the Purchaser, the Trustee, the holders of the Bonds, or any Credit Enhancer for any loss, cost or expense resulting from the failure of the Trustee, any Credit Enhancer or the Purchaser to promptly notify the Seller upon the discovery by an authorized officer of the Trustee, any Credit Enhancer or the Purchaser of a breach of any covenant or any materially false or misleading representation or warranty contained herein.

9. Liability of Seller; Indemnification. The Seller shall be liable in accordance herewith only to the extent of the obligations specifically undertaken by the Seller under this Agreement. The Seller shall indemnify, defend and hold harmless the Purchaser, the Trustee and each Credit Enhancer, as assignees of the Purchaser, and their respective officers, directors, employees and agents from and against any and all costs, expenses, losses, claims, damages and liabilities to the extent that such cost, expense, loss, claim, damage or liability arose out of, or was imposed upon any such Person by the Seller's breach of any of its covenants contained herein or any materially false or misleading representation or warranty of the Seller contained herein. Notwithstanding anything to the contrary herein, the Seller shall have no liability for the payment of the principal of or interest on the Bonds issued by the Purchaser.

10. Limitation on Liability.

(a) The Seller and any officer or employee or agent of the Seller may rely in good faith on the advice of counsel or on any document of any kind, prima facie properly executed and submitted by any Person respecting any matters arising hereunder. The Seller shall not be under any obligation to appear in, prosecute or defend any legal action regarding the Act that is unrelated to its specific obligations under this Agreement.

(b) No officer or employee of the Seller shall have any liability for the representations, warranties, covenants, agreements or other obligations of the Seller hereunder or in any of the certificates, notices or agreements delivered pursuant hereto, as to all of which recourse shall be had solely to the assets of the Seller.

11. The Seller's Acknowledgment. The Seller hereby agrees and acknowledges that the Purchaser intends to assign and grant a security interest in all or a portion of (a) its rights hereunder and (b) the Proposition IA Receivable, to the Trustee and each Credit Enhancer pursuant to the Indenture. The Seller further agrees and acknowledges that the Trustee, the holders of the Bonds, and each Credit Enhancer have relied and shall continue to rely upon each of the foregoing representations, warranties and covenants, and further agrees that such Persons are entitled so to rely thereon. Each of the above representations, warranties and covenants shall survive any assignment and grant of a security interest in all or a portion of this Agreement or the Proposition IA Receivable to the Trustee and each Credit Enhancer and shall continue in full force and effect, notwithstanding any subsequent termination of this Agreement and the other Transaction Documents. The above representations, warranties and covenants shall inure to the benefit of the Trustee and each Credit Enhancer.

12. Notices. All demands upon or, notices and communications to, the Seller, the Purchaser, the Trustee or the Rating Agencies under this Agreement shall be in writing, personally delivered or mailed by certified mail, return receipt requested, to such party at the appropriate notice address, and shall be deemed to have been duly given upon receipt.

13. Amendments. This Agreement may be amended by the Seller and the Purchaser, with (a) the consent of the Trustee, (b) the consent of each Credit Enhancer, and (c) a Rating Agency Confirmation, but without the consent of any of the holders of the Bonds, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement.

Promptly after the execution of any such amendment, the Purchaser shall furnish written notification of the substance of such amendment to the Trustee and to the Rating Agencies.

14. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Seller, the Purchaser and their respective successors and permitted assigns. The Seller may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Purchaser. Except as specified herein, the Purchaser may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Seller.

15. Third Party Rights. The Trustee and each Credit Enhancer are express and intended third party beneficiaries under this Agreement. Nothing expressed in or to be implied from this Agreement is intended to give, or shall be construed to give, any Person, other than the parties hereto, the Trustee, and each Credit Enhancer, and their permitted successors and assigns hereunder, any benefit or legal or equitable right, remedy or claim under or by virtue of this Agreement or under or by virtue of any provision herein.

16. Partial Invalidity. If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

17. Counterparts. This Agreement may be executed in any number of identical counterparts, any set of which signed by all the parties hereto shall be deemed to constitute a complete, executed original for all purposes.

18. Entire Agreement. This Agreement sets forth the entire understanding and agreement of the parties with respect to the subject matter hereof and supersedes any and all oral or written agreements or understandings between the parties as to the subject matter hereof.

19. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the Seller and the Purchaser have caused this Agreement to be duly executed as of the date first written above.

CITY OF BENICIA, as Seller

By: _____
Authorized Officer

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY, as Purchaser

By: _____
Authorized Signatory

**EXHIBIT A
DEFINITIONS**

For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires, capitalized terms not otherwise defined herein shall have the meanings set forth below.

“Act” means Chapter 14XXXX of the California Statutes of 2009 (Assembly Bill No. 15), as amended.

“Bill of Sale” has the meaning given to that term in Section 2(b)(ii) hereof.

“Closing Date” means the date on which the Bonds are issued. The Closing Date is expected to be November 19, 2009, but the Purchaser may change the Closing Date by providing e-mail notification to rob.sousa@ci.benicia.ca.us not later than one day prior to the Closing Date.

“Controller” means the Controller of the State.

“County Auditor” means the auditor or auditor-controller of the county within which the Seller is located.

“Credit Enhancer” means any municipal bond insurance company, bank or other financial institution or organization which is performing in all material respects its obligations under any Credit Support Instrument for some or all of the Bonds.

“Credit Support Instrument” means a policy of insurance, a letter of credit, a stand-by purchase agreement, a revolving credit agreement or other credit arrangement pursuant to which a Credit Enhancer provides credit or liquidity support with respect to the payment of interest, principal or purchase price of the Bonds.

“Initial Amount” means, with respect to the Proposition 1A Receivable, the amount of property tax revenue reallocated away from the Seller pursuant to the provisions of Section 100.06 of the Revenue and Taxation Code, as certified by the County Auditor pursuant to the Act.

“Installment Payments” have the meaning set forth in Section 2(a).

“Payment Dates” have the meaning set forth in Section 2(a).

“Pricing Date” means the date on which the Bonds are sold. The Pricing Date is expected to be November 10, 2009, but the Purchaser may change the Pricing Date by providing e-mail notification to rob.sousa@ci.benicia.ca.us not later than one day prior to the Pricing Date.

“Principal Place of Business” means, with respect to the Seller, the location of the Seller’s principal place of business and chief executive office located at [250 East L Street, Benicia, CA 94510](#).

“Proposition 1A Receivable” has the meaning set forth in Section 2(a).

“Purchase Price” means an amount equal to the Initial Amount.

“Rating Agency” means any nationally recognized rating agency then providing or maintaining a rating on the Bonds at the request of the Purchaser.

“Rating Agency Confirmation” means written confirmation from each Rating Agency that any proposed action will not, in and of itself, cause the Rating Agency to lower, suspend or withdraw the rating then assigned by such Rating Agency to any Bonds.

“Resolution” means the resolution adopted by the City Council approving the sale of the Proposition 1A Receivable.

“State” means the State of California.

“Transaction Counsel” means Orrick, Herrington & Sutcliffe LLP.

“Transaction Documents” mean this Agreement, the Bill of Sale, the Indenture, the Bonds and the Irrevocable Instructions For Disbursement of Proposition 1A Receivable of City of Benicia, dated as of the Closing Date.

OPINION OF COUNSEL
to
CITY OF BENICIA

Dated: Pricing Date

California Statewide Communities Development Authority
Sacramento, California

Wells Fargo Bank, National Association
Los Angeles, California

Re: Sale of Proposition 1A Receivable

Ladies & Gentlemen:

[I have/This Office has] acted as counsel for the City of Benicia (the "Seller") in connection with the adoption of that certain resolution (the "Resolution") of the City Council of the Seller (the "Governing Body") pursuant to which the Seller authorized the sale to the California Statewide Communities Development Authority (the "Purchaser") of the Seller's "Proposition 1A Receivable", as defined in and pursuant to the Purchase and Sale Agreement dated as of November 1, 2009 (the "Sale Agreement") between the Seller and the Purchaser. In connection with these transactions, the Seller has issued certain Irrevocable Instructions For Disbursement of the Seller's Proposition 1A Receivable to the Controller of the State of California (the "Disbursement Instructions") and a Bill of Sale and Bringdown Certificate of the Seller (the "Bill of Sale" and, collectively with the Sale Agreement and the Disbursement Instructions, the "Seller Documents").

Unless the context otherwise requires, capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Sale Agreement. [I/We] have examined and are familiar with the Seller Documents and with those documents relating to the existence, organization, and operation of the Seller, the adoption of the Resolution, and the execution of the Seller Documents, and have satisfied ourselves as to such other matters as [I/we] deem necessary in order to render the following opinions. As to paragraphs numbered 3 and 4 below, [I/we] have relied as to factual matters on the representations and warranties of the Seller contained in the Sale Agreement.

Based upon the foregoing, and subject to the limitations and qualifications set forth herein, [I/we] are of the opinion that:

1. The Seller is a local agency, within the meaning of Section 6585(f) of the California Government Code. The Governing Body is the governing body of the Seller.

2. The Resolution was duly adopted at a meeting of the Governing Body, which was called and held pursuant to law and with all public notice required by law, and at which a quorum was present and acting throughout, and the Resolution is in full force and effect and has not been modified, amended or rescinded since the date of its adoption.

3. To the best of [my/our] knowledge, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, is pending or threatened in any way against the Seller (i) affecting the existence of the Seller or the titles of its Governing Body members or officers to their respective offices; (ii) seeking to restrain or to enjoin the sale of the Proposition 1A Receivable or to direct the application of the proceeds of the sale thereof, or materially adversely affecting the sale of the Proposition 1A Receivable; (iii) in any way contesting or affecting the validity or enforceability of the Resolution, Seller Documents or any other applicable agreements or any action of the Seller contemplated by any of said documents; or (iv) in any way contesting the powers of the Seller or its authority with respect to the Resolution or the Seller Documents or any other applicable agreement, or any action on the part of the Seller contemplated by any of said documents.

4. To the best of [my/our] knowledge, prior to the sale of the Proposition 1A Receivable to the Purchaser, the Seller had not sold, transferred, assigned, set over or otherwise conveyed any right, title or interest of any kind whatsoever in all or any portion of the Seller's Proposition 1A Receivable, nor had the Seller created, or permitted the creation of, any Lien thereon.

5. The Seller has duly authorized and executed the Seller Documents and, assuming the due authorization execution and delivery of the Sale Agreement by the Purchaser, each Seller Document will be legal, valid and binding against the Seller and enforceable against the Seller in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or laws relating to or affecting creditors' rights, and the application of equitable principles and the exercise of judicial discretion in appropriate areas.

No opinion is expressed concerning the obligation or ability of the State of California to make any payment of the Proposition 1A Receivable pursuant to Section 100.06 of the Revenue and Taxation Code and Section 25.5 of Article XIII of the California Constitution, nor is any opinion expressed with respect to the ability of the State to enact any change in the law applicable to the Seller Documents (including, without limitation, Section 100.06 of the Revenue and Taxation Code or Section 6588.6 of the Government Code). Furthermore, [I/we] express no opinion as to the value of the Proposition 1A Receivable or as to any legal or equitable remedies that may be available to any person should the Proposition 1A Receivable have little or no value. No opinion is expressed with respect to the sale of Bonds by the Purchaser.

The legal opinion set forth herein is intended for the information solely of the addressees hereof and for the purposes contemplated by the Sale Agreement. The addressees may not rely on it in connection with any transactions other than those described herein, and it is not to be relied upon by any other person or entity, or for any other purpose, or quoted as a whole or in part, or otherwise referred to, in any document, or to be filed with any governmental or administrative agency other than the Purchaser or with any other person or entity for any purpose without [my/our] prior written consent. In addition to the addressees hereof, each Credit Enhancer and the underwriters of the Bonds may rely upon this legal opinion as if it were addressed to them. [I/We] do not undertake to advise you of matters that may come to [my/our] attention subsequent to the date hereof that may affect the opinions expressed herein.

Very truly yours,

By: _____
Seller's Counsel

OPINION OF COUNSEL
to
CITY OF BENICIA

Dated: Closing Date

California Statewide Communities Development Authority
Sacramento, California

Wells Fargo Bank, National Association
Los Angeles, California

Re: Sale of Proposition 1A Receivable (Bringdown Opinion)

Ladies & Gentlemen:

Pursuant to that certain Purchase and Sale Agreement dated as of November 1, 2009 (the "Sale Agreement") between the **City of Benicia** (the "Seller") and the California Statewide Communities Development Authority (the "Purchaser"), this Office delivered an opinion (the "Opinion") dated the Pricing Date as counsel for the Seller in connection with the sale of the Seller's Proposition 1A Receivable (as defined in the Sale Agreement), the execution of documents related thereto and certain other related matters.

Capitalized terms used but not defined herein shall have the meanings given to such terms in the Sale Agreement.

I confirm that you may continue to rely upon the Opinion as if it were dated as of the date hereof. Each Credit Enhancer and the underwriters of the Bonds may rely upon this legal opinion as if it were addressed to them. This letter is delivered to you pursuant to Section 2(b)(ii)(1) of the Sale Agreement.

Very truly yours,

By: _____
Seller's Counsel

EXHIBIT C1
CLERK'S CERTIFICATE

CERTIFICATE OF THE
CITY CLERK OF
CITY OF BENICIA, CALIFORNIA

Dated: Pricing Date

The undersigned City Clerk of the City of Benicia (the "Seller"), a local agency of the State of California within the meaning of Section 6585(f) of the California Government Code, does hereby certify that the foregoing is a full, true and correct copy of Resolution No. _____ duly adopted at a regular meeting of the City Council of said Seller duly and legally held at the regular meeting place thereof on the _____ day of _____, 2009, of which meeting all of the members of said City Council had due notice and at which a quorum was present and acting throughout, and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

I do hereby further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office and that said resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes and that said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

I do hereby further certify that an agenda of said meeting was posted at least 72 hours before said meeting at a location in the City of Benicia, California freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

Capitalized terms used but not defined herein shall have the meanings given to such terms in the Purchase and Sale Agreement, dated as of November 1, 2009, between the Seller and the California Statewide Communities Development Authority.

