



AGENDA

REGULAR MEETING

* * *

CLAYTON CITY COUNCIL

* * *

TUESDAY, May 15, 2018

7:00 P.M.

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

Mayor: Keith Haydon

Vice Mayor: David T. Shuey

Council Members

Tuija Catalano

Jim Diaz

Julie K. Pierce

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

* CITY COUNCIL *

May 15, 2018

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

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

3. **CONSENT CALENDAR**

Consent Calendar items are typically routine in nature and are considered for approval by one single motion of the City Council. Members of the Council, Audience, or Staff wishing an item removed from the Consent Calendar for purpose of public comment, question or further input may request so through the Mayor by completion and filing of a Public Comment card.

(a) **Information Only** – No Action Requested.

1. Press Release announcing three (3) Planning Commissioner openings for the appointed terms of office July 1, 2018 – June 30, 2020. ([View Here](#))

(b) Approve the minutes of the City Council's regular meeting of May 1, 2018. ([View Here](#))

(c) Approve the Financial Demands and Obligations of the City. ([View Here](#))

(d) Adopt a Resolution approving the Engineer's Report and declaring intent to levy and collect real property tax assessments in FY 2018-19 for the Diablo Estates at Clayton Benefit Assessment District (BAD), and setting July 19, 2018 at or about 7:00 p.m. as the date and time for a noticed Public Hearing on the proposed fiscal year tax assessment levies. ([View Here](#))

(e) Accept the City's Investment Portfolio Report for the Third Quarter of FY 2017-18 ending March 31, 2018. ([View Here](#))

(f) Adopt a Resolution approving the award of low-bid contract to Sierra Nevada Construction in the amount of \$784,007.00 for the City's 2018 Neighborhood Street Repave Project (CIP No. 10436). ([View Here](#))

(g) Adopt a Resolution authorizing City staff to negotiate an agreeable construction price with a qualified contractor to construct the El Molino Drive Sanitary Sewer Improvements Project (CIP no. 10422), pursuant to Public Contract Code Section 20166 and given no construction bids were received for this advertised project. ([View Here](#))

4. **RECOGNITIONS AND PRESENTATIONS**

(a) Recognition of Maintenance Supervisor Mark Janney upon his retirement in appreciation for 28 years of leadership and service to the Clayton community from April 1990 to May 2018.

5. REPORTS

- (a) Planning Commission – No meeting held.
- (b) Trails and Landscaping Committee – No meeting held.
- (c) City Manager/Staff
- (d) City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.
- (e) Other

6. PUBLIC COMMENT ON NON - AGENDA ITEMS

Members of the public may address the City Council on items within the Council's jurisdiction, (which are not on the agenda) at this time. To facilitate the recordation of comments, it is requested each speaker complete a speaker card available on the Lobby table and submit it in advance to the City Clerk. To assure an orderly meeting and an equal opportunity for everyone, each speaker is limited to 3 minutes, enforced at the Mayor's discretion. When one's name is called or you are recognized by the Mayor as wishing to speak, the speaker shall approach the public podium and adhere to the time limit. In accordance with State Law, no action may take place on any item not appearing on the posted agenda. The Council may respond to statements made or questions asked, or may at its discretion request Staff to report back at a future meeting concerning the matter.

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

7. PUBLIC HEARINGS – None.

8. ACTION ITEMS – None.

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

10. CLOSED SESSION

- (a) *Government Code Section 54957.6, Conference with Labor Negotiator
Instructions to City-designated labor negotiator: City Manager
Employee Organization: Clayton Police Officers Association (CPOA)*

Report out from Closed Session: Mayor Haydon.

11. ADJOURNMENT

The next regularly scheduled meeting of the City Council will be June 5, 2018.

#

PRESS RELEASE

Agenda Date: 5-15-2018

Agenda Item: 3a



**City of Clayton
accepting applications
for
PLANNING COMMISSION
THREE (3) OFFICES
Term: July 2018 through June 2020**

The Planning Commission is comprised of 5 members appointed by the City Council, normally for two-year terms of office. The Planning Commission advises the City Council on land use matters, including General Plan and Zoning Ordinance amendments. The Commission also makes decisions on project developments, Site Plan Reviews, Use Permits, Subdivisions, and Variances. Planning Commission meetings are open to the public and its decisions may be appealed to the City Council.

- The Clayton Planning Commission meets on the second and fourth Tuesday of each month, 7:00 pm, in Hoyer Hall at Clayton Community Library, 6125 Clayton Road, Clayton, CA.
- An applicant must be 18 years of age, a registered voter and a resident of Clayton.
- Planning Commissioners presently receive a monthly stipend \$120.

An application may be obtained:

In person: Clayton City Hall
6000 Heritage Trail
By mail: Call City offices at (925) 673-7300
E-mail: jbrown@ci.clayton.ca.us

City's web site: www.ci.clayton.ca.us

Please return a completed application to the City Clerk by 5:00 p.m., Thursday, June 14, 2018. Full City Council interview of applicants is tentatively scheduled for early evening on June 19, 2018; the interview is open to the public. Appointment is expected to be made later that same evening by the City Council during its public meeting of June 19th.

Applications filed are subject to public disclosure. An appointed commissioner must file an annual Statement of Economic Interests required by the CA Fair Political Practices Commission.



*** CITY PLANNING COMMISSION *
APPLICATION**

All information contained on this application is a public record subject to public disclosure. This includes home address and all phone numbers. This public office is required by state law to complete and file an annual Financial Statement of Economic Interest

Name: _____

Date: _____

Home address: _____ Contact phone: _____

Length of residence in Clayton: _____

Email address: _____

Present employer: _____

Occupation: _____

A. Education and special training: _____

B. Please list experiences and activities which particularly qualify you for an appointment to the Clayton Planning Commission:

C. What do you consider to be the role of a City Planning Commissioner?

D. Other relevant information and interests:

E. Please list three references with phone numbers:

1. _____
2. _____
3. _____

Signature

The City of Clayton appreciates your interest and willingness to seek involvement in your community through civic service on our City Planning Commission. Thank you for your application.

MINUTES
OF THE
REGULAR MEETING
CLAYTON CITY COUNCIL

Agenda Date: 5-15-2018

Agenda Item: 3b

TUESDAY, May 1, 2018

1. **CALL TO ORDER & ROLL CALL** – The meeting was called to order at 7:00 p.m. by Mayor Haydon in Hoyer Hall, Clayton Community Library, 6125 Clayton Road, Clayton, CA. Councilmembers present: Mayor Haydon, Vice Mayor Shuey and Councilmembers Catalano, Diaz and Pierce. Councilmembers absent: None. Staff present: City Manager Gary Napper, City Attorney Mala Subramanian, Community Development Director Mindy Gentry, and City Clerk/HR Manager Janet Brown.

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

3. **CONSENT CALENDAR**

It was moved by Vice Mayor Shuey, seconded by Councilmember Pierce, to approve the Consent Calendar as submitted. (Passed; 5-0 vote).

- (a) Approved the minutes of the City Council's regular meeting of April 17, 2018.
- (b) Approved the Financial Demands and Obligations of the City.
- (c) Authorized the initiation of the internal City process for state-mandated biennial review of the City's Conflict of Interest Code.
- (d) Authorized a City letter to Governor Brown and state legislators supporting a coalition of California's fire services' request for \$100 million in FY 2018-19 State Budget funds to the Office of Emergency Services (OES) to pre-position and strengthen swifter disaster response teams.

4. **RECOGNITIONS AND PRESENTATIONS**

- (a) Certificates of Recognition to public school students selected for exemplifying the "Do the Right Thing" character trait of "Integrity" during March – April 2018.

Mayor Haydon, Mt. Diablo Elementary School Vice Principal Joe Bruno and fourth grade teachers Mrs. Carcamo and Ms. Fail presented Certificates to students Marco Tredinnick and Madison Bautista.

Mayor Haydon and Diablo View Middle School Principal Patti Bannister presented Certificates to students Lily Wilcox and Logan Gonzales.

As no student selected by Clayton Valley Charter High School was present to receive Certificates of Recognition, Mayor Haydon requested City staff to contact the school and try to reschedule the recognition to a subsequent City Council meeting.

5. REPORTS

- (a) Planning Commission – Commissioner William Gall indicated the Commission's agenda at its meeting of April 24, 2018 included the consideration of a Site Plan Review Permit to allow the construction of a single-story garage addition measuring approximately 700 square feet in area and 14 feet in height on an existing split-level single-family residence located at 5859 Clayton Road. This item was unanimously approved.

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

- (c) City Manager/Staff –

City Manager Napper announced the City's prospective developer of the large vacant lot downtown, Fulcrum Development Group, is in the process of submitting its plans for review by staff. As part of its agreement with the City, Fulcrum held its first public community meeting on April 11th, and plans to hold its second community meeting on May 23rd in Hoyer Hall at 7:00 p.m. He noted this is a great opportunity for citizens to come out and put what they have heard in the community together with what they can see the developer is proposing, and also provide input directly to the developer regarding any concerns they may have. Ultimately, once the plans are submitted and reviewed by City staff, the proposal will be presented to the Planning Commission, and finally the City Council for approval. He added attendance at these community meetings by a city council member or planning commissioner is not recommended as doing so could influence one's bias for or against the project before it officially comes to them on a public agenda.

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

Councilmember Catalano attended the Clayton Cleans Up! event, the Clayton Business and Community Association General Membership meeting, the Clayton Business and Community Association scholarship interviews, the Clayton Business and Community Association's Art and Wine Festival, and announced the Mt. Diablo Elementary Children's Theater Group's production of "Willy Wonka and the Chocolate Factory," directed by Sarah Wilcox, will take place on May 3rd and 4th at 7:00 p.m.

Vice Mayor Shuey attend the Clayton Business and Community Association's Art and Wine Festival, and attended Clayton Valley Charter High School Board meetings.

Councilmember Pierce attended the Contra Costa Transportation Authority Board meeting, the Bay Area Regional Collaborative meeting, the Clayton Cleans Up! event, the Metropolitan Transportation Committee meeting, and the Clayton Business and Community Association's Art and Wine Festival. Councilmember Pierce also announced the Clayton Historical Society's annual Clayton Gardens Tour takes place on May 5th and 6th, and the first Concert in The Grove featuring "Plan B" takes place on Saturday, May 12th from 6:00 p.m. to 8:30 p.m. She advised patron hats are still available with a \$200.00 donation to the Concerts in The Grove.