WITNESS by my hand as of the Pricing Date.

By:

City Clerk of the City of Benicia,
California

SELLER CERTIFICATE

Dated: Pricing Date

We, the undersigned officers of the City of Benicia (the "Seller"), a local agency of the State of California within the meaning of Section 6585(f) of the California Government Code, holding the respective offices herein below set opposite our signatures, do hereby certify that on the date hereof the following documents (the "Seller Transaction Documents") were officially executed and delivered by the Authorized Officer or Officers whose names appear on the executed copies thereof, to wit:

Document

1. Purchase and Sale Agreement, dated as of November 1, 2009 (the "Sale Agreement"), between the Seller and the California Statewide Communities Development Authority (the "Purchaser").
2. Irrevocable Instructions For Disbursement of Seller's Proposition 1A Receivable to the Controller of the State of California, dated the Closing Date.
3. Bill of Sale, dated the Closing Date.

Capitalized terms used herein and not defined herein shall have the meaning given such terms in the Sale Agreement.

We further certify as follows:

1. At the time of signing the Seller Transaction Documents and the other documents and opinions related thereto, we held said offices, respectively, and we now hold the same.
2. The representations and warranties of the Seller contained in the Seller Transaction Documents are true and correct as of the date hereof in all material respects.
3. The City Council duly adopted its resolution (the "Resolution") approving the sale of the Seller's Proposition 1A Receivable at a meeting of the City Council which was duly called and held pursuant to law with all public notice required by law and at which a quorum was present and acting when the Resolution was adopted, and such Resolution is in full force and effect and has not been amended, modified, supplemented or rescinded.

Name, Official Title _____

Signature

James R. Erickson, City Manager

Robert Sousa, Finance Director

I HEREBY CERTIFY that the signatures of the officers named above are genuine.

Dated: Pricing Date

By: _____
City Clerk of the City of Benicia,
California

EXHIBIT C3
BILL OF SALE AND BRINGDOWN CERTIFICATE

BILL OF SALE AND BRINGDOWN CERTIFICATE

Pursuant to terms and conditions of the Purchase and Sale Agreement (the "Sale Agreement"), dated as of November 1, 2009, between the undersigned (the "Seller") and the California Statewide Communities Development Authority (the "Purchaser"), and in consideration of the obligation of the Purchaser to pay and deliver to the Seller the Purchase Price (as defined in the Sale Agreement), in two equal installment payments to be made on January 15, 2010, and May 3, 2010 (collectively, the "Payment Dates"), the Seller does hereby (a) transfer, grant, bargain, sell, assign, convey, set over and deliver to the Purchaser, absolutely and not as collateral security, without recourse except as expressly provided in the Sale Agreement, the Proposition 1A Receivable as defined in the Sale Agreement (the "Proposition 1A Receivable"), and (b) assign to the Purchaser, to the extent permitted by law (as to which no representation is made), all present or future rights, if any, of the Seller to enforce or cause the enforcement of payment of the Proposition 1A Receivable pursuant to the Act and other applicable law. Such transfer, grant, bargain, sale, assignment, conveyance, set over and delivery is hereby expressly stated to be a sale and, pursuant to Section 6588.6(b) of the California Government Code, shall be treated as an absolute sale and transfer of the Proposition 1A Receivable, and not as a grant of a security interest by the Seller to secure a borrowing. Seller specifically disclaims any right to rescind the Agreement, or to assert that title to the Proposition 1A Receivable has not passed to the Purchaser, should Purchaser fail to make the installment payments in the requisite amounts on the Payment Dates.

The Seller hereby certifies that the representations and warranties of the Seller set forth in the Certificate of the City Clerk dated the Pricing Date, the Seller Certificate dated the Pricing Date and in the Transaction Documents to which the Seller is a party are true and correct in all material respects as of the date hereof (except for such representations and warranties made as of a specified date, which are true and correct as of such date). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Sale Agreement.

Dated: Closing Date

CITY OF BENICIA

By: _____
Authorized Officer

EXHIBIT D
IRREVOCABLE INSTRUCTIONS TO CONTROLLER

IRREVOCABLE INSTRUCTIONS FOR DISBURSEMENT
OF PROPOSITION 1A RECEIVABLE OF
CITY OF BENICIA

Dated: Closing Date

Office of the Controller
State of California
P.O. Box 942850
Sacramento, California 94250-5872

Re: Notice of Sale of Proposition 1A Receivable by the **City of Benicia** and
Wiring Instructions Information Form

Dear Sir or Madam:

Pursuant to Section 6588.6(c) of the California Government Code, **City of Benicia** (the "Seller") hereby notifies you of the sale by Seller, effective as of the date of these instructions written above, of all right, title and interest of the Seller in and to the "Proposition 1A Receivable" as defined in Section 6585(g) of the California Government Code (the "Proposition 1A Receivable"), namely, the right to payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code.

By resolution, the Seller's **City Council** authorized the sale of the Proposition 1A Receivable to the California Statewide Communities Development Authority (the "Purchaser") pursuant to a Purchase and Sale Agreement, dated as of November 1, 2009 (the "Purchase and Sale Agreement") and a Bill of Sale, dated the Closing Date (as defined in the Purchase and Sale Agreement). The Proposition 1A Receivable has been pledged and assigned by the Purchaser pursuant to an Indenture, dated as of November 1, 2009 (the "Indenture") between the Purchaser and Wells Fargo Bank, National Association, as Trustee (the "Trustee").

The Seller hereby irrevocably requests and directs that, commencing as of the date of these instructions written above, all payments of the Proposition 1A Receivable (and documentation related thereto) be made directly to Wells Fargo Bank, National Association, as Trustee, in accordance with the wire instructions and bank routing information set forth below.

Please note that the sale of the Proposition 1A Receivable by the Seller is irrevocable and that: (i) the Seller has no power to revoke or amend these instructions at any time; (ii) the Purchaser shall have the power to revoke or amend these instructions only if there are no notes of the Purchaser outstanding under the Indenture and the Indenture has been discharged; and (iii) so long as the Indenture has not been discharged, these instructions cannot be revoked or amended by the Purchaser without the consent of the Trustee. Should

the Purchaser, however, deliver a written notice to the Office of the Controller stating that: (a) the Seller failed to meet the requirements set forth in the Purchase and Sale Agreement; (b) the Purchaser has not waived such requirements; and (c) the Purchaser has not purchased the Proposition 1A Receivable as a result of the circumstances described in (a) and (b) above, then these instructions shall be automatically rescinded and the Seller shall again be entitled to receive all payment of moneys due or to become due to the Seller pursuant to Section 25.5(a)(1)(B)(iii) of Article XIII of the California Constitution and Section 100.06 of the California Revenue and Taxation Code.

Bank Name: Wells Fargo Bank, N.A.
Bank ABA Routing #: 121000248
Bank Account #: 0001038377
Bank Account Name: Corporate Trust Clearing
Further Credit To: CSCDA Proposition 1A Bonds
Bank Address: 707 Wilshire Blvd., 17th Floor
MAC E2818-176
Los Angeles, CA 90017
Bank Telephone #: (213) 614-3353
Bank Contact Person: Robert Schneider

Please do not hesitate to call the undersigned if you have any questions regarding this transaction. Thank you for your assistance in this matter.

Very truly yours,

CITY OF BENICIA

By: _____
Authorized Officer

EXHIBIT E
ESCROW INSTRUCTION LETTER

ESCROW INSTRUCTION LETTER

_____, 2009

California Statewide Communities Development Authority
1100 K Street
Sacramento, CA 95814

Re: Proposition 1A Receivable Financing

Dear Sir or Madam:

The City of Benicia (the "Seller") hereby notifies you of its agreement to participate in the California Statewide Communities Development Authority Proposition 1A Receivable Financing. By adoption of a resolution (the "Resolution") authorizing the sale of its Proposition 1A Receivable, the Seller's City Council has agreed to sell to the California Statewide Communities Development Authority (the "Purchaser"), for a purchase price that meets the conditions set forth in the Resolution, all of its right, title and interest in the Proposition 1A Receivable.

Enclosed herewith are the following documents which have been duly approved and executed by the Seller and which are to be held in escrow by Orrick, Herrington & Sutcliffe LLP, as transaction counsel ("Transaction Counsel"), as instructed below:

1. certified copy of the Resolution, together with a certificate of the City Clerk, dated the Pricing Date;
2. the Seller Certificate, dated the Pricing Date;
3. the Opinion of Seller's Counsel, dated the Pricing Date;
4. the Opinion of Seller's Counsel (bringdown opinion), dated the Closing Date;
5. the Purchase and Sale Agreement, dated as of November 1, 2009;
6. the Bill of Sale and Bringdown Certificate, dated the Closing Date; and
7. the Irrevocable Instructions to Controller, dated the Closing Date.

The foregoing documents are to be held in escrow by Transaction Counsel and shall be delivered on the Closing Date (as defined in the Purchase and Sale Agreement), provided that such Closing Date occurs on or before December 31, 2009.

Should (i) the Closing Date not occur on or before December 31, 2009, or (ii) Transaction Counsel receive prior to the Closing Date written notification from Seller or Seller's Counsel stating, respectively and in good faith, that the representations made in the Seller's Certificate are not true and accurate, or the opinions set forth in the Opinion of Seller's Counsel are not valid, in each case as of the Closing Date and provided that the Purchaser may, in its sole discretion, choose to waive receipt of such representations or opinions, then this agreement shall terminate and Transaction Counsel shall destroy all of the enclosed documents.

Very truly yours,

CITY OF BENICIA

By: _____
Authorized Officer

Enclosures

cc: Orrick, Herrington & Sutcliffe LLP

ALTERNATE RESOLUTION

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING THE APPROPRIATION OF UNDESIGNATED RESERVES BELOW THE 20% MINIMUM ESTABLISHED BY THE FUND BALANCE RESERVE POLICY

WHEREAS, the City Council approved the General Fund Municipal Budget for Fiscal Year 2009-2011 on June 30, 2009; and

WHEREAS, the emergency suspension of Proposition 1A was passed by the Legislature and signed by the Governor on July 28, 2009, as ABX4 14 and ABX4 15 as part of the 2009-10 budget package; and

WHEREAS, the suspension provisions allow the State to borrow 8% of the amount of property tax revenue apportioned to cities, counties and special districts, by way of a reduction in the percentage of the total amount of ad valorem property tax revenues allocated to local agencies during the State's 2009-10 fiscal year; and

WHEREAS, the State's action will reduce Benicia General Fund revenues by \$1,420,887 and cause the Undesignated Reserves to fall below the 20% minimum established by the Benicia Fund Balance Reserve Policy; and

WHEREAS, the City Council has determined the use of Undesignated Reserves is in the best interest of the City and is consistent with the prescribed use of the funds, specifically the Economic Uncertainty Reserve.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the allocation of Economic Uncertainty Reserves of \$1,420,877 to dedicated reserves titled "Loans to Other Agencies," thereby reducing the Undesignated Fund Balance to 15.5%.

BE IT FURTHER RESOLVED that the City Council recognizes the reduction in minimum reserves will continue until June 30, 2013 when the State plans to reimburse the City for the borrowing, plus interest accrued at 2%.

On motion of _____, seconded by _____,
the above Resolution was introduced and passed by the City Council of the City of Benicia, State
of California at a regular meeting of the Council held on the 20th day of October, 2009 and
adopted by the following vote:

Ayes:

Noes:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
ACTION ITEM**

DATE : October 6, 2009

TO : City Manager

FROM : Economic Development Manager

SUBJECT : **APPROVE A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA AWARDING THE TOURISM MARKETING CONSULTANT CONTRACT TO WOLF COMMUNICATIONS OF SANTA ROSA, CALIFORNIA IN THE AMOUNT NOT TO EXCEED \$280,000 AND AUTHORIZING THE CITY MANAGER TO SIGN THE CONTRACT ON BEHALF OF THE CITY**

RECOMMENDATION:

Approve, by resolution, an agreement for the remainder of 2009 through June 30, 2011 for tourism marketing services provided by Wolf Communications at a contractual value of \$280,000.

EXECUTIVE SUMMARY:

In accordance with discussions during the 2009-11 Budget deliberations, a competitive selection process for a tourism marketing consultant was undertaken, resulting in a recommendation for a new contract for tourism services to be provided by Wolf Communications.

STRATEGIC PLAN:

Relevant Strategic Plan Goals and Strategies:

Strategic Issue 3: Strengthening Economic and Fiscal Conditions

- Strategy #1: Implement Tourism Plan
- Strategy #3: Retain and Attract Business

This contract is a recommendation of the Tourism Plan, and it is intended to generate increased tourism, which will be helpful for retaining and attracting visitor-oriented businesses.

BUDGET INFORMATION:

This contract's value of \$280,000 is included in the 2009-11 approved Budget and the funding is in accounts 010-2605-8256 and 011-2605-8256.

DISCUSSION:

Tourism was identified as a key component for Benicia's economy in the 2007 Economic Development Strategy, and a Strategic Tourism Marketing Plan (Plan) was completed in 2008. Limited advertising, wayfinding signage in the downtown and main gateways, and a new visitor-oriented website, www.VisitBenicia.org, have comprised the bulk of the tourism efforts since then. As part of the 2009-11 Budget, the City Council allocated significant funding to the tourism program. It is one of the Economic Development Board's (EDB) priorities and was recommended by the Ad Hoc Tourism Committee, which has since been dissolved but stayed active as an informal stakeholders group.

The first phase in implementing the rejuvenated program is to find a marketing consultant. A tourism marketing Request for Proposals (RFP) was prepared by staff, reviewed by the stakeholders group and the EDB in July, and issued on July 28. In August, the EDB named two members plus four other stakeholder representatives to join staff in reviewing the responses.

The RFP closed on September 8, 2009. Twelve responses were received by the deadline. (Three new responses and one revision were received past the deadline, and so were not considered.) The review committee rated all twelve, and decided to invite the top six to interviews, which were held on September 23. Staff checked out references for all six. Following the interviews, the review committee determined that Hurd and Associates and Wolf Communications were the two most qualified of a strong candidate pool of firms, and that they should be invited to make a presentation to the EDB as the finalists.

On September 30, the EDB recommended Wolf Communications to the City Council. Principal Jack Wolf has extensive experience with tourism marketing, counting the Calistoga Chamber and City of Santa Rosa among his current clients. A proposed contract (attached) with Wolf has been negotiated for the Council's consideration.

The contract value is not to exceed \$280,000. This is the approved annual allocation of \$150,000 in 2009-10 and \$195,000 in 2010-11, minus the \$45,000 estimated cost of a tourism improvement district consultant to be spent in 2010-11, \$13,000 in previously committed advertising in *Diablo*, *Solano*, and *Inside Benicia* through December 2009, the \$3,000 estimated cost for new wayfinding signage covering the Arsenal area to be completed in 2010, and almost \$4,000 in estimated costs for website support from July through October 2009 and website hosting through June 2011.

The highlights of the work to be contracted include updating hard copy tourist visitor guides and handouts, maintaining and updating the website, social media outreach (Facebook, Twitter, etc.), networking with travel journalists and tour operators, helping local organizations improve their tourism efforts, coordinating a master event schedule, maintaining both a tourism phone line and e-mail database, and implement an advertising plan to attract Benicia's target visitor audience. Wolf Communications' estimated average monthly costs are \$6,650 for marketing, \$4,750 in direct advertising costs, \$1,550 for acting as the tourism liaison to the City and the community, and \$290 in expenses.

Attachment:

- Resolution
- Proposed Agreement

RESOLUTION

RESOLUTION NO. 09-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA AWARDED THE TOURISM MARKETING CONSULTANT CONTRACT TO WOLF COMMUNICATIONS OF SANTA ROSA, CALIFORNIA IN THE AMOUNT NOT TO EXCEED \$280,000 AND AUTHORIZING THE CITY MANAGER TO SIGN THE CONTRACT ON BEHALF OF THE CITY

WHEREAS, a Request for Proposals for Tourism Marketing Services was released in July 2009; and

WHEREAS, twelve proposals were timely received and reviewed by a selection committee of staff and stakeholders; and

WHEREAS, the selection committee of staff and stakeholders interviewed the top six consultant firms submitting proposals; and

WHEREAS, the Economic Development Board interviewed the top two firms as rated by the selection committee, and recommended Wolf Communications of Santa Rosa, California to the City Council on a 5-2 vote as the most qualified proposer; and

WHEREAS, Wolf Communications and principal Jack Wolf have almost 20 years of experience in public relations and marketing, and a current and former client list including the Calistoga Chamber of Commerce, City of Santa Rosa, and Sonoma County Convention and Visitors Bureau;

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Benicia hereby accepts the proposals for Tourism Marketing Services.

BE IT FURTHER RESOLVED THAT the City Council awards the consultant contract to Wolf Communications in the amount not to exceed \$280,000 and authorizes the City Manager to sign the contract on behalf of the City, subject to approval by the City Attorney.

BE IT FURTHER RESOLVED THAT the City Manager or his designee is authorized to review and approve all expenditures related to the delivery of goods and services outlined in the contract.

BE IT FURTHER RESOLVED THAT funds sufficient to cover the consultant contract of \$280,000 exist in the visitors services accounts (010-2605-8256 and 011-2605-8256).

On motion of Council Member _____, and seconded by Council Member _____, the above Resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 20th day of October, 2009, and adopted by the following vote.

Ayes:

Noes:

Absent:

Elizabeth Patterson, Mayor

Attest:

Lisa Wolfe, City Clerk

PROPOSED AGREEMENT

CONSULTANT AGREEMENT

This agreement ("Agreement") entered into October 21, 2009, is between the City of Benicia, a municipal corporation (hereinafter "CITY"), and Wolf Communications, a California sole proprietor with its primary office located at 2245 Sunlit Ann Drive, Santa Rosa, California, 95403 (hereinafter "CONSULTANT") (collectively, "the Parties").

RECITALS

WHEREAS, CITY has determined it is necessary and desirable to secure certain professional services for tourism marketing. The scope of work for said service (hereinafter "Project") is attached hereto as Exhibit A and is hereby incorporated by reference; and

WHEREAS, CONSULTANT is specially trained, experienced and competent to perform the services required by this agreement; and

WHEREAS, CONSULTANT represents it is qualified and willing to provide such services pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, IT IS AGREED by and between CITY and CONSULTANT as follows:

AGREEMENT

1. INCORPORATION OF RECITALS. The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are hereby incorporated into this Agreement as if set forth herein in full.

2. SCOPE OF SERVICES.

(a) Services to be Furnished. Subject to such policy direction and approvals as CITY through its staff may determine from time to time, CONSULTANT shall perform the services set forth in the Scope of Work labeled Exhibit A, which is attached hereto and incorporated herein by reference.

(b) Schedule for Performance. CONSULTANT shall perform the services identified in Exhibit A according to the completion schedule included in Exhibit B and as expeditiously as is consistent with generally accepted standards of professional skill and care, and the orderly progress of work.

(i) CONSULTANT and CITY agree that the completion schedule in Exhibit B represents the best estimate of the schedule. CONSULTANT shall comply with completion dates noted in Exhibit B unless the CITY's project manager grants a written waiver.

(ii) CONSULTANT shall not be responsible for performance delays caused by others, or delays beyond CONSULTANT'S control, and such delays shall extend the times for performance of the work by CONSULTANT. Such delays will be identified in writing by CONSULTANT to CITY; if accepted by CITY, a written waiver to the completion dates will be granted pursuant to Section 2(b)(i) above.

(c) Standard of Quality. All work performed by CONSULTANT under this Agreement shall be in accordance with all applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in CONSULTANT'S field of expertise. CONSULTANT shall function as a technical advisor to CITY, and all of CONSULTANT'S activities under this Agreement shall be performed to the full satisfaction and approval of the City Manager or his designee.

(d) Compliance With Laws. CONSULTANT shall comply with all applicable federal, state, and local laws, codes, ordinances, regulations, orders, and decrees. CONSULTANT represents and warrants to CITY that CONSULTANT shall, at its own cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, insurance and approvals which are legally required for CONSULTANT to practice its profession or are necessary and incident to the due and lawful prosecution of the services it performs under this Agreement. CONSULTANT shall maintain a City of Benicia business license. CONSULTANT shall at all times during the term of this Agreement, and for one year thereafter, provide written proof of such licenses, permits, insurance, and approvals upon request by CITY. CITY is not responsible or liable for CONSULTANT'S failure to comply with any or all of the requirements contained in this paragraph.

3. COMPENSATION.

(a) Schedule of Payment. The compensation to be paid by CITY to CONSULTANT for the services rendered hereunder shall be on a time and materials basis based upon the rate schedule in Exhibit B attached hereto and hereby incorporated by reference. The rate schedule in Exhibit B itemizes those standard and expected expenses for which CONSULTANT shall receive compensation.

(b) Additional Services. CITY shall make no payment to CONSULTANT for any additional services unless such services and payment have been mutually agreed to and this Agreement has been formally amended in accordance with Section 7.

(i) CONSULTANT shall not commence any work or services exceeding the Scope of Services in Section 2 without prior written authorization from CITY in accordance with Section 7. CONSULTANT'S failure to obtain a formal amendment to this Agreement authorizing additional services shall constitute a waiver of any and all right to compensation for such work or services.

(ii) If CONSULTANT believes that any work CITY has directed CONSULTANT to perform is beyond the scope of this Agreement and constitutes additional services, CONSULTANT shall promptly notify CITY of this fact before

commencing the work. CITY shall make a determination as to whether such work is beyond the scope of this Agreement and constitutes additional services. If CITY finds that such work does constitute additional services, CITY and CONSULTANT shall execute a formal amendment to this Agreement, in accordance with Section 7, authorizing the additional services and stating the amount of any additional compensation to be paid.

- (c) Invoicing and Payment. CONSULTANT shall submit monthly invoices for the services performed under this Agreement during the preceding period. Invoices or billings must indicate the hours actually worked dedicated to each item in Exhibit A's Scope of Work, as well as all other directly related costs by line item in accordance with Exhibits A and B. CITY shall approve or disapprove said invoice or billing within thirty (30) days following receipt thereof and shall pay all approved invoices and billings within thirty (30) days. Interest at the rate of one and one-half (1.5) percent per month will be charged on all past due amounts starting thirty (30) days after the invoice date, unless not permitted by law, in which case interest will be charged at the highest amount permitted by law. Payments will be credited first to interest, and then to principal.
- (d) Total Compensation. Unless prior written approval is granted by CITY's project manager, total compensation for Marketing (Scope of Work items A.1-6 and C.1-2) shall not exceed \$148,000, total compensation for Client/Community/Public Liaison (Scope of Work items B.1-9) shall not exceed \$31,000, and total compensation for expenses shall not exceed \$5,800. The balance of \$95,200 is the Media Buy amount. If unspent funds remain for Marketing or Client/Community/Public Liaison, they may be used for Media Buy. The total amount of compensation to be paid under this contract shall not exceed \$280,000 without written authorization of the City Manager.
- (e) Deliverables. Payments are tied to the successful completion of the deliverables identified in Exhibit B.

4. PRODUCT REVIEW AND COMMENT. Unless otherwise specified, CONSULTANT shall provide CITY with at least one (1) copy of each work product described in Exhibit B. Upon the completion of each product, CONSULTANT shall be available to meet with CITY. If CITY requires additional review and/or revision, CITY shall conduct reviews in a timely manner.

5. TERM OF AGREEMENT. This Agreement shall be effective from October 21, 2009 through June 30, 2011, unless it is amended pursuant to Section 7 or terminated pursuant to Section 6.

6. TERMINATION:

(a) CITY shall have the right to terminate this Agreement for any reason whatsoever at any time by serving upon CONSULTANT written notice of termination. The Agreement shall terminate three (3) business days after notice of termination is given. The notice shall be deemed

given on the date it is deposited in the U.S. mail, certified, postage prepaid, addressed to CONSULTANT at the address indicated in Section 11.

(b) If CITY issues a notice of termination,

(i) CONSULTANT shall immediately cease rendering services pursuant to this Agreement;

(ii) CONSULTANT shall deliver to CITY copies of all writings, whether or not completed, which were prepared by CONSULTANT, its employees, or its subcontractors, if any, pursuant to this Agreement. For purposes of this Agreement, the term "writings" shall include, but not be limited to, handwriting, typewriting, computer and website files and records, drawings, blueprints, printing, photostating, photographs, and every other means of recording upon any tangible thing, any form of communication or representation, including letters, words, pictures, sounds, symbols, or combinations thereof;

(iii) CITY shall pay CONSULTANT for work actually performed up to the effective date of the notice of termination, subject to the limitations prescribed by Section 3 of this Agreement, less any compensation to CITY for damages suffered as a result of CONSULTANT'S failure to comply with the terms of this Agreement. Such payment shall be in accordance with Exhibit B. However, if this Agreement is terminated for fault of CONSULTANT, CITY shall be obligated to compensate CONSULTANT only for that portion of CONSULTANT'S services that are of benefit to CITY.

7. AMENDMENTS. Modifications or amendments to the terms of this Agreement shall be in writing and executed by both Parties.

8. NONDISCLOSURE OF CONFIDENTIAL INFORMATION. CONSULTANT shall not, either during or after the term of this Agreement, disclose to any third party any confidential information relative to the work of CITY without the prior written consent of CITY.

9. INSPECTION. CITY representatives shall, with reasonable notice, have access to the work and work records, including time records, for purposes of inspecting same and determining that the work is being performed in accordance with the terms of this Agreement. Inspections by CITY do not in any way relieve or minimize the responsibility of CONSULTANT to comply with this Agreement and all applicable laws.

10. INDEPENDENT CONTRACTOR. In the performance of the services in this Agreement, CONSULTANT is an independent contractor and is not an agent or employee of CITY. CONSULTANT, its officers, employees, agents, and subcontractors, if any, shall have no power to bind or commit CITY to any decision or course of action, and shall not represent to any person or business that they have such power. CONSULTANT has and shall retain the right to exercise full control of the supervision of the services and over the employment, direction, compensation, and discharge of all persons assisting CONSULTANT in the performance of said service

employees of CONSULTANT, and CONSULTANT agrees to be responsible for their performance. CONSULTANT shall give its personal attention to the fulfillment of the provisions of this Agreement by all of its employees and subcontractors, if any, and shall keep the work under its control. CITY reserves the right to request substitution of subcontractors.

14. BINDING AGREEMENT. This Agreement shall bind the successors in interest, legal representatives, and permitted assigns of CITY and CONSULTANT in the same manner as if they were expressly named herein.

15. WAIVER.

(a) Effect of Waiver. Waiver by either party of any default, breach, or condition precedent shall not be construed as a waiver of any other default, breach, or condition precedent or any other right under this Agreement.

(b) No Implied Waivers. The failure of either party at any time to require performance by the other party of any provision hereof shall not affect in any way the right to require such performance at a later time.

16. NONDISCRIMINATION.

(a) CONSULTANT shall not discriminate in the conduct of the work under this Agreement against any employee, applicant for employment, or volunteer on the basis of race, religious creed, color, national origin, ancestry, physical or mental disability, marital status, pregnancy, sex, age, sexual orientation or other prohibited basis will not be tolerated.