Mayor Haydon thanked Councilmember Jim Diaz for chairing the Clayton Business and Community Association's Art and Wine committee this year.

Councilmember Diaz attended the Clayton Cleans Up! event, the Clayton Business and Community Association General Membership meeting, and he met the new Oakhurst Country Club General Manager, Michael Clark. Councilmember Diaz thanked the many volunteers who helped with the Clayton Business and Community Association's Art and Wine Festival; he specifically recognized Councilmember Tuija Catalano who

coordinated all of the adult volunteers, Marcy Bussey for arranging the student volunteers to clean up after the event, and Councilmember Pierce who was out early providing coffee, sweet rolls and fruit for the vendors and volunteers.

Mayor Haydon attended the County Connection Board of Directors meeting, the Clayton Cleans Up! event, the East Contra Costa Habitat Conservancy Board meeting, the Clayton Business and Community Association BBQ Cook-Off committee meeting, spoke at the Blue Star Moms dedication of a memorial to Major James Ahern at Clayton Valley Charter High School, went on the Save Mount Diablo Four Days Diablo hike, the Clayton Business and Community Association's Art and Wine Festival, the Lafayette War Veterans' dedication of a memorial that identified twenty-two (22) fallen heroes in Contra Costa County since 9/11, and a Central County Mayors Committee meeting consisting of the four (4) mayors from Walnut Creek, Concord, Martinez and Clayton. Mayor Haydon also shared an informational flyer regarding Prop 68 with the Councilmembers, as requested by East Contra Costa County Habitat Conservancy.

(e) Other – None.

6. **PUBLIC COMMENT ON NON - AGENDA ITEMS**

Ann Stanaway, 1553 Haviland Court, reiterated previous comments about the City having no regard for public health and safety in the community, and urged it discontinue its use of Roundup in the parks as it contains carcinogens.

7. **PUBLIC HEARINGS** – None.

8. **ACTION ITEMS**

- (a) Consider the Second Reading and Adoption of Ordinance No. 481 amending Chapter 8.14 (regulation of Smoking) of the *Clayton Municipal Code*.
(Community Development Director)

Community Development Director Mindy Gentry advised this item is the second reading of an Ordinance to amend the City's smoking regulations, noting at the April 17th City Council meeting two (2) changes were made to the proposed Ordinance to allow smoking on public sidewalks and remove the staff-proposed 25' no smoking zone around The Grove Park.

Mayor Haydon opened the matter for public comments; no comments were offered.

It was moved by Councilmember Pierce, seconded by Councilmember Catalano, to have the City Clerk read Ordinance No. 481, by title and number only and waive further reading. (Passed; 5-0 vote).

The City Clerk read Ordinance No. 481 by title and number only.

It was moved by Councilmember Pierce, seconded by Councilmember Catalano, to adopt Ordinance No. 481 with the finding its adoption is not a project under CEQA and it will not have a significant adverse effect on the environment and therefore is exempt under CEQA. (Passed; 5-0 vote).

9. **COUNCIL ITEMS** – limited to requests and directives for future meetings
None.

10. **CLOSED SESSION**

Mayor Haydon announced the City Council will adjourn into Closed Session for the following noticed item (7:33 p.m.):

- (a) *Government Code Section 54957.6, Conference with Labor Negotiator*
Instructions to City-designated labor negotiator: City Manager
Employee Organization: Clayton Police Officers' Association (CPOA)

Report out from Closed Session (8:54 p.m.):

Mayor Haydon reported the City Council received information from and provided policy directions to its labor negotiator. There is no public action to report.

11. **ADJOURNMENT**– on call by Mayor Haydon, the City Council adjourned its meeting at 8:55 p.m.

The next regularly scheduled meeting of the City Council is May 15, 2018.

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Respectfully submitted,

Janet Brown, City Clerk

APPROVED BY THE CLAYTON CITY COUNCIL

Keith Haydon, Mayor


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Agenda Date: 05/15/18

Agenda Item: 3c

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: Kevin Mizuno, FINANCE MANAGER 
DATE: 05/15/18
SUBJECT: INVOICE SUMMARY

Approved: 
Gary A. Napper
City Manager

RECOMMENDATION:

Approve the following:

Cash Requirements Report dated 5/11/18	\$154,664.80
ADP Payroll, week 19, PPE 05/06/18	\$87,321.30
Total	\$241,986.10

Attachments:

Cash Requirements reports, dated 5/11/18 (5 pages)
ADP Payroll reports, week 19 (1 page)

City of Clayton Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
Ace Sierra Tow								
Ace Sierra Tow	5/15/2018	5/15/2018	56957	Towing, car # 1736	\$25.00	\$0.00		\$25.00
				<i>Totals for Ace Sierra Tow:</i>	<u>\$25.00</u>	<u>\$0.00</u>		<u>\$25.00</u>
ADP, LLC								
ADP, LLC	5/15/2018	5/15/2018	513449419	Payroll fees PPE 4/22/18	\$146.98	\$0.00		\$146.98
				<i>Totals for ADP, LLC:</i>	<u>\$146.98</u>	<u>\$0.00</u>		<u>\$146.98</u>
Advanced Elevator Solutions, Inc								
Advanced Elevator Solutions, Inc	5/15/2018	5/15/2018	31457	Elevator service 8/17-4/18	\$1,035.00	\$0.00		\$1,035.00
				<i>Totals for Advanced Elevator Solutions, Inc:</i>	<u>\$1,035.00</u>	<u>\$0.00</u>		<u>\$1,035.00</u>
All City Management Services, Inc.								
All City Management Services, Inc.	5/15/2018	5/15/2018	54356	School crossing guard services 4/8/18-4/21/18	\$554.10	\$0.00		\$554.10
				<i>Totals for All City Management Services, Inc.:</i>	<u>\$554.10</u>	<u>\$0.00</u>		<u>\$554.10</u>
American Fidelity Assurance Company								
American Fidelity Assurance Company	5/15/2018	5/15/2018	2006821A	FSA PPE 4/22/18	\$411.14	\$0.00		\$411.14
American Fidelity Assurance Company	5/15/2018	5/15/2018	2006517A	FSA PPE 4/8/18	\$511.14	\$0.00		\$511.14
American Fidelity Assurance Company	5/15/2018	5/15/2018	2003822	FSA PPE 3/25/18	\$511.14	\$0.00		\$511.14
American Fidelity Assurance Company	5/15/2018	5/15/2018	2002750A	FSA PPE 3/11/18	\$511.14	\$0.00		\$511.14
				<i>Totals for American Fidelity Assurance Company:</i>	<u>\$1,944.56</u>	<u>\$0.00</u>		<u>\$1,944.56</u>
Authorize.net								
Authorize.net	5/15/2018	5/15/2018	April 2018	Credit card gateway fee for April	\$26.25	\$0.00		\$26.25
				<i>Totals for Authorize.net:</i>	<u>\$26.25</u>	<u>\$0.00</u>		<u>\$26.25</u>
CalPERS Retirement								
CalPERS Retirement	5/15/2018	5/15/2018	042218	Retirement PPE 4/22/18	\$14,524.68	\$0.00		\$14,524.68
				<i>Totals for CalPERS Retirement:</i>	<u>\$14,524.68</u>	<u>\$0.00</u>		<u>\$14,524.68</u>
Caltronics Business Systems, Inc								
Caltronics Business Systems, Inc	5/15/2018	5/15/2018	2507324	Copier contract coverage 3/30/18-4/29/18	\$437.10	\$0.00		\$437.10
				<i>Totals for Caltronics Business Systems, Inc:</i>	<u>\$437.10</u>	<u>\$0.00</u>		<u>\$437.10</u>
City of Concord								
City of Concord	5/15/2018	5/15/2018	66042	Dispatch services for March	\$20,089.50	\$0.00		\$20,089.50
City of Concord	5/15/2018	5/15/2018	66043	Dispatch services for April 2018	\$20,089.50	\$0.00		\$20,089.50
				<i>Totals for City of Concord:</i>	<u>\$40,179.00</u>	<u>\$0.00</u>		<u>\$40,179.00</u>
Clean Street								
Clean Street	5/15/2018	5/15/2018	90062	Street sweeping for April	\$4,500.00	\$0.00		\$4,500.00
				<i>Totals for Clean Street:</i>	<u>\$4,500.00</u>	<u>\$0.00</u>		<u>\$4,500.00</u>
Comcast								
Comcast	5/15/2018	5/15/2018	050118	Internet 5/10/18-6/9/18	\$386.08	\$0.00		\$386.08