(b) Consistent with City's policy that harassment and discrimination are unacceptable employer/employee conduct, CONSULTANT agrees that harassment or discrimination directed toward a job applicant, a City employee, or a citizen by CONSULTANT or CONSULTANT'S employee or subcontractor on the basis of race, religious creed, color, national origin, ancestry, physical or mental disability, marital status, pregnancy, sex, age, sexual orientation or other prohibited basis will not be tolerated. CONSULTANT agrees that any and all violation of this provision shall constitute a material breach of the Agreement.

17. INDEMNITY. CONSULTANT specifically agrees to indemnify, defend, and hold harmless CITY, its officers, agents, and employees from and against any and all actions, claims, demands, losses, expenses including attorneys' fees, damages, and liabilities resulting from injury or death of a person or injury to property, arising out of or in any way connected with the performance of this Agreement, however caused, regardless of any negligence of the CITY, whether active or passive, excepting only such injury or death as may be caused by the sole negligence or willful misconduct of the CITY. The CONSULTANT shall pay all costs that may be incurred by CITY in enforcing this indemnity, including reasonable attorneys' fees.

18. INSURANCE.

(a) Required Coverage. CONSULTANT, at its sole cost and expense, shall obtain and maintain in full force and effect throughout the entire term of this Agreement the following described insurance coverage. This coverage shall insure not only CONSULTANT, but also, with the exception of workers' compensation and employer's liability insurance, shall name as additional insureds CITY, its officers, agents, employees, and volunteers, and each of them:

<u>Policy</u>	<u>Minimum Limits of Coverage</u>
(i) Workers' Compensation	Statutory
(ii) Comprehensive Automobile Insurance Services Office, form #CA 0001 (Ed 1/87 covering auto liability code 1 (any auto))	Bodily Injury/Property Damage \$1,000,000 each accident
(iii) General Liability Insurance Services Office Commercial General Liability coverage on an occurrence basis (occurrence form CG 0001)	\$1,000,000 per occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit shall apply separately to this Project/location, the general aggregate limit shall be twice the required occurrence limit

(b) Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by CITY.

(c) Required Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

(i) For any claims related to this Project, the CONSULTANT'S insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by CITY, its officers, officials, employees, or volunteers shall be in excess of the CONSULTANT'S insurance and shall not contribute with it;

(ii) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to CITY, its officers, officials, employees, or volunteers;

(iii) The CONSULTANT'S insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability;

(iv) Each insurance policy required by this Section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after giving CITY 30 days' prior written notice by certified mail, return receipt requested.

(d) Acceptability of Insurers. CONSULTANT shall place insurance with insurers with a current A.M. Best's rating of no less than [A:VII] unless CONSULTANT requests and obtains CITY'S express written consent to the contrary.

(e) Verification of Coverage. CONSULTANT must provide complete, certified copies of all required insurance policies, including original endorsements affecting the coverage required by these specifications. The endorsements are to be signed by a person authorized by CONSULTANT'S insurer to bind coverage on its behalf. All endorsements are to be received and approved by CITY before work commences.

19. WORKERS' COMPENSATION.

(a) Covenant to Provide. CONSULTANT warrants that it is aware of the provisions of the California Labor Code that require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code. CONSULTANT further agrees that it will comply with such provisions before commencing the performance of the work under this Agreement.

(b) Waiver of Subrogation. CONSULTANT and CONSULTANT'S insurance company agree to waive all rights of subrogation against CITY, its elected or appointed officials, agents, and employees for losses paid under CONSULTANT'S workers' compensation insurance policy which arise from the work performed by CONSULTANT for CITY.

20. FINANCIAL RECORDS. CONSULTANT shall retain all financial records, including but not limited to documents, reports, books, and accounting records which pertain to any work or transaction performed pursuant to this Agreement for four (4) years after the expiration of this Agreement. CITY or any of its duly authorized representatives shall, with reasonable notice, have access to and the right to examine, audit, and copy such records.

21. CONFLICT OF INTEREST. CONSULTANT shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with CITY'S interest. During the term of this Agreement, CONSULTANT shall not accept any employment or engage in any consulting work that creates a conflict of interest with CITY or in any way compromises the services to be performed under this Agreement. CITY and CONSULTANT shall immediately notify each other of any and all violations of this Section upon becoming aware of such violation, and CONSULTANT must immediately correct the conflict upon such notice.

22. TIME OF THE ESSENCE. CONSULTANT understands and agrees that time is of the essence in the completion of the work and services described in Section 2.

23. SEVERABILITY. If any court of competent jurisdiction or subsequent preemptive legislation holds or renders any of the provisions of this Agreement unenforceable or invalid, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected.

24. GOVERNING LAW AND CHOICE OF FORUM. This Agreement shall be administered and interpreted under California law as if written by both parties. Any litigation arising from this Agreement shall be brought in the Superior Court of Solano County.

25. COSTS AND ATTORNEYS' FEES. If either party commences any legal action against the other party arising out of this Agreement or the performance thereof, the prevailing party in such action may recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorneys' fees. In any action seeking recovery of monetary damages, the plaintiff shall not be considered to be the prevailing party unless it recovers at least 66% of the dollar amount requested in the complaint's prayer for relief.

26. INTEGRATION. This Agreement represents the entire understanding of CITY and CONSULTANT as to those matters contained herein and supersedes all prior negotiations, representations, or agreements, both written and oral. This Agreement may not be modified or altered except in accordance with Section 7.

Executed by CITY and CONSULTANT on the date shown next to their respective signatures. The effective date of this Agreement shall be the date of execution by the CITY as shown below.

WOLF COMMUNICATIONS

CITY OF BENICIA

BY: _____

BY: _____
James R. Erickson, City Manager

DATED:

DATED:

APPROVED AS TO FORM

Heather C. Mc Laughlin, City Attorney

EXHIBIT A
SCOPE OF WORK AND BUDGET

A) Marketing

1) Online:

- a) Provide and input content (text and photos) for www.VisitBenicia.org, a Drupal 5.x CMS on a PHP/MySQL server hosted by Network Solutions. (CITY has option of also providing some content.) A news section will be added and updated semi-monthly or more frequently. The news will include featured events, special profiles of local businesses/attractions, visitor-oriented specials, etc. A press section will be added as a journalist reference. Administer site and maintain it on the server. Refresh content weekly.
 - b) Create a Facebook fan page and link to it from VisitBenicia.org.
 - c) Enlist the assistance of other Benicia businesses/organizations in creating visitor-oriented Facebook pages to which VisitBenicia.org can be linked.
 - d) Produce visitor-oriented videos and post on VisitBenicia.org and YouTube, on which a Benicia channel will be created.
 - e) Edit website (or develop new, linked site) to provide mobile phone Web functionality.
 - f) Write a Benicia tourism blog, to be updated no less than weekly, on VisitBenicia.org.
 - g) Post to Twitter (on existing Benicia tourism accounts) no less than twice per week.
- 2) Develop/update collateral, including but not limited to an arts guide, restaurant guide, historical sites guide, shopping guide/business clusters catalogs, outdoor activities/waterfront guide, and an overall Visitors Guide. All collateral should be uploadable to the website and available as hard copies. The different collateral options will be prioritized based on Client and stakeholder needs and CONSULTANT's recommendations – not all listed need be completed within contract term. A master template will be created that all participating organizations can use.
- 3) Provide technical assistance to other tourist-serving organizations in Benicia regarding their marketing, events, and cooperative efforts. Technical assistance shall be limited to two hours per organization per month unless prior approval is obtained from CITY's project manager.
- 4) Publicity, including writing and distributing press releases, generating and placing feature stories with media outlets, outreach to local freelance writers, and tour operator outreach.
- a) Develop digital press kit.
 - b) Prepare semiannual list of story ideas and outreach/placement targets for approval.
 - c) Augment tourism photo library.
 - d) Develop B-roll video for media use on request.
 - e) Develop media/selected journalist/tour operator fam tours and individual orientation visits.
 - f) Develop tour operator database.
 - g) Add tour operator section to VisitBenicia.org.
- 5) Review co-op and other opportunities with California Travel & Tourism Commission, and other tourism promotional opportunities, and make recommendations to Client and stakeholders. Implement as directed.
- 6) Send monthly e-newsletter (via www.VisitBenicia.org) with a design consistent with the website and other collateral.

- a) Produce quarterly versions of the newsletter targeting tour operators, visitors, and stakeholders (merchants, residents, organizations).
- B) Client/Community/Public Liaison
- 1) Respond to routine Client requests and community (Benicia citizens and groups) inquiries within two business days.
 - 2) Attend Client meetings in person at least monthly, scheduled at mutual convenience.
 - 3) Be available to attend up to two additional meetings of public bodies or community organizations in person in Benicia monthly by request (for example, City Council meetings). These may be evening or weekend meetings.
 - 4) Establish dedicated "Benicia tourist information" phone line, either a toll free or 707 area code number, to be answered by a live person at least during normal business hours (9 A.M.-5 P.M.) Monday through Friday. Longer hours and/or additional days preferred.
 - a) Maintain caller database with request for email address and other contact information.
 - b) Mail and e-mail fulfillment as requested by callers.
 - 5) Assist in coordination, including recommendations for improved and/or more consistent signage, collateral, branding, and customer service, of four "visitors centers" at existing tourist destinations – the Benicia Chamber of Commerce office, Benicia Main Street store, Benicia Historical Museum, and Arts Benicia gallery.
 - 6) Serve as event clearinghouse, coordinating event schedules among the various organizations and businesses that put on events in Benicia.
 - a) Set up a master calendar through Google Calendar or similar, accessible to event planners.
 - b) Routinely check in with event planners to keep abreast of event plans, help avoid conflicts, and make sure their event details are correctly entered in VisitBenicia.org.
 - c) Recommend timing of events (to take advantage of seasonal shifts in tourism) and event promotions.
 - 7) Develop volunteer program.
 - a) Research use of tourism volunteers in other cities/districts.
 - b) Add a "get involved" section on website, promote through the social media outreach, and provide flyers at the visitors centers.
 - c) Develop a relationship with the Volunteer Center of the East Bay.
 - d) Create volunteer job description and customer service standards.
 - 8) Support stakeholders and third-party consultant (to be determined later) in exploring formation of a Tourism Business Improvement District in 2010-11.
- C) Media Buys/Advertising
- 1) Develop advertising plan, which may include direct mail, online ads, publications, TV/radio, and/or other, for Client's approval.
 - 2) Develop creative content for Client's approval.
 - 3) Implement advertising plan by placing ads in appropriate media.

EXHIBIT B
SCHEDULE, MEASUREMENT METRICS, DELIVERABLES, AND RATES

First Report – Due By December 31, 2009:

Submit semiannual list of story ideas and placement targets
Facebook fan page created and linked to website
Submit collateral recommendations
Google Calendar (or similar) posted online

Weekly Thereafter:

Refresh www.VisitBenicia.org content, Twitter feed, and Facebook page in accordance with Exhibit A.

Monthly Thereafter:

Send e-newsletters in accordance with Exhibit A.

Regular Reports - Quarterly¹ Thereafter – to Cover:

Evaluation of key message delivery and brand positioning in media coverage
Website hits, significant changes, and user/subscriber counts
Online/social media work
Advertising placed and evaluation of its effectiveness
Media Hits (stories placed)
Media in the Works (journalists contacted and tours given)
Volunteer program (reporting on progress on Scope of Work B.7b-d)
Visitor center coordination and foot traffic
Newsletter distribution, open rates, and click-throughs
Calls received (from both the visitor line and from stakeholders/citizens) and any follow-up (pieces mailed, etc.)
Technical assistance provided
Event schedule
TBID assistance (after July 2010)

Special items outside of quarterly reports:

By January 31, 2010:

Pre-campaign visitor survey

By February 28, 2010:

Submit advertising plan for approval (future revisions to be submitted as needed)
Collateral design template complete
Complete research of volunteer programs in other cities

By April 30, 2010:

First tourism video produced and posted

¹ Due March 31, 2010, June 30, 2010, September 30, 2010, December 31, 2010, March 31, 2011, and June 30, 2011.

B-roll produced and available

By June 30, 2010:

Submit semiannual list of story ideas and placement targets

One new/updated collateral piece completed

Stakeholder survey (covering awareness of and perceived effectiveness of marketing to date)

By December 31, 2010:

Submit semiannual list of story ideas and placement targets

Second tourism video produced and posted

Mobile phone-function website

One new/updated collateral piece completed

By April 30, 2011:

Post-campaign visitor survey

Analysis of pre- and post-campaign visitor surveys

Analysis of TOT and sales tax trends (data to be supplied by City)

Third tourism video produced and posted

Stakeholder survey (covering awareness of and perceived effectiveness of marketing to date)

By June 30, 2011:

Volunteer report

Evaluate occupancy rates at the four hotels/B&Bs

Ongoing/On-Call:

Scope of Work Items A.1.c, A.3, A.4.c, A.4.e, A.5, B.1-4, B.5, B.6, B.8, C.2-3

Hourly Rates:

Jack Wolf: \$150

Cheri Lieurance: \$105

Kat Braunstein (approved subcontractor): \$95

Associate: \$60

Other Subcontractors: TBD

AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
INFORMATIONAL ITEMS

DATE: September 30, 2009

TO: City Manager

FROM: Parks and Community Services Director

SUBJECT: **PRESENTATION BY NOLL AND TAM ARCHITECTS
REGARDING THE BENICIA COMMUNITY CENTER
PROJECT**

RECOMMENDATION:

Receive presentation by Noll and Tam Architects regarding the Benicia Community Center project features and details, phasing opportunities, green sustainable construction and project costs. Council may wish to consider setting a special Council meeting to discuss the possibility of pursuing additional project phases, if additional funding can be found.

EXECUTIVE SUMMARY:

Over the last two years, staff with the input of surrounding neighbors and the expertise of Noll & Tam Architects, has completed construction drawings for the Benicia Community Center Project. Tonight Janet Tam, Principle and Elizabeth McLeod, Architect from Noll & Tam Architects will provide an overview of the project. The funding for the construction of Phase I of the Benicia Community Center was approved in the Capital budget for fiscal years 2009-2011. Be advised Phase 1 bids will be solicited on November 2 as approved in the current capital projects budget.

STRATEGIC PLAN:

Relevant Strategic Plan Goals and Strategies:

- Strategic Issue 1: Protecting Community Health and Safety
 - Strategy 5: Promote community and personal health

- Strategic Issue 2: Protecting and Enhancing the Environment
 - Strategy 1: Reduce greenhouse gas emissions and energy consumption
 - Strategy 2: Implement new water conservation projects/programs
 - Strategy 3: Pursue and adopt sustainable practices
 - Strategy 4: Protect air quality

- Strategic Issue 5: Maintain and Enhance a High Quality of Life
 - Strategy 1: Provide community activity centers

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- Strategy 2: Promote arts and culture
- Strategy 5: Provide support to disadvantaged segments of the community

BUDGET INFORMATION:

The funds for Phase I of this project were approved in the Capital Projects budget for fiscal year 2009-10, \$560,000 and 2010-2011, \$50,000 in account No. 049-9049-7999.

Staff is continuing to explore ways to fund the balance of the project, if not the entire project, then phases. The following is summary of the cost estimate of the entire project:

BENICIA COMMUNITY CENTER	COMPLETE PROJECT
Tenant Improvements	\$2,528,150
Parking Lots	\$950,000
10% Construction Contingency	\$347,815
Additional Cost	\$500,000 (Fire Cert., AV, Furniture, Landscaping, Playground Equip.,)
Total	\$4,325,965

BACKGROUND:

On October 16, 2007 City Council approved the commission of Noll & Tam Architects to assist staff in developing construction drawings and cost estimates for the Community Center. This evening Janet Tam, Principle and Elizabeth McLeod, Architect will present the culmination of this process. Over this two-year period staff has gathered input from community members, user groups, and neighbors regarding the conversion of the Mills School into a community center. The result of this process was the creation of the Benicia Community Center Master Plan, which was approved by the City Council on September 2, 2008. That plan included detailed drawings of the Benicia Community Center, as well as phasing options staff believes, when constructed, will serve the many recreation and social needs of the Community.

Following adoption of the Master Plan, the City Council gave direction to pursue LEED certification for the facility. This goal, with the assistance of Alice Sung of Greenbank and Associates, will be achievable upon completion of the entire project. There are two salient points regarding LEED certification for the Benicia Community Center project. First, the project will only be LEED certified following completion of the entire project. Secondly, while phasing the project will not jeopardize the qualification of LEED certification, there is a limited time window in which the projection must be completed. Presently, the Benicia Community Center Project is being registered and certified under the category of LEED CI (Commercial Improvement) 2.0, this version will take on or about June 2012; meaning that if the entire project is not complete by that time, the

project will have to re-register under a new version, which could possibly jeopardize certification.

The implementation of LEED certification for this project not only serves sound economic and environmental policy but additionally, through its design, construction and use, this community center will stand as a tangible example of sound sustainability policy. The realization of LEED certification for this project will serve as a model for future public and private development in our community. Upon completion, the use of the Benicia Community Center will provide local groups, trade unions, and educators an opportunity to think, promote and educate “green” technology. The proposed landscaping will promote water conservation and serve as a “demonstration garden” for the community.

The vision of the Community Center is complete; the opportunity to serve the public is great, yet, the remaining obstacle remains funding. Fortunately, the City Council did budget funds to move forward with Phase I. In addition, if supplemental funds become available but insufficient to cover the balance of the project, staff has proposed a hybrid phase (Phase IA), which will allow greater access and use of the facility.

Phase I (see attached map) will allow for the Boy and Girl Scouts to use the building on a year round basis and will also provide two rooms for the Kids Kaleidoscope after-school program and Summer Adventurers Day Camp. The Middle School after-school program, and homework/game room will occupy the three portable buildings.

Phase IA (see attached map) is a hybrid to the original Phase II option proposed by staff. This option provides classroom space for arts, crafts and computer classes, and provides a permanent space for the Kids Kaleidoscope after-school program and Summer Adventurers Day Camp. Locating these programs to a permanent location would allow the two classrooms in the south wing to be utilized more for classes and community activities. In an effort to meet the needs of the surrounding neighbors and their concerns related to parking, it is staff’s recommendation that if phase IA were considered, it would also include the construction of parking lot #1. Based on the use of the building and parking issues, staff believes this is necessary to incorporate the lot at this time. Phase IA also includes landscaping, furniture, AV equipment and a contingency. The additional cost for Phase IA improvements is \$1,163,350.

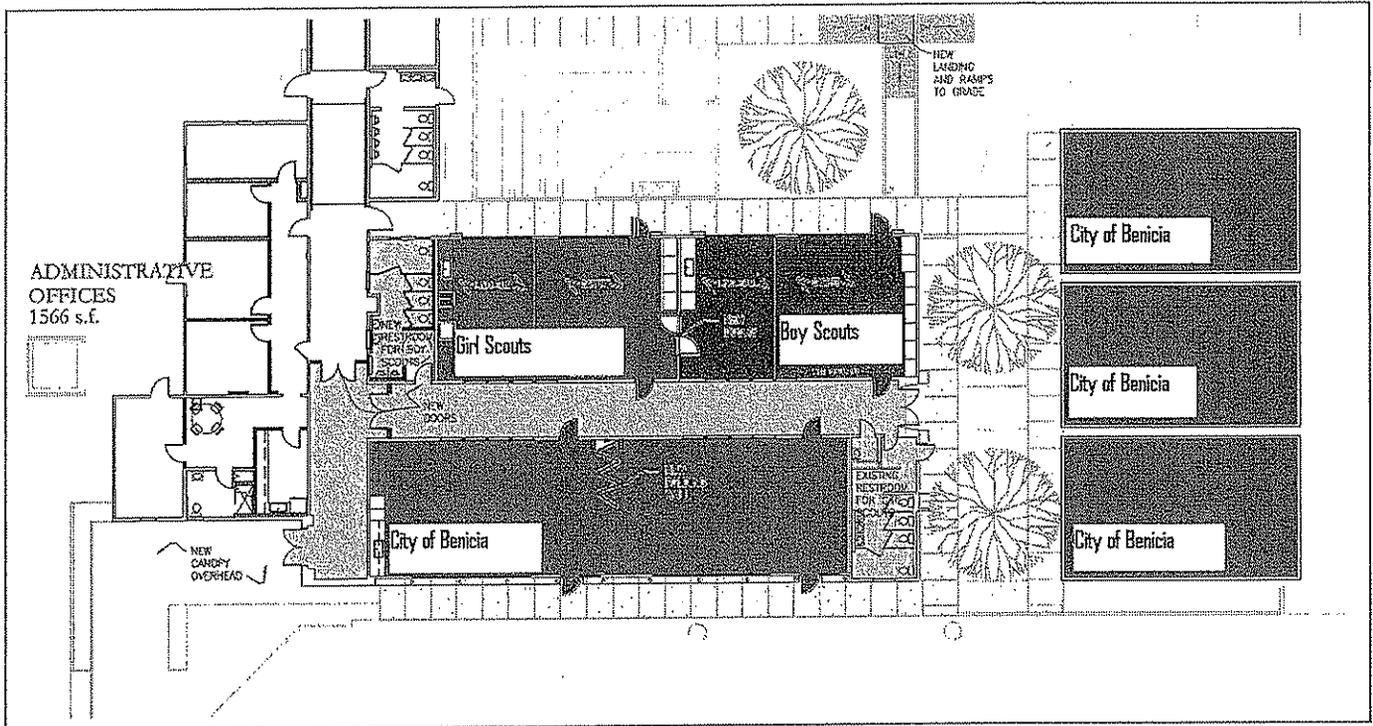
As noted above Phase I of the Community Center Project will go to public bid on November 2, 2009, with a contract award in December 2009, and a construction start date in January 2010. The projected construction time for Phase I is approximately 120 days.

Attachment

- Phasing Maps

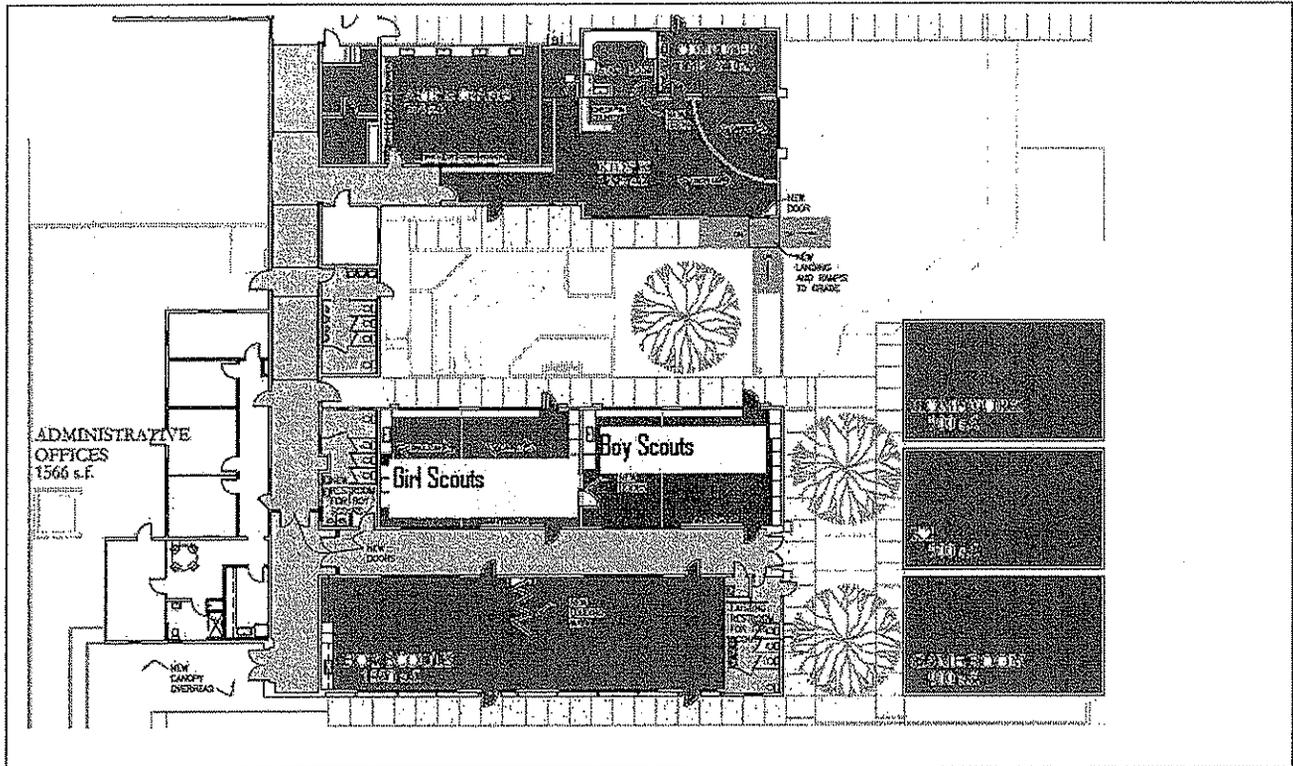
Benicia Community Center – Phasing Maps
(Phase I & Phase IA)

PHASE I – MAP



Key	
Red = City Programming	Blue = Boy Scouts
Green = Girl Scouts	Yellow = Hallways / Restrooms

PHASE IA – MAP



Key	
Red = City Programming	Blue = Boy Scouts
Green = Girl Scouts	Yellow = Hallways / Restrooms

AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS

DATE : October 13, 2009
TO : Mayor Patterson
FROM : City Manager
SUBJECT : **MAYORS' COMMITTEE MEETING**

The following information is provided for your committee report at the October 20, 2009 City Council meeting.

The Mayors' Committee meetings are held on the third Wednesday of each month at 6:00 pm. The October 21, 2009 Mayors' Committee meeting is cancelled to encourage attendance at the 4C's Local Government Summit to be held on Thursday, October 29, 2009 at 6:00PM at the Ulatis Community Center in Vacaville.

Tonya Gilmore - October 21, 2009 Mayors' Conference in Vallejo - CANCELLED!

From: "Archer, Claudia M" <carcher@ci.fairfield.ca.us>
To: "Elizabeth Patterson" <epatterson@ci.benicia.ca.us>, "Harry Price" <harryp00@earthlink.net>, "Jack Batchelor" <jbatch.dxncouncil@sbcglobal.net>, "Jan Vick" <jvick@ci.rio-vista.ca.us>, "Len Augustine" <laugustine@cityofvacaville.com>, "Len Augustine (Personal)" <lenaug@pacbell.net>, "Osby Davis" <mayor@ci.vallejo.ca.us>, "Pete Sanchez" <psanchez@suisun.com>
Date: 9/25/2009 5:13 PM
Subject: October 21, 2009 Mayors' Conference in Vallejo - CANCELLED!
CC: "Quinn, Sean P" <squinn@ci.fairfield.ca.us>, "Braulik, Rob" <rbraulik@ci.fairfield.ca.us>, "Hoff, Eva" <ehoff@ci.fairfield.ca.us>, "Crittenden, Patricia J." <PJCrittenden@SolanoCounty.com>, "Anne Cardwell" <Anne.Cardwell@ci.benicia.ca.us>, "Carol Yount" <cyount@cityofvacaville.com>, "Dawn Bahrenfuss" <bahrenfuss@ci.rio-vista.ca.us>, "Donna Pock" <dpock@suisun.com>, "Janice Beaman" <jbeaman@ci.dixon.ca.us>, "Jean Miller" <jmiller@ci.vallejo.ca.us>, "Teri Davena" <tdavena@ci.benicia.ca.us>, "Tonya Gilmore" <tgilmore@ci.benicia.ca.us>

Hi Everyone:

Due to timing conflicts, the quarterly Mayors' Conference that was set for Wednesday, October 21, 2009 in Vallejo has been **cancelled**.