City of Clayton Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
<i>Totals for Comcast:</i>					\$386.08	\$0.00		\$386.08
Concord Garden Equipment								
Concord Garden Equipment	5/15/2018	5/15/2018	549099	Starter assembly for mulcher	\$103.33	\$0.00		\$103.33
Concord Garden Equipment	5/15/2018	5/15/2018	547594	Service to commercial mower	\$129.30	\$0.00		\$129.30
<i>Totals for Concord Garden Equipment:</i>					\$232.63	\$0.00		\$232.63
Concord Uniforms								
Concord Uniforms	5/15/2018	5/15/2018	13732	Uniform, body armor, Chief	\$1,054.82	\$0.00		\$1,054.82
Concord Uniforms	5/15/2018	5/15/2018	13786	Uniform, PAC	\$343.32	\$0.00		\$343.32
<i>Totals for Concord Uniforms:</i>					\$1,398.14	\$0.00		\$1,398.14
Contra Costa County Office of the Sheriff (Training)								
Contra Costa County Office of the Sheri	5/15/2018	5/15/2018	18-21066	Training, Crisis Intervention, De-escalation - P	\$118.00	\$0.00		\$118.00
<i>Totals for Contra Costa County Office of the Sheriff (Training):</i>					\$118.00	\$0.00		\$118.00
Contra Costa County Office of Sheriff (CCNET)								
Contra Costa County Office of Sheriff (5/15/2018	5/15/2018	18-2720	Badge mount plaque	\$69.66	\$0.00		\$69.66
<i>Totals for Contra Costa County Office of Sheriff (CCNET):</i>					\$69.66	\$0.00		\$69.66
Contra Costa Tractor Mobile Svc								
Contra Costa Tractor Mobile Svc	5/15/2018	5/15/2018	017730	Service call for Ford 260C tractor	\$678.68	\$0.00		\$678.68
Contra Costa Tractor Mobile Svc	5/15/2018	5/15/2018	017731	Service to E30B Excavator	\$472.97	\$0.00		\$472.97
Contra Costa Tractor Mobile Svc	5/15/2018	5/15/2018	017732	Service to New Holland U80B tractor	\$493.56	\$0.00		\$493.56
<i>Totals for Contra Costa Tractor Mobile Svc:</i>					\$1,645.21	\$0.00		\$1,645.21
Creative Supports Inc								
Creative Supports Inc	5/15/2018	5/15/2018	21021	Height adjustable work surface for microfiche	\$1,338.41	\$0.00		\$1,338.41
<i>Totals for Creative Supports Inc:</i>					\$1,338.41	\$0.00		\$1,338.41
Crime Scene Cleaners Inc.								
Crime Scene Cleaners Inc.	5/15/2018	5/15/2018	68600	Clean car #1736	\$80.00	\$0.00		\$80.00
<i>Totals for Crime Scene Cleaners Inc.:</i>					\$80.00	\$0.00		\$80.00
CSI Forensic Supply								
CSI Forensic Supply	5/15/2018	5/15/2018	59595A	Test kits	\$53.01	\$0.00		\$53.01
<i>Totals for CSI Forensic Supply:</i>					\$53.01	\$0.00		\$53.01
De Lage Landen Financial Services, Inc.								
De Lage Landen Financial Services, Inc.	5/15/2018	5/15/2018	59037737	Copier contract 5/15/18-6/14/18	\$304.59	\$0.00		\$304.59
<i>Totals for De Lage Landen Financial Services, Inc.:</i>					\$304.59	\$0.00		\$304.59
Digital Services								
Digital Services	5/15/2018	5/15/2018	11147	IT Services 4/11/18-5/7/18	\$1,905.44	\$0.00		\$1,905.44
<i>Totals for Digital Services:</i>					\$1,905.44	\$0.00		\$1,905.44
Express Serv ²	Inc							

City of Crayton Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
Express Services, Inc	5/15/2018	5/15/2018	20497496	Temp admin week end 4/22/18	\$1,121.63	\$0.00		\$1,121.63
Express Services, Inc	5/15/2018	5/15/2018	20525713	Temp workers week end 4/29/18	\$2,115.34	\$0.00		\$2,115.34
<i>Totals for Express Services, Inc:</i>					<i>\$3,236.97</i>	<i>\$0.00</i>		<i>\$3,236.97</i>
G.N. Henley, Inc								
G.N. Henley, Inc	5/15/2018	5/15/2018	17-111	Pine Hollow Rd drainage repairs 11/10-11/14/	\$19,863.06	\$0.00		\$19,863.06
G.N. Henley, Inc	5/15/2018	5/15/2018	17-110	Westwood Trail repairs 11/6/17-11/21/17	\$27,313.52	\$0.00		\$27,313.52
<i>Totals for G.N. Henley, Inc:</i>					<i>\$47,176.58</i>	<i>\$0.00</i>		<i>\$47,176.58</i>
Geoconsultants, Inc.								
Geoconsultants, Inc.	5/15/2018	5/15/2018	18940	Well testing for April	\$1,546.50	\$0.00		\$1,546.50
<i>Totals for Geoconsultants, Inc.:</i>					<i>\$1,546.50</i>	<i>\$0.00</i>		<i>\$1,546.50</i>
Stephen Gourlay								
Stephen Gourlay	5/15/2018	5/15/2018	CAP0283	Deposit refund for 227 Mountaire Cir	\$2,450.97	\$0.00		\$2,450.97
<i>Totals for Stephen Gourlay:</i>					<i>\$2,450.97</i>	<i>\$0.00</i>		<i>\$2,450.97</i>
Hammons Supply Company								
Hammons Supply Company	5/15/2018	5/15/2018	101923	CCP janitorial supplies	\$331.12	\$0.00		\$331.12
Hammons Supply Company	5/15/2018	5/15/2018	101924	Library janitorial supplies	\$242.07	\$0.00		\$242.07
Hammons Supply Company	5/15/2018	5/15/2018	101925	The Grove janitorial supplies	\$148.63	\$0.00		\$148.63
<i>Totals for Hammons Supply Company:</i>					<i>\$721.82</i>	<i>\$0.00</i>		<i>\$721.82</i>
iPayment								
iPayment	5/15/2018	5/15/2018	April 2018	Online bankcard fee for April	\$72.85	\$0.00		\$72.85
iPayment	5/15/2018	5/15/2018	April 2018	Bankcard fee for April	\$299.80	\$0.00		\$299.80
<i>Totals for iPayment:</i>					<i>\$372.65</i>	<i>\$0.00</i>		<i>\$372.65</i>
Shay Kornfeld								
Shay Kornfeld	5/15/2018	5/15/2018	028595	Partial refund CCP reservation for 5/20/18	\$47.00	\$0.00		\$47.00
<i>Totals for Shay Kornfeld:</i>					<i>\$47.00</i>	<i>\$0.00</i>		<i>\$47.00</i>
LarryLogic Productions								
LarryLogic Productions	5/15/2018	5/15/2018	1727	City council meeting production 5/1/18	\$330.00	\$0.00		\$330.00
<i>Totals for LarryLogic Productions:</i>					<i>\$330.00</i>	<i>\$0.00</i>		<i>\$330.00</i>
Linda/Navin								
Linda/Navin	5/15/2018	5/15/2018	CAP0287	Deposit refund for 9007 Elk Dr	\$265.00	\$0.00		\$265.00
<i>Totals for Linda/Navin:</i>					<i>\$265.00</i>	<i>\$0.00</i>		<i>\$265.00</i>
Marken Mechanical Services Inc								
Marken Mechanical Services Inc	5/15/2018	5/15/2018	5912	EH HVAC maintenance for April	\$259.50	\$0.00		\$259.50
<i>Totals for Marken Mechanical Services Inc:</i>					<i>\$259.50</i>	<i>\$0.00</i>		<i>\$259.50</i>
Matrix Association Management								
Matrix Association Management	5/15/2018	5/15/2018	5892	Diablo Estates management services for Febru	\$4,532.50	\$0.00		\$4,532.50
Matrix Association Management	5/15/2018	5/15/2018	6443	Diablo Estates management services for May	\$4,532.50	\$0.00		\$4,532.50

City of Clayton Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
<i>Totals for Matrix Association Management:</i>					\$9,065.00	\$0.00		\$9,065.00
Neopost (add postage)								
Neopost (add postage)	5/15/2018	5/15/2018	050118	Postage meter refill	\$300.00	\$0.00		\$300.00
<i>Totals for Neopost (add postage):</i>					\$300.00	\$0.00		\$300.00
Pacific Telemanagement Svc								
Pacific Telemanagement Svc	5/15/2018	5/15/2018	984580	Courtyard payphone for May	\$73.00	\$0.00		\$73.00
<i>Totals for Pacific Telemanagement Svc:</i>					\$73.00	\$0.00		\$73.00
Reliable Automotive, LLC								
Reliable Automotive, LLC	5/15/2018	5/15/2018	25225	99 Ford F-450 maintenance/service	\$1,290.63	\$0.00		\$1,290.63
<i>Totals for Reliable Automotive, LLC:</i>					\$1,290.63	\$0.00		\$1,290.63
Riso Products of Sacramento								
Riso Products of Sacramento	5/15/2018	5/15/2018	182548	Copier usage 3/20/18-4/19/18	\$86.44	\$0.00		\$86.44
Riso Products of Sacramento	5/15/2018	5/15/2018	183260	Copier lease 14 of 60	\$106.09	\$0.00		\$106.09
<i>Totals for Riso Products of Sacramento:</i>					\$192.53	\$0.00		\$192.53
Sprint Comm (PD)								
Sprint Comm (PD)	5/15/2018	5/15/2018	703335311-197	Cell phones 3/26/18-4/25/18	\$651.17	\$0.00		\$651.17
<i>Totals for Sprint Comm (PD):</i>					\$651.17	\$0.00		\$651.17
US Bank - Corp Pmt System CalCard								
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Storage unit rent	\$139.00	\$0.00		\$139.00
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	OTC Brands, Inc - Slap Bracelets for 4th of J	\$629.58	\$0.00		\$629.58
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Quill - Laser Jet printer by microfiche table	\$616.00	\$0.00		\$616.00
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Indeed - Employment ads for Admin/Code Off	\$16.55	\$0.00		\$16.55
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Alpine Awards - Plaque for Jessica	\$35.29	\$0.00		\$35.29
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Raleys - Food for Wellness event	\$9.65	\$0.00		\$9.65
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Accounts Payable checks - Advantage Laser	\$169.16	\$0.00		\$169.16
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Training at UC Davis Extension for Milan	\$360.00	\$0.00		\$360.00
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Deposit to Oakhurst for Mayors' Conference	\$1,275.00	\$0.00		\$1,275.00
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Business lunch - discuss Sewer MOU	\$50.90	\$0.00		\$50.90
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Fuel	\$663.34	\$0.00		\$663.34
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Fuel	\$389.79	\$0.00		\$389.79
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Fuel	\$255.00	\$0.00		\$255.00
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	PAPA	\$200.00	\$0.00		\$200.00
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Fuel	\$55.74	\$0.00		\$55.74
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	US Flag Store	\$470.70	\$0.00		\$470.70
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Alarm Batteries	\$90.78	\$0.00		\$90.78
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Alarm Batteries	\$37.98	\$0.00		\$37.98
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Tree Stake Kit	\$122.47	\$0.00		\$122.47
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Cell Phone batteries	\$37.47	\$0.00		\$37.47
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Staples	\$79.38	\$0.00		\$79.38
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Fuel	\$74.98	\$0.00		\$74.98