The 4C's Local Government Summit will be held on Thursday, October 29, 2009 at 6:00PM at the Ulatis Community Center in Vacaville.

Have a great weekend!

Claudia

Claudia Archer | Deputy City Clerk
 City of Fairfield | City Manager's Office
 O | 707.429.6296
 F | 707.428.7798
carcher@ci.fairfield.ca.us

X-B-1-2

AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS

DATE : October 8, 2009

TO : Mayor Patterson
Vice Mayor Campbell

FROM : City Attorney 

SUBJECT : **ABAG COMMITTEE MEETING**

The following information is provided for your committee report at the October 20, 2009 council meeting:

- The 2009 Fall General Assembly is scheduled for Thursday, October 22, 2009 from 8:30 – 2:30 p.m..
- It will be held in San Francisco at the Westin St. Francis.
- The title for this assembly is “Planning and Development during Economic Downturns: Building New Partnerships.” The keynote speaker will be Ron Simms, Deputy Secretary, HUD and former County Executive of King County, Washington.
- A copy of the agenda is attached.
- Registration is available online at www.abag.ca.gov/events.

Attachment:

- ABAG Fall General Assembly Agenda

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ABAG Fall General Assembly

Planning and Development During Economic Downturns: *Building New Partnerships*

Thursday, October 22, 2009

Westin St. Francis, San Francisco

8:30 a.m. - 2:30 p.m.

AGENDA



Association of Bay Area Governments

8:00 - 8:30 Registration & Continental Breakfast

Supervisor Jim Spering, Solano County

8:30 Welcome and Introductions

Councilmember Jean Quan, City of Oakland

Rose Jacobs Gibson, ABAG President and San Mateo County Supervisor

Supervisor Ross Mirkarimi, City and County of San Francisco (*invited*)

8:45 Host City Welcome

Mayor Newsom, San Francisco City and County (*invited*)

12:00 - 2:00 Lunch and Keynote

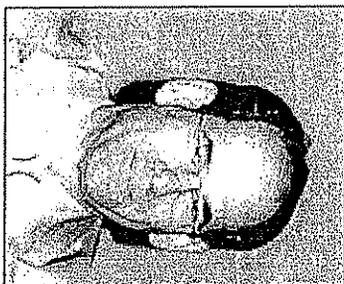
9:00 Morning Keynote

Ron Sims, Deputy Secretary, U.S. Department of Housing and Urban Development (HUD) and former County Executive of King County, Washington



Introduction of Speaker:
Mark Green, ABAG Vice President, and Mayor, Union City

Will Fleissig, President, Communitas Development, Inc.



9:45 - 12:00

Current Challenges and Emerging Opportunities in Changing Economic Environments

Moderator: **Supervisor Scott**

Haggerty, Alameda County

2:00

Closing Remarks

Rose Jacobs Gibson, ABAG President and San Mateo County Supervisor

Panelists:

Councilmember Sam Liccardo, City of San Jose

AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS

DATE : October 8, 2009

TO : Vice Mayor Campbell
Council Member Schwartzman

FROM : Finance Director

SUBJECT : FINANCE, AUDIT AND BUDGET COMMITTEE

The following information is provided for your committee report at the October 20, 2009 Council meeting.

The committee met on September 25, 2009 at 8:00 a.m. in the Commission Room. The Agenda and Draft Minutes from that meeting are attached. The next meeting will be held on October 30, 2009.

Attachments:

- Agenda for September 25, 2009
- Draft Minutes for September 25, 2009

FINANCE, AUDIT AND BUDGET COMMITTEE
REGULAR MEETING AGENDA
COMMISSION ROOM
SEPTEMBER 25, 2009 - 8:00 AM

1. **Call to Order**
2. **Notice to the Public**
3. **Approval of Minutes from the Regular Meeting held on August 28, 2009.**
4. **Previous Month Warrant Register Review for August 2009.**

A monthly audit of payments to vendors that supply services to the City of Benicia. Members of the FAB committee review the warrant register and request that further information be provided by staff as necessary.

Recommendation: Approve Warrant Registers
5. **Review Monthly Financial Report**

The FAB requested monthly financial reports that include the most recent warrant register postings. The agenda packet will include the General Fund report only but a .pdf of all funds will be provided via email.

Recommendation: Review Monthly Financial Reports
6. **Quarterly Review of Investment Report for 4th Quarter FY 2008-09 (& Revised Policy)**

State law requires no less than a Quarterly review of the City's Investment Portfolio. The revised Investment Policy with

Recommendation: Approve Investment Report
7. **Review of the City's Purchasing Policy**

A review of the City's Purchasing Policy to determine its appropriateness in today's economic environment.
8. **Review of tax revenues generated in the Arsenal Area**

A brief review of the publicly reported tax revenues from the Arsenal Area will be presented.
9. **Review Long Range Calendar**

Monthly review of future FAB Agenda topics.

Recommendation: Provide suggestions and timing of future Agenda topics
10. **Public Comment**
11. **Adjournment**

Public Participation

The Benicia Finance, Audit and Budget Committee welcomes public participation.

Pursuant to the Brown Act, each public agency must provide the public with an opportunity to speak on any matter within the subject matter jurisdiction of the agency and which is not on the agency's agenda for that meeting. The Finance, Audit and Budget Committee allows speakers to speak on non-agendized matters under public comment, and on agendized items at the time the agenda item is addressed at the meeting. Comments are limited to no more than 5 minutes per speaker. By law, no action may be taken on any item raised during the public comment period although informational answers to questions may be given and matters may be referred to staff for placement on a future agenda of the Finance, Audit and Budget Committee.

Should you have material you wish to enter into the record, please submit it to the Finance Director.

Disabled Access

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

Meeting Procedures

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

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

The decision of the Finance, Audit and Budget Committee is final as of the date of its decision unless judicial review is initiated pursuant to California Code of Civil Procedures Section 1094.5. Any such petition for judicial review is subject to the provisions of California Code of Civil Procedure Section 1094.6.

FINANCE, AUDIT AND BUDGET COMMITTEE
REGULAR MEETING MINUTES
COMMISSION ROOM
September 25, 2009 - 8:00 AM

1. Call to Order at 8:00 am.

Attended by Committee Board members, Ralph DeJesu, Lee Wines and Dennis Lowry; Council Member, Alan Schwartzman, Treasurer Teddie Bidou. Prior arranged absences by Larry Grossman, Council Member Tom Campbell. Staff present included Finance Director Robert Sousa and Accounting Systems Supervisor, Alyson Kauzer. Member of the public present - Dan Miceli.

2. Notice to the Public

3. Approval of Minutes from the Regular Meeting held on August 28, 2009

Approved by consensus.

4. Previous Month Warrant Register Review for June & July 2009.

Member Wines inquired about:

1. Check #188030 – payment of \$5,000 to City of Fairfield. Finance Director Sousa explained that this for the Tri-City open space agreement for open space planning.
2. Check #188115 – payment to US Bank by TD (Teri Davena) for registration. It was explained that this was for the Mayor to attend a planning seminar.
3. Check #188125 – payment of \$5,250 to Katherine Wellman. This was for a contract attorney to cover during the City Attorney's absence.
4. Check #188405 – payment for \$4,500 to The Messaging Architects is for an annual membership which allows citizens to sign up and access and have agenda items emailed to their personal email address. Database is secured.
5. Check #187989 – Refund of \$1,900 for planning fees. It was explained that there are times when the initial projected planning fees come in lower as the project progresses.
6. Check #187977 – payment of \$2,359.04 for evidence transport. It was explained that these are charges assessed by the county and are determined based on what is being transported.
7. Check #187980 – payment of \$230.86 for Sprint data card. These data cards serve the entire fleet.
8. Check #188223 – payment of \$17,487.17 to High Tech Emergency Vehicle. This is for fire truck ladder repair due to a hydraulic failure on an 18 year old truck. Total cost will be \$30,000.
9. Check #188420 – payment of \$5,261.50 to Pakpour Consulting. This is the beginning phase of the Channel Road Bridge repair project. Total projected cost to be \$125,000.
10. Check #188316 – payment of \$7,580.83 to Bayshore Materials. This is for playground sand.
11. Check #188231 – payment of \$4,666.00 to Lablite, LLC. Probably for new or possibly re-calibration of specialized lab equipment.
12. Check #188023 – payment of \$26,840.15 to Camp, Dresser & McKee. Why is this divided between multiple divisions? This is common practice to divide expenses between divisions if both divisions are affected by the service.
13. Check #188350 – payment of \$12,250 to Coplogic. This is for special software for tracking crime spots.
14. Check #187897 – payment of \$43,680 to Benicia Unified. This is for the Second Step Anger Management program. The goal is to provide assistance to children with behavioral issues and avoid problems as they progress through the school system.
15. Check #188414 – payment of \$75,783.37 to Noll & Tam Architects. This is for the Mills Improvement project design plans.
16. Check #187959 – payment of \$270,503.61 to Pacific Coast Reconstruction. This is for the final payout to the contractor.

X-B-3-4

Member Lowery inquired about:

1. Checks #188048, #188375 – multiple payments to General Chemical. Can these be billed monthly versus every delivery/pick-up? Finance Director Sousa will inquire.
2. Check # 187939 to Home Depot being charged to Capital License. It appeared that this was not posted correctly. Finance Director to inquire.
3. Checks # 187922, #188203, #188360 – to The Ed Jones Company for police badges. Why are there badges being purchased when there have been no new hires or promotions? Finance Director Sousa to inquire.
4. Check #188052 – payment of \$162.50 to Harbor Freight Tools. Comment: Why are we using their tools as they are unreliable tools and not of high quality. Why don't we purchase elsewhere?
5. Checks #187958 & #188418 – payments for plant chemical deliveries. Can these be billed monthly? Finance Director will review delivery and billing options.
6. Check # 188402 – payment of \$76,333.90 to Lister Construction. This was for emergency repair due to a chemical leak at the Water Treatment Plant.
7. Checks # 188132 & 188065 for police dog expenses. Comment: Are police dogs necessary? Discussion was held as to their value.
8. Check #188317 – payment of \$5,890.84 to Benicia Community Action. This is a monthly payment authorized by the Human Services and Arts Board and approved by City Council.
9. Check #188115 – payment of \$120.93 by RS (Rob Sousa) for Cell phone. This was for an on-line cell phone purchase.
10. Checks # 187900, 188174, 188323 for temporary staffing. This is for staffing to cover vacations and is approved by the Department Head.

Council Member Schwartzman inquired about:

1. Check #188073 – payments to Napa Ford Lincoln Mercury – wanted to make sure we are not picking up parts in Napa. If so, we should go to Concord. It was noted that parts are usually delivered but may be picked up in the case of an emergency.

Warrant registers approved by consensus.

5. Review Monthly Financial Report.

Financial report in Excel format should be available at the next meeting. General financial reports were presented. It was agreed that the same time prior year numbers would be helpful.

6. Quarterly Review of Investment Report for 4th Quarter FY 2008 (& revised policy)

June report presented by Finance Director Sousa. Also presented was the proposed language change to the investment policy as discussed at the August meeting. Discussions were held about how long investment should be secured for. This will be reviewed and discussed monthly.

7. Review of City's purchasing policy

Questions were raised as to whether the policy is being followed. Council member Schwartzman wants language provided benefits for keeping the money local. Finance Director Sousa asked the committee what they want to see in the policy. Once this is determined, he will take to the Department Heads for their input. Discussion was held as to using a tiered percentage or graduated scale for local purchasing preference.

8. Review of tax revenues generated in the Arsenal Area

Finance Director Sousa provided statistical charts. Taxes are low because of low turnover. Overall the Arsenal area provides \$313,000 in City taxes each year.

9. Review Long Range Calendar

The next FAB meeting will be held on October 23, 2009.

Special Event Expenditures

PERS Impact Report (possibly delayed)

X-B-3-5

Member Lowery commented on compensation issues. It was noted that compensation review will begin in November. Should this committee be involved? The Finance Director indicated the Council would need to request this committee's involvement in compensation review.

11. Public Comment - none

12. Adjournment

Meeting was adjourned at 10:12 a.m.

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS**

DATE : October 13, 2009
TO : Mayor Patterson
Council Member Schwartzman
FROM : City Manager
SUBJECT : **LEAGUE OF CALIFORNIA CITIES**

The following information is provided for your committee report at the October 20, 2009 City Council meeting.

The 2009 Legislative Briefings will take place on November 17, 2009 in Sacramento. Please see the flyer on the following page for additional information.



LEARNING

AT THE

SPEED OF

CHANGE

2009 Legislative Briefings

3 Options – One great price - \$50.00

Northern Location

Tuesday, November 17
League Office, Sacramento
9:00 a.m. - Noon

Southern Location

Wednesday, November 18
Paradise Pier Hotel, Anaheim
9:00 a.m. - Noon

NEW

Live Webinar

Tuesday, November 17
Listen from anywhere – no travel required
2:00 - 3:30 p. m.

In an effort to provide greater value to cities in these difficult times, the League has redesigned its legislative briefings, while continuing to provide quality through a more streamlined format, including the option of a live webinar. Be sure to register early as space is limited. Only advanced registration is available for these workshops.

Online Registration Deadline:
Friday, October 30, 2009 or until location fills
Onsite registration is not available for Sacramento / Anaheim

Register online at www.cacities.org/events

X-B-4-2

AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS

DATE : October 14, 2009

TO : Council Member Ioakimedes
Council Member Hughes

FROM : City Manager

SUBJECT : **CITY COUNCIL/SCHOOL BOARD LIAISON COMMITTEE**

The following information is provided for your committee report at the October 20, 2009 City Council meeting.

This committee meets quarterly in the Benicia Unified School District meeting room. The next meeting will be on November 12, 2009 at 8:30am.

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS**

DATE : October 14, 2009

TO : Vice Mayor Campbell
Council Member Ioakimedes

FROM : City Manager

SUBJECT : **SKY VALLEY OPEN SPACE COMMITTEE**

The following information is provided for your committee report at the October 20, 2009 Council meeting.

Staff is looking for creative ways to implement the goals and wishes of the Sky Valley Committee and to respect the staff time allotment for the Committee as set by Council (10 hours/month). Significant staff resources are currently being devoted to sustainability and climate protection planning. Tight timelines are associated with these important projects, thus staff resources are stretched very thin at this time. Staff has considered shifting some of the Committee's work in coming months to other planners with more capacity with the caveat that Mike Marcus would remain as the staff lead. This will result in more time devoted to important Sky Valley Committee issues and shifting of staff resources should result in a seamless transition.

Prior to the next Committee meeting on November 4, 2009, staff intends to tie up the loose ends regarding land appraisals, prospective conservation easement parcels, potential acquisition of the Signature Properties parcel, and development of a renewable energy micro-utility in the Sky Valley area. The California Rangeland Trust now has a Bay Area project manager who we look forward to working with to facilitate some of the City's open space efforts.

As noted in previous Council committee reports, the Sky Valley Open Space Committee meeting scheduled for August 5, 2009 was cancelled. This meeting cancellation was done in consultation with Chairperson Scott Shepard. The next quarterly meeting of the Sky Valley Open Space Committee is scheduled for Wednesday, November 4, 2009 at 7:00 p.m. A draft agenda for the November 4th meeting is unavailable at this time but will be forwarded to Council when it becomes available.

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS**

DATE : October 8, 2009

TO : Mayor Patterson
Council Member Ioakimedes

FROM : Jim Erickson, City Manager

SUBJECT : **SOLANO EDC BOARD OF DIRECTORS**

The following information is provided for your committee report at the October 20, 2009 Council meeting:

The last Board of Directors meeting was held on Thursday, September 24, 2009. The agenda for that meeting is attached. The minutes are not yet available.

The next Board of Directors meeting is scheduled for Thursday, December 10, 2009 at 9:00 am at Jelly Belly Candy Company. The agenda for that meeting is not yet available.

SOLANO EDC
Board of Directors Meeting
September 24, 2009

AGENDA

- | | | |
|-------------|---|--------------------------------|
| 9:00 am | 1. Call to Order | Scott Reynolds, Chair |
| Action Item | 2. Approval of 7/23/09 Meeting Minutes | |
| Action Item | 3. Approval of Treasurer's Report – August 2009 | John Onsum |
| Action Item | 4. Select 2010 Nomination Committee | Scott Reynolds |
| | 5. Capital Campaign | Mike Ammann |
| | 6. <u>Committee Reports</u> | |
| | • Marketing Task Force | Curt Johnston, Committee Chair |
| | • Membership Committee | Norm Hattich, Committee Chair |
| | • Transportation | Daryl Halls |
| | 7. President's Report | Mike Ammann |
| | 8. Calendar Items – **Note Change of Date for next BOD Meeting** | |
| | 9. Items from Directors | |

Calendar of Events

- ◆ Sept 30, 2009 Membership Breakfast – State Budget Raid
Speaker: John Shirey, Exec Director - CRA
Time: 7:30 – 9:00 am
Location: Hilton Garden Inn, Fairfield

- ◆ October 29, 2009 Membership Breakfast – Real Estate Roundup
Time: 7:30 – 9:00 am
Location: Hilton Garden Inn, Fairfield

- ◆ November 19, 2009 Membership Breakfast – Energy Cluster Report
Speaker: Doug Henton, Collaborative Economics
Time: 7:30 – 9:00 am
Location: Hilton Garden Inn, Fairfield

- ◆ December 10, 2009 Solano EDC Board of Directors meeting
Time: 9:00 – 10:00 am
Location: Jelly Belly Candy Company

AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS

DATE : October 14, 2009

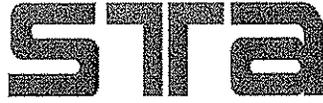
TO : Mayor Patterson
Council Member Schwartzman

FROM : Charlie Knox, Director of Public Works and Community Development

SUBJECT : SOLANO TRANSPORTATION AUTHORITY

The following information is provided for your committee report at the October 20, 2009 City Council meeting.

The October meeting of the STA Board was held October 14, 2009. The agenda for that meeting is attached. The next STA meeting is December 9, 2009.



Solano Transportation Authority

SOLANO TRANSPORTATION AUTHORITY
BOARD MEETING AGENDA

6:00 p.m., Regular Meeting

Wednesday, October 14, 2009
Suisun City Hall Council Chambers
701 Civic Center Drive
Suisun City, CA 94585

Mission Statement: To improve the quality of life in Solano County by delivering transportation system projects to ensure mobility, travel safety, and economic vitality.

Public Comment: Pursuant to the Brown Act, the public has an opportunity to speak on any matter on the agenda or, for matters not on the agenda, issues within the subject matter jurisdiction of the agency. Comments are limited to no more than 3 minutes per speaker unless modified by the Board Chair, Gov't Code § 54954.3(a). By law, no action may be taken on any item raised during the public comment period (Agenda Item IV) although informational answers to questions may be given and matters may be referred to staff for placement on a future agenda of the agency.

Speaker cards are helpful but not required in order to provide public comment. Speaker cards are on the table at the entry in the meeting room and should be handed to the STA Clerk of the Board.

Americans with Disabilities Act (ADA): This agenda is available upon request in alternative formats to persons with a disability, as required by the ADA of 1990 (42 U.S.C. §12132) and the Ralph M. Brown Act (Cal. Govt. Code §54954.2). Persons requesting a disability related modification or accommodation should contact Johanna Masiciat, Clerk of the Board, at (707) 424-6008 during regular business hours at least 24 hours prior to the time of the meeting.

Staff Reports: Staff reports are available for inspection at the STA Offices, One Harbor Center, Suite 130, Suisun City during regular business hours, 8:00 a.m. to 5:00 p.m., Monday-Friday. You may also contact the Clerk of the Board via email at jmasiciat@sta-snci.com. Supplemental Reports: Any reports or other materials that are issued after the agenda has been distributed may be reviewed by contacting the STA Clerk of the Board and copies of any such supplemental materials will be available on the table at the entry to the meeting room.

Agenda Times: Times set forth on the agenda are estimates. Items may be heard before or after the times shown.

Table with 2 columns: ITEM and BOARD/STAFF PERSON. Item I: CALL TO ORDER/PLEDGE OF ALLEGIANCE (6:00 - 6:05 p.m.) - Chair Spering. Item II: CONFIRM QUORUM/ STATEMENT OF CONFLICT - Chair Spering. Includes detailed instructions for conflict of interest.

STA BOARD MEMBERS

Table listing STA Board Members: Jim Spering (Chair, County of Solano), Pete Sanchez (Vice-Chair, City of Suisun City), Elizabeth Patterson (City of Benicia), Jack Batchelor, Jr. (City of Dixon), Harry Price (City of Fairfield), Jan Vick (City of Rio Vista), Len Augustine (City of Vacaville), Osby Davis (City of Vallejo).

STA BOARD ALTERNATES

Table listing STA Board Alternates: Mike Reagan, Mike Hudson, Alan Schwartzman, Rick Fuller, Chuck Timm, Ron Jones, Curtis Hunt, Tom Bartee.

X-B-8-2

III. APPROVAL OF AGENDA
(6:05 – 6:10 p.m.)

IV. OPPORTUNITY FOR PUBLIC COMMENT
(6:10 – 6:15 p.m.)

V. EXECUTIVE DIRECTOR'S REPORT
(6:15 – 6:20 p.m.)
Pg. 1

Daryl K. Halls

VI. COMMENTS FROM CALTRANS, THE METROPOLITAN TRANSPORTATION
COMMISSION (MTC), AND STA
(6:20 – 6:25 p.m.)

A. MTC Report

Commissioner Spering

B. Caltrans Report

1. I-80 High Occupancy Vehicle (HOV) Opening

Nicolas Endrawos

C. STA Reports:

1. State Legislative Report

Gus Khouri, Shaw/Yoder/Antwih

2. STA's 12th Annual Awards Nominations

Jayne Bauer

3. Directors Reports:

a. Planning

Robert Macaulay

b. Projects

Janet Adams

c. Transit and Rideshare

Elizabeth Richards

VII. CONSENT CALENDAR

Recommendation:

Approve the following consent items in one motion.

(Note: Items under consent calendar may be removed for separate discussion.)

(6:25 – 6:30 p.m.)

A. STA Board Meeting Minutes of September 9, 2009

Johanna Masiclat

Recommendation:

Approve STA Board Meeting Minutes of September 9, 2009.

Pg. 5

B. Review Technical Advisory Committee (TAC) Draft Minutes
for the Meeting of September 30, 2009

Johanna Masiclat

Recommendation:

Receive and file.

Pg. 15

C. Fiscal Year (FY) 2008-09 Fourth Quarter Budget Report

Susan Furtado

Recommendation:

Review and file.

Pg. 21

X-B-8-3

- D. **Request for Proposals (RFP) for Professional Auditing Service** Susan Furtado
Recommendation:
 Authorize the Executive Director to:
1. Release a Request for Proposal for Professional Auditing Service; and
 2. Award a contract for an amount not-to-exceed \$50,000 for three years with the option to renew the agreement for one 2-year extension or two 1-year extensions.
- Pg. 27
- E. **Response to Solano County Grand Jury Letter Regarding Solano Paratransit Report – Specifically Unmet Transit Needs Hearing and Paratransit Coordinating Council** Daryl Halls
 Elizabeth Richards
Recommendation:
 Receive and file.
 Pg. 29
- F. **Funding Agreement Amendments for Vacaville and East Fairfield Community Based Transportation Plans** Elizabeth Richards
Recommendation:
 Authorize the Executive Director to amend the terms of the CBTP Funding Agreements with MTC as follows:
1. Extend the term of the Vacaville CBTP to October 31, 2010; and
 2. Extend the term of the East Fairfield CBTP to June 30, 2011.
- Pg. 41
- G. **Jobs Access Reverse Commute (JARC) Application Scoring and Recommendation, and New Freedom Applications** Liz Niedziela
Recommendation:
 Approve the following:
1. Support Vallejo Transit's Route 5 JARC application; and
 2. Authorize the Executive Director to submit a letter of support to MTC for this project.
- Pg. 43
- H. **Paratransit Coordinating Council (PCC) Appointment** Liz Niedziela
Recommendation:
 Appoint Kurt Wellner as a transit user representative to the PCC for a 3-year term.
 Pg. 47
- I. **Solano Napa Commuter Information (SNCI)'s Vanpool Incentive Program** Judy Leaks
Recommendation:
 Authorize STA staff to implement the New Vanpool Driver Incentive and the Van Driver Recognition Reward programs.
 Pg. 49

X-B-8-4

J. Federal Legislative Advocacy Services Contract

Jayne Bauer

Recommendation:

Approve the following:

1. Authorize the Executive Director to enter into a 25-month Contract Amendment #1 with Akin Gump Strauss Hauer & Feld LLP (Akin Gump) from December 1, 2009 through December 31, 2011 at a total cost not to exceed \$241,250;
2. The expenditure of an amount not to exceed \$52,500 to cover the STA's contribution for this 25-month contract; and
3. Authorize the Executive Director to enter into contract with the Cities of Dixon, Fairfield, Vacaville and Vallejo in a continued partnership to provide federal advocacy services in pursuit of federal funding for the STA's priority projects.

Pg. 51

K. American Recovery and Reinvestment Act Update

Kenny Wan

Recommendation:

Approve the reprogramming of bid savings from American Recovery & Reinvestment Act (ARRA) Local Street and Road funds as specified in Attachment C.

Pg. 55

VIII. ACTION FINANCIAL ITEMS

A. Status of Routes 30 and 90 Operating Agreements

Daryl K. Halls
Elizabeth Richards

Recommendation:

Approve the following:

1. Table the City of Fairfield's Transportation Development Act (TDA) Fiscal Year 2009/10 Claim for TDA funds for Routes 30 and 90 from Other Jurisdictions;
2. Table the City of Fairfield's FY 2009-10 Regional Measure 2 (RM 2) Allocation Request for Route 90;
3. Direct Staff to Identify Alternatives Options for the Operation of Route 30 and 90; and
4. Return to the STA Board for Their Consideration

(6:30 – 6:45p.m.)

Pg. 67

B. Fiscal Year (FY) 2009-10 Transportation Development Act (TDA) Matrix – October 2009

Elizabeth Richards

Recommendation:

Approve the October 2009 TDA Matrix which includes the Cities of Fairfield and Rio Vista's FY 2009-10 TDA claim amounts.

(6:45 – 6:50 p.m.)

Pg. 85

X-B-8-5

C. Lifeline/State Transit Assistance Funds (STAF) and Proposition 1B

Liz Niedziela

Recommendation:

Approve the following:

1. Authorize the City of Dixon to claim an additional \$228,698 in STAF/Lifeline funds in FY 2009-10 to fund existing Weekday/Saturday service over a 3-year period; and
2. Authorize the City of Fairfield to receive \$6,529 in Proposition 1B/Lifeline funds for FY 2009-10 to fund bus shelter/stop improvements.