City of Clayton Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$153.49	\$0.00		\$153.49
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$149.79	\$0.00		\$149.79
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$232.33	\$0.00		\$232.33
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$278.65	\$0.00		\$278.65
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Image Sales - ID card for Retiree (Romero)	\$24.36	\$0.00		\$24.36
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Transunion - Search Engine	\$56.80	\$0.00		\$56.80
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$388.06	\$0.00		\$388.06
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	OSH - Keys Made for school padlocks	\$16.25	\$0.00		\$16.25
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$375.92	\$0.00		\$375.92
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Ink for Less - High yield color toner	\$835.02	\$0.00		\$835.02
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Amazon - Printer, warranty, toner	\$811.22	\$0.00		\$811.22
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$419.36	\$0.00		\$419.36
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$295.51	\$0.00		\$295.51
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$51.35	\$0.00		\$51.35
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Office supplies	\$87.19	\$0.00		\$87.19
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$198.40	\$0.00		\$198.40
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	PayPal, Evike - AED Pads/batteries, Airsoft s	\$147.76	\$0.00		\$147.76
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$196.33	\$0.00		\$196.33
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Training lunches	\$118.39	\$0.00		\$118.39
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Car washes	\$51.96	\$0.00		\$51.96
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Travel	\$1,440.46	\$0.00		\$1,440.46
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Travel Meals	\$172.50	\$0.00		\$172.50
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$4.65	\$0.00		\$4.65
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Autozone	\$48.92	\$0.00		\$48.92
US Bank - Corp Pmt System CalCard	5/15/2018	5/15/2018	Stmt end 4/23/18	Vehicle Gas	\$511.10	\$0.00		\$511.10
<i>Totals for US Bank - Corp Pmt System CalCard:</i>					<i>\$12,844.53</i>	<i>\$0.00</i>		<i>\$12,844.53</i>
Workers.com								
Workers.com	5/15/2018	5/15/2018	121910	Seasonal workers week end 4/22/18	\$2,839.96	\$0.00		\$2,839.96
<i>Totals for Workers.com:</i>					<i>\$2,839.96</i>	<i>\$0.00</i>		<i>\$2,839.96</i>
Zee Medical Company								
Zee Medical Company	5/15/2018	5/15/2018	724603337	Organize, re-stock first-aid cabinet PD	\$97.15	\$0.00		\$97.15
<i>Totals for Zee Medical Company:</i>					<i>\$97.15</i>	<i>\$0.00</i>		<i>\$97.15</i>
GRAND TOTALS:					\$154,664.80	\$0.00		\$154,664.80



Agenda Date: 5-15-2018

Agenda Item: 3d

STAFF REPORT



TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: SCOTT ALMAN, CITY ENGINEER

DATE: MAY 15, 2018

SUBJECT: APPROVE THE ENGINEER'S REPORT AND DECLARE INTENT TO LEVY AND COLLECT REAL PROPERTY ASSESSMENTS FOR THE DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT FOR FISCAL YEAR 2018-19 AND GIVE NOTICE OF THE TIME AND PLACE FOR A PUBLIC HEARING ON THE LEVY OF THE PROPOSED ASSESSMENTS

RECOMMENDATION

Approve the attached Engineer's Report and declare the Council's intent to levy and collect real property assessments for the Diablo Estates at Clayton Benefit Assessment District for Fiscal Year 2018-19, approve the attached Resolution and give notice of the time and place for a public hearing.

BACKGROUND

The City Council, at its April 17th meeting, initiated the annual levy process or the Diablo Estates at Clayton Benefit Assessment District by officially calling for the preparation of the annual Engineer's Report. The Engineer of Work (City Engineer) has completed the preparation of the report and is submitting the report to the City Council to review and then accept the report.

Tonight, the City Council will set the date and time for the required public hearing to receive and hear any comments from the assessed property owners of Diablo Estates and Clayton.

As required by law, a notice regarding the time and place of the public hearing will be mailed to the property owners. The Engineer's Report will be attached to the public hearing notice. For the benefit of the residents, the Engineer's Report has been expanded to include all of the expenditures of the District through the first nine months of the current fiscal year as well as an accounting of the reserve fund to date and a copy of the Scope of Services provided by the District's management and maintenance consultant, Matrix Management.

Subject: Diablo Estates at Clayton BAD – Approval of Engineer’s Report for FY 2018-19

Date: May 15, 2018

Page 2 of 2

FISCAL IMPACT

If the annual assessment as show in the attached Engineer’s Report is approved by future City Council action, the City will continue to manage the maintenance duties specified in the Engineer’s Report on behalf of the benefited real property owners.

Should the 3.22% CPI increase not be levied as recommended in the Engineer’s Report, the automatic CPI increase in the property management contract (Matrix) must then be funded by drawing on District reserves. Further, bypassing the allowable CPI increase can never be recouped by the District in the future as each annual increase allowed is strictly limited to that year’s adjustment in annual CPI increase.

CONCLUSION

Staff recommends that City Council approve the attached Engineer’s Report and declare the Council’s intent to levy and collect real property assessments for the Diablo Estates at Clayton Benefit Assessment District for Fiscal Year 2018-19, approve the attached Resolution and give notice of the time and place for a public hearing.

Attachments: Resolution confirming Assessments [2 pg.]
Notice to Property Owners [1 pg.]
BAD FY 2018-19 Engineer’s Report [41 pg.]

RESOLUTION NO. XX-2018

A RESOLUTION APPROVING THE ENGINEER'S REPORT AND DECLARING INTENT TO LEVY AND COLLECT REAL PROPERTY ASSESSMENTS FOR THE DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT FOR FISCAL YEAR 2018-19, AND GIVING NOTICE OF THE TIME AND PLACE FOR A PUBLIC HEARING ON THE LEVY OF THE PROPOSED ASSESSMENTS.

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

WHEREAS, by Resolution No. 04-2012, adopted February 7, 2012, the Clayton City Council formed the Diablo Estates At Clayton Benefit Assessment District ("District") pursuant to the provisions of the Landscaping and Lighting Act of 1972 (Government Code Section 22500 et seq.) and the Benefit Assessment Act of 1982 (Government Code Section 54703 et seq.); and

WHEREAS, while the Benefit Assessment Act of 1982 does not require additional actions prior to levying an annual assessment, the Landscaping and Lighting Act of 1972 ("Act") does require the preparation of an annual Engineer's Report and the holding of a public hearing prior to levying of an annual assessment; and

WHEREAS, the City Engineer has prepared the required Engineer's Report and submitted it to the City Council for review and approval; and

WHEREAS, the City Council reviewed the Engineer's Report at its regular public meeting on May 15, 2018 and found it to be satisfactory and in compliance with the Act; and

WHEREAS, it is now necessary for the City Council to formally approve the Engineer's Report, establish the date for a public hearing on the levying of the proposed assessments for fiscal year 2018-19 and to direct the City Clerk to give the required notice of the public hearing.

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

1. The Engineer's Report dated May 1, 2018, prepared by the City Engineer as the Engineer for the District, and each part thereof, is sufficient in each particular, has fairly and properly apportioned the cost of the improvement to each parcel of land in the District in proportion to the

estimated benefits to be received by each parcel respectively from such improvements, and is hereby approved as filed.

2. The City Council hereby declares its intent to levy and collect a real property assessment of \$3,565.94 on each parcel within the District for a total assessment of \$85,582.54 for fiscal year 2018-19.

3. The Assessment District includes Lots 1 through 24, inclusive, as shown on the map of Subdivision 8719 as was recorded in Book 506 of Maps at Page 45, in the Office of the County Recorder of Contra Costa County and as modified by Lot Line Adjustment Nos. 10-01 (2010-0239196) and 10-02 (2010-0239195).

4. As shown on the Engineer's Report on file with the City Clerk, the District will pay for the cost of maintaining storm drainage collection and treatment facilities, street lighting, landscaping and irrigation, and weed abatement using the proposed assessments during fiscal year 2018-19.

5. **A public hearing will be held on Tuesday, June 19, 2018 at or about the hour of 7:00 p.m., of said day, at a regular City Council public meeting at Hoyer Hall in the Clayton Community Library situated at 6125 Clayton Road, Clayton, California,** the regular public meeting place of the Clayton City Council; any and all persons having any interest in the lands within the Diablo Estates At Clayton Benefit Assessment District, liable to be assessed for the expenses of the District for fiscal year 2018-19, may be heard, and any such persons may also present their protests against the proposed assessments with City Clerk at or before the time set for hearing.

6. The City Clerk shall mail notice of the passage of this Resolution and of the time and place of hearing to each owner of real property within the District, as required by Section 54954.6 of the Government Code.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on 15th day of May 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Keith Haydon, Mayor

ATTEST:

Janet Brown, City Clerk

I hereby certify that the foregoing resolution was duly and regularly passed by the City Council of the City of Clayton at a regular public meeting thereof held on May 15, 2018.

Janet Brown, City Clerk

Diablo Estates at Clayton Benefit Assessment District

NOTICE TO PROPERTY OWNERS FOR LEVY OF ASSESSMENT

Reason for Assessment

At the request of the original project developer, Toll Bros., Inc., the City of Clayton City Council ("Council") approved Resolution No. 04-2012 on February 7, 2012, forming the Diablo Estates at Clayton Benefit Assessment District ("District") to fund and to pay for the oversight and maintenance of certain facilities solely benefiting the District such as the stormwater treatment facilities, storm drain collection system, common area landscape and irrigation, private street lighting and weed abatement of natural slope areas, all as described in the original Engineer's Report approved by the Council on March 20, 2012.