(6:50 – 6:55 p.m.)

Pg. 89

IX. ACTION NON-FINANCIAL ITEMS

A. 2009 Solano County Congestion Management Program (CMP) Update

Robert Macaulay

Recommendation:

Approve the 2009 Solano County Congestion Management Plan and transmit it to MTC.

(6:55 – 7:00 p.m.)

Pg. 95

B. Comprehensive Transportation Plan (CTP) Update – Arterials, Highways and Freeways State of the System Report

Robert Macaulay
Robert Guerrero

Recommendation:

Approve the “State of the System – Arterials, Highways, and Freeways” Report included as Attachment A.

(7:00 – 7:10 p.m.)

Pg. 99

C. STA’s Draft 2010 Legislative Priorities and Platform

Jayne Bauer

Recommendation:

Authorize the Executive Director to distribute the Draft 2010 Legislative Priorities Platform for a 30-day review and comment period.

(7:10 – 7:20 p.m.)

Pg. 101

D. Safe Routes to School (SR2S) Program Update and FY 2009-10 Work Plan

Sam Shelton

Recommendation:

Approve the following:

1. STA’s Safe Routes to School Work Plan for FY 2009-10 as described in Attachment D; and
2. Authorize the Executive Director to enter into two year agreements not to exceed \$152,000 for a Safe Routes to School part time program coordinator and safety coordinator services and not to exceed \$154,800 for related education & encouragement vehicle & material costs.

X-B-8-6

(7:20 – 7:25 p.m.)
Pg. 123

X. INFORMATIONAL ITEMS

- A. Preview of Senior and Disabled Transportation Summit II Elizabeth Richards
Informational
(7:25 – 7:30 p.m.)
Pg. 131
- B. STA Transportation Planning and Land Use Solutions Robert Guerrero
(T-PLUS) Program/Transportation for Livable Communities
(TLC) Program Summary
Informational
(7:30 – 7:35 p.m.)
Pg. 135
- C. 2010 State Transportation Improvement Program (STIP) Sam Shelton
Update
Informational
(7:35 – 7:40 p.m.)
Pg. 141

NO DISCUSSION

- D. Regional Transportation Impact Fee (RTIF) Update Sam Shelton
Informational
Pg. 147
- E. Abandoned Vehicle Abatement (AVA) Program Annual Susan Furtado
Report Fiscal Year (FY) 2008-09
Informational
Pg. 151
- F. Unmet Transit Needs Process for Fiscal Year FY 2009-10 Liz Niedziela
and FY 2010-11
Informational
Pg. 153
- G. State Route (SR) 12 Jameson Canyon Road Bicycle and Sara Woo
Pedestrian Connections Plan Update
Informational
Pg. 155
- H. Project Delivery Update Kenny Wan
Informational
Pg. 159
- I. Funding Opportunities Summary Sara Woo
Informational
Pg. 163

X-B-8-7

J. STA Board Meeting Schedule for the Remainder of 2009
Informational
Pg. 179

Johanna Masielat

XI. BOARD MEMBERS COMMENTS

XII. ADJOURNMENT

Due to the STA's 12th Annual Awards Program, there will be no meeting in November. The next regular meeting of the STA Board is scheduled for **Wednesday, December 9, 2009, 6:00 p.m., Suisun City Hall Council Chambers.**

X-B-8-8

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS**

DATE : October 14, 2009

TO : Mayor Patterson
Vice Mayor Campbell

FROM : Charlie Knox, Director of Public Works and Community Development

SUBJECT : **SOLANO WATER AUTHORITY**

The following information is provided for your committee report at the October 20 2009 City Council meeting.

The Solano Water Authority (SWA) Board of Directors was held October 8, 2009. The agenda for that meeting follows. The next SWA meeting is on November 12, 2009.

The SWA also has a Delta Committee that typically meets each month directly before the regular SWA meeting.

SOLANO COUNTY WATER AGENCY



BOARD OF DIRECTORS MEETING

DATE: Thursday, October 8, 2009

TIME: 7:00 p.m.

PLACE: Solano Irrigation District
508 Elmira Road
Vacaville

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. PUBLIC COMMENT

Limited to 5 minutes for any one item not scheduled on the Agenda.

5. CONSENT ITEMS

- (A) Minutes: Approval of the Minutes of the Board of Directors meeting on September 10, 2009 is recommended.
- (B) Expenditure Approvals: Approval of the September checking account register and list of checks \$500 and over to be paid is recommended.
- (C) Confidentiality Agreements: Authorization of General Manager to execute, on behalf of the Agency, confidentiality agreements regarding potential litigation regarding State Water Project activities is recommended.

6. BOARD MEMBER REPORTS

RECOMMENDATION: For information only.

7. GENERAL MANAGER'S REPORT

RECOMMENDATION: For information only.

P.O. Box 349 • 6040 Vaca Station Road, Building 100
Elmira, California 95625-0349
Phone (707) 451-6090 • FAX (707) 451-6099
www.scwa2.com



X-B-9-2

8. HABITAT CONSERVATION PLAN WORKSHOP

RECOMMENDATION: Hear status report from staff and participating member agencies on the development of the Solano Habitat Conservation Plan. Review draft Executive Summary and provide comments and guidance on the Executive Summary and the overall HCP process.

9. DELTA UPDATE

RECOMMENDATION: Hear report from General Manager on Delta issues. Provide direction, as necessary, to staff and lobbyist.

10. TIME AND PLACE OF NEXT MEETING

Thursday, November 12, 2009 at 7:00 pm at the Solano Irrigation District offices.

The Full Board of Directors packet with background materials for each agenda item can be viewed on the Agency's website at www.scwa2.com.

AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS

DATE : October 8, 2009

TO : Vice Mayor Campbell
Council Member Hughes

FROM : Charlie Knox, Director of Public Works and Community Development

SUBJECT : **TRAFFIC, PEDESTRIAN AND BICYCLE SAFETY (TPBS)**
COMMITTEE

The following information is provided for your committee report at the October 20, 2009 Council meeting.

The Traffic, Pedestrian and Bicycle Safety (TPBS) Committee meets quarterly at 7:00 p.m. in the Commission Room at City Hall.

The October 15, 2009 scheduled meeting has been canceled.

The next regularly scheduled meeting is January 21, 2010, 7:00 pm, in the Commission Room.

AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS

DATE : October 13, 2009

TO : Vice Mayor Campbell
Council Member Hughes

FROM : City Manager

SUBJECT : **TRI-CITY AND COUNTY COOPERATIVE PLANNING GROUP**

The following information is provided for your committee report at the October 20, 2009 Council meeting.

A joint meeting of the Tri-City and County Cooperative Planning Group Governing Board and Citizens Advisory Committee (CAC) took place Monday, September 21, 2009 at 7:00 PM. The group met at the Mare Island Conference Center located at 375 "G" Street (Tennessee Street Bridge) in Vallejo, CA.

The group discussed the possibility of re-initiating efforts to establish a Countywide open space and recreation park district. The main group concern centered on establishing a mechanism for permanent funding. The group directed that each staff liaison to report back to their department directors to begin initiating a meeting with the manager's group to determine if there is interest amongst each of the jurisdictions. Staff for each partnering jurisdiction will meet on Tuesday, October 13, 2009 to frame the issues and bring those back to their managers for further instruction.

The 2009 Fall Event will take place on Saturday October 24, 2009 from 9:00 AM until 1:00 PM. This field trip to the Sky-Valley Cordelia Hills Open Space will focus on some Solano Land Trust properties and the McIntyre Ranch. Family members and friends are welcome. Individuals that would like to attend this event should RSVP with Brian Miller, City of Fairfield, at 428-7446 by Tuesday, October 20th. An event flyer is an attachment to this committee report.

The next meeting of the Governing Board is tentatively scheduled for Monday December 14, 2009 and the CAC is schedule to meet Wednesday November 18, 2009. Agendas and staff reports for both of these meetings are unavailable at this time.

Attachment: Tour-Fall 2009 Flyer

X-B-11-1



TRI-CITY AND COUNTY COOPERATIVE PLANNING GROUP
Cities of Benicia, Fairfield, and Vallejo * County of Solano

2009 Fall Event
Tri-City and County Cooperative Planning Group
October 24, 2009

The Tri-City and County Cooperative Planning Group would like to announce their Fall 2009 Event. Located in the scenic Sky Valley-Cordelia Hills Open Space between Fairfield, Benicia and Vallejo, this year's event will focus on some of the Solano Land Trust properties, in addition to the McIntyre Ranch, operated by the Greater Vallejo Recreation District. Traditionally, our event is held in the Spring, but the landscape always takes on a different look as the seasons change, so we thought we'd plan this outing during the cool of the Fall.

The tour is scheduled for:

- Date: **Saturday, October 24, 2009**
- Time: **9 a.m. to approximately 1:00 p.m.**
- Meeting Place: The tour will meet at the Hiddenbrooke Parkway exit "Park & Ride"; located on the south side of Hwy 80 at the Hiddenbrooke offramp, southwest of Fairfield.

Please RSVP to Brian Miller at 428-7446 **by Tuesday, October 20, 2009**, so that we can be sure we have enough vehicles and snacks to accommodate everyone. Friends and family are certainly welcome.

AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS

DATE : October 14, 2009
TO : Council Member Hughes
FROM : Steve Vucurevich, Fire Chief
SUBJECT : **VALERO COMMUNITY ADVISORY PANEL (CAP)**

The following information is provided for your committee report at the October 20, 2009 Council meeting.

The CAP meets quarterly at 6:30 p.m. at the refinery at 610 Industrial Way. The next CAP meeting will be held on October 29, 2009.

AGENDA ITEM
CITY COUNCIL MEETING: October 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS

DATE : **October 20, 2009**

TO : **Mayor Elizabeth Patterson**
Council Member Mike Ioakimedes
Council Member Schwartzman

FROM : **Youth Action Coalition**

SUBJECT : **Youth Action Coalition**

The following information is provided for your committee report at the October 20, 2009 City Council meeting.

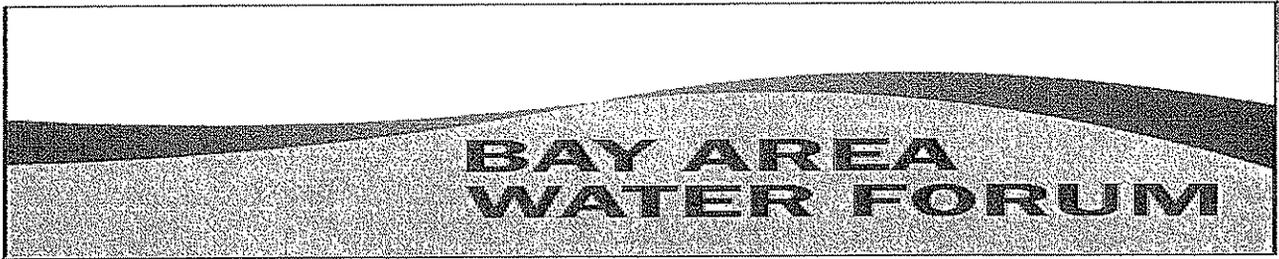
The next meeting of the Youth Action Coalition is Wednesday, October 28, 2009, 3:30 p.m. in the Commission Room at City Hall. The agenda is not yet available.

**AGENDA ITEM
CITY COUNCIL MEETING: OCTOBER 20, 2009
COUNCIL MEMBER COMMITTEE REPORTS**

DATE : October 14, 2009
TO : City Council
FROM : Mayor Patterson
SUBJECT : **ABAG/CAL FED TASK FORCE/BAY AREA WATER FORUM**

The following information is provided for your committee report at the October 20, 2009 City Council meeting.

The next meeting of the Water Forum is scheduled for October 26, 2009. Please see the flyer on the following page for more information.



SAVE THE DATE!

Next BAWF Meeting
Monday, October 26, 2009
10:00 a.m. - 12:30 p.m.
Elihu Harris State Building
1515 Clay Street, Oakland, CA
Room TBD

Things Have Changed: New State Greywater Regulations

Dick Bennett, Water Conservation Administrator
East Bay Municipal Utility District

&

Babak Jacinto Tondre, Co-Owner of DIG Cooperative & Co-
Founder of Berkeley EcoHouse

Join us for a discussion of recent changes to the state greywater code that allow a variety of approaches and legalize many previously prohibited systems.

For more information, contact Ariel Ambruster at aambrust@yahoo.com or 510-528-5006.

The Bay Area Water Forum serves as a venue for encouraging regional cooperation, education and exchange of ideas on critical Bay area water issues. Monthly meetings are open to all interested parties. The Forum is sponsored by numerous Bay area water agencies along with the State Coastal Conservancy.

X-B-14-2

REQUEST FOR ITEM ON COUNCIL AGENDA

Requested by:

Council Member Ioakimedes

Requested Council Meeting Date:

October 20, 2009

Agenda Item Name:

Request to agendize the Healthy Communities Resolution –

I would like a City Council resolution that covers all aspects of city life related to community health.

The City of Benicia already subscribes to the Healthy Communities ideal. In addition to the overarching goal of sustainability, General Plan has Goal 4.1 “Make community health and safety a high priority for Benicia.” The proposed resolution would incorporate the General Plan provisions, the Climate Action Plan, and other ordinances such as the Tree Ordinance. The resolution would request inclusion of a health impact assessment as part of our planning process. We would work with other local agencies such as the School District to develop a comprehensive process.

The Public Health Law and Policy website has a section on “Healthy Planning.” www.healthyplanning.org. They note that “Land use, economic development, and redevelopment policies offer a valuable set of tools to promote and enhance healthy communities. Local communities, private developers, and community groups can all work to create patterns of development that improve community health – by ensuring that farmer’s markets and neighborhood grocery stores are supported, for instance, or by promoting sidewalks, parks and other environmental components that encourage physical activity.”