Notice

This notice informs you, as a real property owner within the Diablo Estates at Clayton Benefit Assessment District that on May 15, 2018, the Clayton City Council adopted Resolution No. xx-2018 approving an Engineer's Report for FY 2018-19, declaring its intent to levy assessments for fiscal year 2018-19 and setting a public hearing on the issue of the proposed assessments:

PUBLIC HEARING:

Hoyer Hall (Library Meeting Room)

7:00 p.m. June 19, 2018

6125 Clayton Road

Assessment Information

1. Total District Assessment for the fiscal year beginning on July 1, 2018 and ending June 30, 2019: \$85,582.54
2. Proposed assessment per parcel: The assessment for each parcel is proposed to be \$3,565.94 which includes a 3.22% increase in the existing assessment of \$3,454.70 per year in accordance with the annual increase in the applicable Consumer Price Index (Apr. 2017 – Apr. 2018; San Francisco-Oakland- Hayward, CA MSA – All Urban Consumers), as allowed by property owner balloting in 2012.
3. Duration of assessment: The assessment will be levied annually at the above proposed rate and collected via one's real property tax bill in fiscal year 2018-19. The assessment may only be increased (other than the authorized allowable annual CPI-U increase described above) in the future by approval of a majority of the property owners.
4. Protests: Only one protest per property is allowed. The levying of the assessment may not be protested, however, the proposed CPI increase may be protested. If written protests are received at City Hall prior to or at the public hearing from a majority of the properties (13 of 24), the proposed increase in the assessments will not be assessed.
5. Engineer's Report: Attached is a copy of the approved Engineer's Report for fiscal year 2018-19.

Questions

If any questions arise regarding the proposed real property assessments for fiscal year 2018-19, please contact the City Engineer Scott Alman: he may be reached at (925) 969-8181.

ENGINEER'S REPORT

DATE: MAY 1, 2018
TO: CITY COUNCIL
FROM: CITY ENGINEER
RE: **DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT FISCAL YEAR 2018-19**

This Engineer's Report has been prepared in accordance with the requirements of the Landscaping & Lighting Act of 1972 (Section 22500 et seq. of the Government Code).

HISTORICAL REVIEW

In 2012, at the request of Toll Brothers, the developer of the Diablo Estates at Clayton project (Subd. 8719), the City Council formed the Diablo Estates at Clayton Benefit Assessment District ("District" per Resolution No. 04-2012). The purpose of the District is to generate funds for the maintenance of various improvements constructed as part of the development which solely benefit the real property owner(s). The duties specified in the original Engineer's Report (prepared by SCI Consulting Group, dated March 2012) included maintenance of landscaping and irrigation, weed abatement, storm drainage facilities, and private street lighting. In addition to maintenance, the District is responsible for the repair or replacement of any facilities due vandalism, accidents, or age.

The District was formed under the auspices of the Landscaping and Lighting Act of 1972 (Section 22500 et seq. of the Government Code) and the Benefit Assessment Act of 1982 (Section 54703 et seq. of the Government Code). The initial per lot annual assessment, approved by the property owner (Toll Bros.), was \$3,027.62. The approval also allowed for an annual increase in the assessment amount equal to the annual increase in the Consumer Price Index ("CPI"; San Francisco-Oakland-San Jose CA MSA, All Urban Consumers), not to exceed 4% in any one year. The annual CPI multiplier for Apr. 2017 – Apr. 2018 is 3.22%

While the Benefit Assessment Act of 1982 does not require further action prior to the levy of annual assessments, the Landscaping and Lighting Act of 1972 requires the preparation of an Engineer's Report and notice to property owners of a public hearing each year. Since no increase, other than the already authorized and approved CPI increase, is proposed, the provisions of Proposition 218 do not apply.

DETERMINATION OF SPECIAL BENEFIT, METHOD OF ASSESSMENT AND DESCRIPTION OF DISTRICT IMPROVEMENTS

See original Engineer's Report attached hereto and made a part hereof.

ESTIMATED COSTS

The original budget included maintenance and District administrative costs, as well as reserve funds for future replacement of the maintained items. See Attachment 2 for the District's expenditures for FY 2017-18.

The relevant CPI increase for this past year (Apr. 2017 – Apr. 2018) is 3.22%. Following is a breakdown of the District's FY 2017-18 and FY 2018-19 budgeted costs incorporating the allowable CPI increase:

Item	FY 2017-18 Budget	CPI Increase (3.22%)	FY 2018-19 Budget
District Maintenance:			
Common Area Landscape	\$21,716.48	\$699.27	\$22,415.75
Weed Abatement	\$13,590.01	\$437.60	\$14,027.61
Storm Drain System	\$6,275.82	\$202.08	\$6,477.91
Private Street Lighting	\$1,665.95	\$53.64	\$1,719.59
District Administration*	\$19,283.90	\$620.94	\$19,904.84
District Reserves	\$20,380.60	\$656.26	\$21,036.85
Total Annual Budget	\$82,912.76	\$2,669.79	\$85,582.55

* Includes Matrix Management fees (monthly site inspections, maintenance oversight and contract services management), City Engineer services, legal notices and mailing costs, County fees for levying and collection of the assessment.

RESERVE FUNDS

The reserve fund balance at the end of FY 2017/18 will be approximately \$113,947. This balance will increase to approximately \$134,938 at the end of FY 2018/19. The purpose of the Reserve is for both scheduled and unexpected replacement of the capital investments, per the original Engineer's Report.

See Attachment 1 for a more detailed discussion of the reserve funds and balances.

PER UNIT ALLOCATION

Based upon the proposed budget, the per-unit assessment will be \$3,565.94 (\$85,582.54 / 24 units).

ASSESSMENT HISTORY

Proposed FY 18-19	\$3,565.94
FY 17-18	\$3,454.64
FY 16-17	\$3,328.82
FY 15-16	\$3,241.00
FY 14-15	\$3,162.00
FY 13-14	\$3,100.26
FY 12-13	\$3,027.62

ATTACHMENT 1
RESERVE FUND ACCOUNTS

**DIABLO ESTATES AT CLAYTON
BENEFIT ASSESSMENT DISTRICT ("District")
RESERVE FUNDS**

The purpose of the various reserve accounts is to ensure the District will have funds available to repair or reconstruct the facilities that are the responsibility of the District.

The fund amounts were established using the initial cost of construction and amortizing them over the anticipated life of the facilities. In addition, there is a general reserve fund set aside to act as a contingency reserve for any of the District's responsibilities.

The funds as initially established are as follows:

ITEM	QUANTITY	UNIT	UNIT COST	TOTAL COST	SERVICE LIFE (YRS)	INITIAL ANNUAL DEPOSIT
Tree Replacement	33	EA	\$285	\$9,405	40	\$235
Entry Monument Replacement	1	EA	\$4,000	\$4,000	25	\$160
V-ditch Repair/Replacement	2038	LF	\$50	\$101,900	25	\$4,076
Vortsentry Replacement	1	EA	\$100,000	\$100,000	100	\$1,000
Stormwater Basin Replacement*	48	EA	\$2,000	\$96,000	10	\$9,600
CB/MH/SD Pipe Replacement	1	LS	\$79,000	\$79,000	100	\$790
General						\$2,000
				Total**		\$17,861

* Removal and replacement of plants and filter material only

** First year assessment (increased each following year by the CPI increase)

Following are reserve analysis sheets showing each year's contribution to the various funds and the current balance of each fund.

**DIABLO ESTATES AT CLAYTON
BENEFIT ASSESSMENT DISTRICT
RESERVE FUNDS ANALYSIS**

FY 2012/2013 (INITIAL YEAR)

RESERVE FUNDS - FACILITIES							
ITEM	QUANTITY	UNIT	UNIT COST	TOTAL COST	SERVICE LIFE (yrs)	ANNUAL DEPOSIT	
Tree Replacement	33	EA	\$285.00	\$9,405.00	40	\$235.13	
Entry Monument Replacement	1	EA	\$4,000.00	\$4,000.00	25	\$160.00	
V-Ditch Repairs	2038	LF	\$50.00	\$101,900.00	25	\$4,076.00	
Vortsentry Replacement	1	EA	\$100,000.00	\$100,000.00	100	\$1,000.00	
Stormwater Basin Replacement/Repair	48	EA	\$2,000.00	\$96,000.00	10	\$9,600.00	
CB/MH/SD Pipe replacement	1	LS	\$79,000.00	<u>\$79,000.00</u>	100	<u>\$790.00</u>	
				\$390,305.00		\$15,861.13	
RESERVE FUNDS - GENERAL							
Annual General Reserve							<u>\$2,000.00</u>
						BAD RESERVE FUNDS - TOTAL AS OF 06/30/2013:	\$17,861.13

FY 2013/14 (CPI = 2.4% INCREASE)

RESERVE FUNDS - FACILITIES							
ITEM	FY 2012/13 ASSESS.	INCR.	FY 2013/14 ASSESS.	AMT. PRIOR TO FY 2013/14	AMT. @ END FY 2013/14		
Tree Replacement	\$235.13	2.40%	\$240.77	\$235.13	\$475.89		
Entry Monument Replacement	\$160.00	2.40%	\$163.84	\$160.00	\$323.84		
V-Ditch Repairs	\$4,076.00	2.40%	\$4,173.82	\$4,076.00	\$8,249.82		
Vortsentry Replacement	\$1,000.00	2.40%	\$1,024.00	\$1,000.00	\$2,024.00		
Stromwater Basin Replacement/Repair	\$9,600.00	2.40%	\$9,830.40	\$9,600.00	\$19,430.40		
CB/MH/SD Pipe replacement	\$790.00	2.40%	<u>\$808.96</u>	\$790.00	<u>\$1,598.96</u>		
			\$16,241.79		\$32,102.92		
RESERVE FUNDS - GENERAL							
Annual General Reserve	\$2,000.00	2.40%	<u>\$2,048.00</u>	\$2,000.00	<u>\$4,048.00</u>		
			FY 2013-14 Assess.:		\$18,289.79		

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2014: \$36,150.92

Check #: \$18,289.79

Check #: \$36,150.92

FY 2014/15 (CPI = 2.0% INCREASE)

RESERVE FUNDS - FACILITIES					
ITEM	FY 2013/14 ASSESS.	INCR.	FY 2014/15 ASSESS.	AMT.PRIOR TO FY 2014/15	AMT. @ END FY 2014/15
Tree Replacement	\$240.77	2.00%	\$245.58	\$475.89	\$721.48
Entry Monument Replacement	\$163.84	2.00%	\$167.12	\$323.84	\$490.96
V-Ditch Repairs	\$4,173.82	2.00%	\$4,257.30	\$8,249.82	\$12,507.12
Vortsentry Replacement	\$1,024.00	2.00%	\$1,044.48	\$2,024.00	\$3,068.48
Stromwater Basin Replacement/Repair	\$9,830.40	2.00%	\$10,027.01	\$19,430.40	\$29,457.41
CB/MH/SD Pipe replacement	\$808.96	2.00%	<u>\$825.14</u>	\$1,598.96	<u>\$2,424.10</u>
			\$16,566.63		\$48,669.54

RESERVE FUNDS - GENERAL

Annual General Reserve	\$2,048.00	2.00%	<u>\$2,088.96</u>	\$4,048.00	<u>\$6,136.96</u>
			FY 2014-15 Assess.: \$18,655.59		

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2015: \$54,806.50

Check #: \$18,655.59

Check #: \$54,806.50

FY 2015/16 (CPI = 2.5% INCREASE)

RESERVE FUNDS - FACILITIES					
ITEM	FY 2014/15 ASSESS.	INCR.	FY 2015/16 ASSESS.	AMT.PRIOR TO FY 2015/16	AMT. @ END FY 2015/16
Tree Replacement	\$245.58	2.50%	\$251.72	\$721.48	\$973.20
Entry Monument Replacement	\$167.12	2.50%	\$171.29	\$490.96	\$662.25
V-Ditch Repairs	\$4,257.30	2.50%	\$4,363.73	\$12,507.12	\$16,870.86
Vortsentry Replacement	\$1,044.48	2.50%	\$1,070.59	\$3,068.48	\$4,139.07
Stromwater Basin Replacement/Repair	\$10,027.01	2.50%	\$10,277.68	\$29,457.41	\$39,735.09
CB/MH/SD Pipe replacement	\$825.14	2.50%	<u>\$845.77</u>	\$2,424.10	<u>\$3,269.87</u>
			\$16,980.79		\$65,650.34

RESERVE FUNDS - GENERAL

Annual General Reserve	\$2,088.96	2.50%	<u>\$2,141.18</u>	\$6,136.96	<u>\$8,278.14</u>
			FY 2015-16 Assess.: \$19,121.98		

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2016: \$73,928.48

Check #: \$19,121.98

Check #: \$73,928.48

FY 2016/17 (CPI = 2.7% INCREASE)

RESERVE FUNDS - FACILITIES					
ITEM	FY 2015/16 ASSESS.	INCR.	FY 2016/17 ASSESS.	AMT.PRIOR TO FY 2016/17	AMT. @ END FY 2016/17
Tree Replacement	\$251.72	2.70%	\$258.52	\$973.20	\$1,231.72
Entry Monument Replacement	\$171.29	2.70%	\$175.92	\$662.25	\$838.17
V-Ditch Repairs	\$4,363.73	2.70%	\$4,481.55	\$16,870.86	\$21,352.41
Vortsentry Replacement	\$1,070.59	2.70%	\$1,099.50	\$4,139.07	\$5,238.57
Stromwater Basin Replacement/Repair	\$10,277.68	2.70%	\$10,555.18	\$39,735.09	\$50,290.27
CB/MH/SD Pipe replacement	\$845.77	2.70%	<u>\$868.60</u>	\$3,269.87	<u>\$4,138.47</u>
			\$17,439.27		\$83,089.61
RESERVE FUNDS - GENERAL					
Annual General Reserve	\$2,141.18	2.70%	<u>\$2,199.00</u>	\$8,278.14	<u>\$10,477.14</u>
			FY 2016-17 Assess.: <u>\$19,638.27</u>		

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2017: \$93,566.75

Check #: \$19,638.27

Check #: \$93,566.75

FY 2017/18 (CPI = 3.78% INCREASE)

RESERVE FUNDS - FACILITIES					
ITEM	FY 2016/17 ASSESS.	INCR.	FY 2017/18 ASSESS.	AMT.PRIOR TO FY 2017/18	AMT. @ END FY 2017/18
Tree Replacement	\$258.52	3.78%	\$268.29	\$1,231.72	\$1,500.01
Entry Monument Replacement	\$175.92	3.78%	\$182.57	\$838.17	\$1,020.74
V-Ditch Repairs	\$4,481.55	3.78%	\$4,650.96	\$21,352.41	\$26,003.37
Vortsentry Replacement	\$1,099.50	3.78%	\$1,141.06	\$5,238.57	\$6,379.63
Stromwater Basin Replacement/Repair	\$10,555.18	3.78%	\$10,954.17	\$50,290.27	\$61,244.44
CB/MH/SD Pipe replacement	\$868.60	3.78%	<u>\$901.44</u>	\$4,138.47	<u>\$5,039.91</u>
			\$18,098.48		\$101,188.09
RESERVE FUNDS - GENERAL					
Annual	\$2,199.00	3.78%	<u>\$2,282.12</u>	\$10,477.14	<u>\$12,759.26</u>
			FY 2017-18 Assess.: <u>\$20,380.60</u>		

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2018: \$113,947.35

Check #: \$20,380.60

Check #: \$113,947.35

FY 2018/19 (CPI = 3.22% INCREASE)**RESERVE FUNDS - FACILITIES**

ITEM	FY 2017/18 ASSESS.	INCR.	FY 2018/19 ASSESS.	AMT.PRIOR TO FY 2018/19	AMT. @ END FY 2018/19
Tree Replacement	\$268.29	3.22%	\$276.93	\$1,500.01	\$1,776.94
Entry Monument Replacement	\$182.57	3.22%	\$188.45	\$1,020.74	\$1,209.19
V-Ditch Repairs	\$4,650.96	3.22%	\$4,800.72	\$26,003.37	\$30,804.09
Vortsentry Replacement	\$1,141.06	3.22%	\$1,177.80	\$6,379.63	\$7,557.43
Stromwater Basin Replacement/Repair	\$10,954.17	3.22%	\$11,306.89	\$61,244.44	\$72,551.33
CB/MH/SD Pipe replacement	\$901.44	3.22%	<u>\$930.46</u>	\$5,039.91	<u>\$5,970.37</u>
			\$18,681.25		\$119,869.34

RESERVE FUNDS - GENERAL

Annual	\$2,282.12	3.22%	<u>\$2,355.60</u>	\$12,759.26	<u>\$15,114.86</u>
			FY 2018-19 Assess.: \$21,036.85		

BAD RESERVE FUNDS - TOTAL AS OF 06/30/2019: \$134,984.20

Check #: \$21,036.85

Check #: \$134,984.20

ATTACHMENT 2
BAD EXPENDITURES IN FY 2017-18

City of Clayton
General Ledger Report (7/1/2017 - 5/2/2018)
Diablo Estates Benefit Assessment District (Fund 231)

Date	Trans.	Journal	Reference	Debit Amount	Credit Amount	Balance
231-4811-00						
Account: 231-4611-00 (Fiduciary Fund Assessment)						
7/1/2017						Account Beginning Balance \$0.00
12/18/2017	3790-227	Cash Receipts	State of California-1952-12319		\$45,601.25	
1/30/2018	3802-472	Cash Receipts	Contra Costa County-1998-12478		\$6,632.91	
				Account Subtotals	\$0.00	\$52,234.16
6/30/2018					Account Net Change	(\$52,234.16)
6/30/2018					Account Ending Balance	(\$52,234.16)
231-5601-00						
Account: 231-5601-00 (Interest)						
7/1/2017						Account Beginning Balance \$0.00
9/30/2017	3771-48	Journal Entry	FY 2018 Q1 interest allocation		\$306.15	
12/31/2017	3797-48	Journal Entry	FY 2018 Q2 interest allocation		\$372.17	
3/31/2018	3825-50	Journal Entry	FY 2018 Q3 interest allocation		\$456.86	
				Account Subtotals	\$0.00	\$1,135.18
6/30/2018					Account Net Change	(\$1,135.18)
6/30/2018					Account Ending Balance	(\$1,135.18)
231-7335-00						
Account: 231-7335-00 (Gas & Electricity)						
7/1/2017						Account Beginning Balance \$0.00
8/1/2017	3748-217	Accounts Payable	PG&E-Energy for 6/21/17-7/20/17	\$11.25		
9/19/2017	3763-840	Accounts Payable	PG&E-Electricity 7/22/17-8/22/17	\$12.11		
10/3/2017	3770-64	Accounts Payable	PG&E-Electricity 8/22/17-9/22/17	\$11.10		
11/7/2017	3780-464	Accounts Payable	PG&E-Electricity/Gas 9/23/17-10/21/17	\$10.77		
12/5/2017	3785-148	Accounts Payable	PG&E-Energy 10/22/17-11/22/17	\$10.84		
12/31/2017	3799-441	Accounts Payable	PG&E-Energy 11/19/17-12/20/17	\$12.05		
2/6/2018	3806-145	Accounts Payable	PG&E-Energy 12/20/17-1/18/18	\$11.25		
3/6/2018	3812-151	Accounts Payable	PG&E-Energy 1/19/18-2/20/18	\$11.98		
4/3/2018	3821-111	Accounts Payable	PG&E-Energy 2/21/18-3/20/18	\$10.99		
				Account Subtotals	\$102.34	\$0.00
6/30/2018					Account Net Change	\$102.34
6/30/2018					Account Ending Balance	\$102.34

City of Clayton
General Ledger Report (7/1/2017 - 5/2/2018)
Diablo Estates Benefit Assessment District (Fund 231)

Date	Trans.	Journal	Reference	Debit Amount	Credit Amount	Balance
231-7338-00						
Account: 231-7338-00 (Water Services)						
7/1/2017						<i>Account Beginning Balance</i> \$0.00
7/1/2017	3756-101	Journal Entry	<Reversal>-CCWD 5/6/17-7/10/17 (84.8% FY 17)		\$2,385.00	
9/19/2017	3763-544	Accounts Payable	CCWD-Water 5/6/17-7/10/17	\$2,812.42		
9/19/2017	3763-562	Accounts Payable	CCWD-Water 7/11/17-9/10/17	\$1,931.59		
11/21/2017	3781-345	Accounts Payable	CCWD-Water/Irrigation 9/14/17-11/9/17	\$948.53		
2/6/2018	3806-55	Accounts Payable	CCWD-Water 11/8/17-1/10/18	\$317.34		
3/20/2018	3815-527	Accounts Payable	CCWD-Water 1/14/18-3/1/18	\$134.82		
			<i>Account Subtotals</i>	\$6,144.70	\$2,385.00	
6/30/2018			<i>Account Net Change</i>			\$3,759.70
6/30/2018			<i>Account Ending Balance</i>			\$3,759.70
231-7381-00						
Account: 231-7381-00 (Property Tax Admin. Costs)						
7/1/2017						<i>Account Beginning Balance</i> \$0.00
12/18/2017	3790-74	Cash Receipts	Deposit 1952 - Summarized Cash Receipts Receipt	\$148.72		
			<i>Account Subtotals</i>	\$148.72	\$0.00	
6/30/2018			<i>Account Net Change</i>			\$148.72
6/30/2018			<i>Account Ending Balance</i>			\$148.72
231-7419-00						
Account: 231-7419-00 (Other Professional Services)						
7/1/2017						<i>Account Beginning Balance</i> \$0.00
7/18/2017	3743-210	Accounts Payable	Matrix Associat-Diablo Estates management for July	\$4,532.50		
8/1/2017	3748-181	Accounts Payable	FERMCO, Inc.-Staff report for assessment levy, Diablo Estates	\$525.00		
9/19/2017	3763-41	Accounts Payable	Matrix Associat-Diablo Estates Mgmt for August	\$4,532.50		
9/19/2017	3763-992	Accounts Payable	Matrix Associat-Diablo Estates Mgmt Svcs for September	\$4,532.50		
11/7/2017	3780-573	Accounts Payable	Matrix Associat-Diablo Estates Management for November	\$4,532.50		
12/31/2017	3799-118	Accounts Payable	Matrix Associat-Diablo Estates management for October	\$4,532.50		
12/31/2017	3799-244	Accounts Payable	Matrix Associat-Diablo Estates management for December	\$4,532.50		
1/16/2018	3799-463	Accounts Payable	Matrix Associat-Diablo Estates management for January	\$4,532.50		
3/6/2018	3812-193	Accounts Payable	Matrix Associat-Diablo Estates management for January	\$4,532.50		
3/20/2018	3815-559	Accounts Payable	Harris & Associ-Engineering services for February	\$190.00		
4/17/2018	3822-43	Accounts Payable	Matrix Associat-Diablo Estates management for April	\$4,532.50		

City of Clayton
General Ledger Report (7/1/2017 - 5/2/2018)
Diablo Estates Benefit Assessment District (Fund 231)

Account: 231-7419-00 (Other Professional Services)

6/30/2018
6/30/2018
7/1/2017
6/30/2018
6/30/2018

<i>Account Subtotals</i>	\$41,507.50	\$0.00
<i>Account Net Change</i>		\$41,507.50
<i>Account Ending Balance</i>		\$41,507.50
	<i>Grand Total Beginning Balance</i>	\$0.00
	<i>Grand Total Net Change</i>	(\$7,851.08)
	<i>Grand Total Ending Balance</i>	(\$7,851.08)

ATTACHMENT 3

BAD PROJECTED BUDGET FOR 2018/2019

City of Clayton
 Diablo Estates Benefit Assessment District - Fund 231
 Proposed Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 YTD 4/11/2018	2017-18 Projected	2018-19 Proposed Budget
7335	Gas & Electric Serv.	137	400	102	140	300
7338	Water Service	8,713	9,400	3,760	9,000	9,600
7381	Property Tax Admin Cost	270	270	149	271	280
7384	Legal Notices	-	100	-	100	100
7411	Legal Services Retainer	-	-	-	-	-
7413	Special Legal Services	-	-	-	-	-
7419	Other Prof. Services	54,570	58,390	41,508	58,390	59,390
7420	Administrative Costs	2,044	2,044	-	2,121	2,196
Total Expenditures		65,734	70,604	45,519	70,022	71,866
4611	Fiduciary Fund Assessment	79,892	82,912	52,234	82,911	85,862
5601	Interest Income	1,208	600	678	1,350	1,200
5606	Unrealized Investment Gain/ Loss	(871)	-	-	-	-
Total Revenue		80,229	83,512	52,912	84,261	87,062
Increase (Decrease) in Fund Balance		14,495	12,908	7,393	14,239	15,196
Beginning Fund Balance		83,685	82,351	98,180	98,180	112,419
Ending Fund Balance		98,180	95,259	105,573	112,419	127,615

For financial reporting purposes, the Diablo Estates Benefits Assessment District Fund (No. 231) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

7419	Other Professional Services					
	Matrix Association Management	53,445	54,390	40,793	54,390	54,390
	District Engineer Mgt. Fees	1,125	4,000	715	4,000	5,000
		54,570	58,390	41,508	58,390	59,390

ATTACHMENT 4
INITIAL ENGINEER'S REPORT (19 pp)



CITY OF CLAYTON

**DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT
DISTRICT
FOR LANDSCAPE AND LIGHTING AND BENEFIT ASSESSMENT**

**ENGINEER'S REPORT
FISCAL YEAR 2012-13**

MARCH 2012

PURSUANT TO
THE LANDSCAPING AND LIGHTING ACT OF 1972,
THE BENEFIT ASSESSMENT ACT OF 1982, AND
ARTICLE XIID OF THE CALIFORNIA CONSTITUTION

ENGINEER OF WORK:
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www.sci-cg.com

CITY OF CLAYTON

MAYOR

Howard Geller

CITY COUNCIL

Joseph A. Medrano

Julie K. Pierce

David T. Shuey

Hank Stratford

CITY MANAGER

Gary Napper

CITY ENGINEER

Rick Angrisani

CITY ATTORNEY

Malathy Subramanian

CITY CLERK

Laci Jackson

ENGINEER OF WORK

SCI Consulting Group

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INTRODUCTION

BACKGROUND

Formation of the "Diablo Estates at Clayton Benefit Assessment District" (the "Assessment District") within the City of Clayton (the "City") is proposed to provide funding for the maintenance, operation and improvement of the landscaping, street lighting, drainage and stormwater treatment facilities to benefit the properties in the Diablo Estates at Clayton subdivision that forms the Assessment District. The Diablo Estates at Clayton subdivision consists of 24 parcels east of Regency Drive and north of Rialto Drive with an approximate area of 19 acres.

This Engineer's Report (the "Report") was prepared to establish the budget for the services and improvements that would be funded by the proposed 2012-13 assessments and to determine the benefits received from the maintenance and improvements by property within the Assessment District and the method of assessment apportionment to lots and parcels. This Report and the proposed assessments have been made pursuant to the Landscaping and Lighting Act of 1972 and the Benefit Assessment Act of 1982 (the "Acts") and Article XIII D of the California Constitution (the "Article").

Following submittal of this Report to the City of Clayton City Council (the "City Council") for preliminary approval, the City Council may call for an assessment ballot proceeding and Public Hearing on the proposed establishment of assessments for the improvements.

If it is determined at the public hearing that the assessment ballots submitted in opposition to the proposed assessments do not exceed the assessment ballots submitted in favor of the assessments (weighted by the proportional financial obligation of the property for which ballots are submitted), the City Council may take action to form the Assessment District and approve the levy of the assessments for fiscal year 2012-13. If the assessments are so confirmed and approved, the levies would be submitted to the County Auditor/Controller in August 2012 for inclusion on the property tax roll for Fiscal Year 2012-13.

LEGISLATIVE ANALYSIS

PROPOSITION 218

The Right to Vote on Taxes Act was approved by the voters of California on November 6, 1996, and is now Article XIIC and XIID of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property. This Assessment District will be balloted and approved by property owners in accordance with Proposition 218.

SILICON VALLEY TAXPAYERS ASSOC., INC. V SANTA CLARA COUNTY OPEN SPACE AUTHORITY

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. vs. Santa Clara County Open Space Authority (SVTA). This ruling is the most significant court case in further legally clarifying the substantive assessment requirements of Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special benefits to property, not general benefits.
- The services and/or improvements funded by assessments must be clearly defined.
- Assessment districts must be drawn to contain all parcels that receive a special benefit from a proposed public improvement.
- Assessments paid in the assessment district must be proportional to the special benefit received by each such parcel from the improvements and services funded by the assessment.

This Engineer's Report and the process used to establish these proposed assessments for fiscal year 2012/2013 are consistent with the SVTA decision and with the requirements of Article XIIC and XIID of the California Constitution based on the following factors:

1. The Assessment District is narrowly drawn to include only the properties that receive special benefit from the specific Improvements and Services. Thus, zones of benefit are not required and the assessment revenue derived from real property in each Assessment District is extended only on the Services in the Assessment District.
2. The Improvements which are constructed and/or maintained with assessment proceeds in the Assessment District are located in close proximity to the real property subject to the assessment. The Improvements and Services provide illumination to streets and sidewalks

enabling improved access to the owners, residents, and guests of such assessed property. The proximity of the Improvements to the assessed parcels and the improved access and increased safety provided to of the residents of the assessed parcels by the Improvements provides a special benefit to the parcels being assessed pursuant to the factors outlined by the Supreme Court in that decision.

3. Due to their proximity to the assessed parcels, the Improvements and Services financed with assessment revenues in the Assessment District benefit the properties in the Assessment District in a manner different in kind from the benefit that other parcels of real property in the City derive from such Improvements and Services, and the benefits conferred on such property in the Assessment District are more extensive than a general increase in property values.
4. The assessments paid in the Assessment District are proportional to the special benefit that each parcel within that Assessment District receives from the Services because:
 - a. The specific lighting Improvements and maintenance Services and utility costs thereof in the Assessment District and the costs thereof are specified in this Report; and
 - b. The cost of the Services in the Assessment District is allocated among different types of property located within the Assessment District, and equally among those properties which have similar characteristics, such as single-family residential parcels, multi-family residential parcels, commercial parcels, or industrial parcels.

DAHMS V. DOWNTOWN POMONA PROPERTY

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms the Court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

BONANDER V. TOWN OF TIBURON

On December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of

the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

BEUTZ V. COUNTY OF RIVERSIDE

On May 26, 2010 the 4th District Court of Appeal issued a decision on the Steven Beutz v. County of Riverside ("Beutz") appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.

COMPLIANCE WITH CURRENT LAW

This Engineer's Report is consistent with the requirements of Article XIIC and XIID of the California Constitution and with the SVTA decision because the Improvements to be funded are clearly defined; the Improvements are directly available to and will directly benefit property in the Assessment District; and the Improvements and Services provide a direct advantage to property in the Assessment District that would not be received in absence of the Assessments.

This Engineer's Report is consistent with Beutz and Dahms because the Improvements and Services will directly benefit property in the Assessment District and the general benefits have been explicitly calculated and quantified and excluded from the Assessments. The Engineer's Report is consistent with Bonander because the Assessments have been apportioned based on the overall cost of the Improvements and Services and proportional special benefit to each property.

PLANS & SPECIFICATIONS

The work and improvements proposed to be undertaken by the City of Clayton and the Diablo Estates at Clayton Benefit Assessment District (the "Assessment District"), and the costs thereof paid from the levy of the annual assessments, provide special benefit to Assessor Parcels within the Assessment District as defined in the Method of Assessment herein. Consistent with the Landscaping and Lighting Act of 1972 and the Benefit Assessment Act of 1982 (the "Acts"), the work, services and improvements are generally described as follows:

Maintenance and servicing of public improvements, including but not limited to, storm drain system, landscaping and lighting and all necessary appurtenances, and labor, materials, supplies, utilities and equipment, and incidental costs as applicable, for property within the Assessment District that is owned or maintained by the City of Clayton (the "Improvements"). Any plans and specifications for these improvements will be filed with the City Engineer of the City of Clayton and are incorporated herein by reference. More specifically the improvements and associated plans are the storm drain system in the Improvement Plans, Diablo Pointe by David Evans and Associates Inc., the lighting in the Joint Trench Composite Plan, Diablo Pointe by Lighthouse Design Inc., and the shared landscaping, fencing, irrigation and entry monument in the Diablo Estates at Clayton Landscape Improvements plan by Thomas Bank and Associates LLP.

As applied herein, "maintenance" means the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of any improvement, including repair, removal or replacement of all or any part of any improvement; providing for the life, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury; the removal of trimmings, rubbish, debris, and other solid waste; the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti; the cleaning and replacement of storm drain pipes, drop inlets, catch basins and manholes.

"Servicing" means the cost of maintaining any facility used to provide any service, the furnishing of electric current, or energy, gas or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements; or water for the irrigation of any landscaping, or the maintenance of any other improvements.

The figure shown below displays the improvements, maintenance, replacement costs and services to be provided with the Diablo Estates at Clayton Benefit Assessment District.

FIGURE 1 – SUMMARY OF ESTIMATED ANNUAL COSTS FOR DIABLO ESTATES AT CLAYTON

CITY OF CLAYTON Diablo Estates at Clayton Benefit Assessment District Summary of Estimated Annual Cost Fiscal Year 2012-13	
<hr/>	
Installation, Maintenance & Servicing Costs	
Common Landscaping	\$19,426.99
Weed Abatement (On-lot)	\$11,910.00
Storm Drain System	\$27,966.00
Street Lighting	\$1,460.00
Subtotal - Installation, Maintenance and Servicing	\$60,762.99
Incidental Expenses and Administration Costs	\$11,900.00
Totals for Installation, Maintenance, Servicing and Incidentals	\$72,662.99
Net Cost of Maintenance, Servicing and Incidentals (Net Amount to be Assessed)	\$72,662.99
<hr/>	
Budget Allocation to Property	
Total Assessment Budget	\$72,662.99
Single Family Equivalent Benefit Units	24
Assessment per Single Family Equivalent Unit	\$3,027.62
<hr/>	

ESTIMATE OF COST AND BUDGET – FISCAL YEAR 2012-13

FIGURE 2 – COST ESTIMATE BREAKDOWN FOR DIABLO ESTATES AT CLAYTON

CITY OF CLAYTON Diablo Estates at Clayton Benefit Assessment District Estimate of Maintenance, Replacement, and Administrative Costs					
Item	Units	Unit Cost	Service Life (years)	Annual Cost	Annual Cost per Lot
Common Landscaping					
Landscape Maintenance	24,800 SF	\$0.30		\$7,380.00	
Landscape Replacement	24,800 SF	\$0.05		\$1,230.00	
Tree Maintenance	33 EA	\$95.00		\$3,135.00	
Tree Replacement - Materials	33 EA	\$285.00	40	\$235.13	
Water Usage	1,476 100CF	\$2.86		\$4,221.36	
Meter Charges	12 Mo	\$51.00		\$612.00	
Irrigation Maintenance & Repair	24,800 SF	\$0.03		\$738.00	
Fence Maintenance & Repair	1,870 LF	\$0.65		\$1,215.50	
Entry Monument Maintenance	1 EA	\$500.00		\$500.00	
Entry Monument Repair	1 LF	\$4,000.00	25	\$160.00	
				\$19,426.99	\$809.46
Weed Abatement (On-lot)					
Weed Abatement	397,000 SF	\$0.03		\$11,910.00	
				\$11,910.00	\$498.25
Storm Drain System					
Ditch - debris removal & maint	1 LS	\$1,000.00		\$1,000.00	
Ditch Repair	2,038 LF	\$50.00	25	\$4,076.00	
Vortexentry Maintenance	1 LS	\$1,500.00		\$1,500.00	
Vortexentry Replacement	1 LS	\$100,000.00	100	\$1,000.00	
Bio-Retention Basin Maintenance*	48 EA	\$		\$0.00	
Bio-Retention Basin Replacement	48 EA	\$2,000.00	10	\$9,600.00	
Stormwater Reporting Fee	1 LS	\$5,000.00		\$5,000.00	
Annual City Report Fee	1 LS	\$2,000.00		\$2,000.00	
Catch Basin/Manhole Cleaning	15 EA	\$200.00		\$3,000.00	
CBMH/pipe repair	1 LS	\$79,000.00	100	\$790.00	
				\$27,966.00	\$1,165.25
Street Lighting					
Maintenance and Repair	1 LS	\$500.00		\$500.00	
Electricity	4 EA	\$240.00		\$960.00	
				\$1,460.00	\$60.83
Annual Administration					
Property Manager	12 Mo	\$600.00		\$7,200.00	
Annual City Engineer Services	1 LS	\$2,500.00		\$2,500.00	
Legal Notice/Mailing	1 LS	\$100.00		\$100.00	
County Collection	1 LS	\$100.00		\$100.00	
General Reserve	1 LS	\$2,000.00		\$2,000.00	
				\$11,900.00	\$495.83
Total				\$72,662.99	\$3,027.82
	Number of Lots:			24	
	Cost per Lot:			\$3,027.62	

* homeowner responsibility

**assumes contract with Toll Brothers, Inc. for 5 year maintenance period

Unit costs per direction of City of Clayton City Engineer

METHOD OF APPORTIONMENT

METHOD OF APPORTIONMENT

This section of the Engineer's Report includes an explanation of the benefits to be derived from the installation, maintenance and servicing of improvements and the methodology used to apportion the total assessment to properties within the Assessment District.

The Diablo Estates at Clayton Benefit Assessment District consists of all Assessor Parcels within the boundaries as defined by the Assessment Diagram included within this Report and the Assessor Parcel Numbers listed within the included Assessment Roll. The method used for apportioning the assessments is based upon the proportional special benefits to be derived by the properties in the Diablo Estates at Clayton Benefit Assessment District over and above general benefits conferred on real property or to the public at large. The apportionment of special benefit is a two step process: the first step is to identify the types of special benefit arising from the Improvements, and the second step is to allocate the assessments to property based on the estimated relative special benefit for each type of property.

DISCUSSION OF BENEFIT

In summary, the assessments can only be levied based on the special benefit to property. This benefit is received by property over and above any general benefits. Moreover, such benefit is not based on any one property owner's use of the District's storm drain system, streets and sidewalks, corridor landscaping, lighting, or a property owner's specific demographic status. With reference to the requirements for assessments, Section 22573 of the Landscaping and Lighting Act of 1972 states:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the Improvements."

The Benefit Assessment Act of 1982 states in Government Code Section 54711:

"The amount of the assessment imposed on any parcel of property shall be related to the benefit to the parcel which will be derived from the provision of service"

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

The following benefit categories summarize the types of special benefit to residential, commercial, industrial and other lots and parcels resulting from the installation, maintenance and servicing of the Improvements to be provided with the assessment proceeds. These categories of special benefit are derived in part from the statutes passed by the California Legislature and other studies which describe the types of special benefit received by property from the installation, maintenance and servicing of improvements such as those proposed by the City of Clayton and the Diablo Estates at Clayton Benefit Assessment District. These types of special benefit are summarized as follows:

- Creation of individual lots for residential use that, in absence of the services and improvements to be funded by the assessments, would not be created.
- Improved utility and usability of property
- Improved safety and security lighting for property
- Enhanced visual experience, and desirability of the area.
- Protection of views, scenery and other resources values and environmental benefits enjoyed by residents and guests and preservation of public assets maintained by the City
- Moderation of temperatures, dust control, and other environmental benefits.

These benefit factors, when applied to property in the Assessment District, specifically increase the utility of the property within the Assessment District. For example, the assessments will provide funding to maintain lighting that improves safety and access to the property after dark and landscaping that provides visual and environmental benefits to the properties within the Assessment District. Such improved and well-maintained public facilities enhance the overall usability, quality, desirability and safety of the properties. Moreover, funding for the maintenance and servicing of such public facilities is a condition of development of Diablo Estates at Clayton that is needed to mitigate the negative impacts of this development on the City. Without the Assessment District, this condition of development would not be satisfied, which could affect the approval of new homes on the property. This is another special benefit to the properties in the Assessment District.

GENERAL VERSUS SPECIAL BENEFIT

The proceeds from the Diablo Estates at Clayton Benefit Assessment District would be used to fund improvements and increased levels of maintenance to the public facilities that serve and benefit the properties in the Assessment District. In absence of the Diablo Estates at Clayton Benefit Assessment District, such Improvements would not be properly maintained. Therefore, the Assessment District is specifically proposed to ensure that the necessary and beneficial public facilities for property in the Assessment District are properly maintained and repaired over time. The assessments will ensure that landscaping and street lighting within and adjacent to the Assessment District are functional, well maintained, clean and safe. These public resources directly benefit the property in the Assessment District and will confer distinct and special benefits to the properties within the Assessment District.

In absence of the assessments, a condition of development would not be met and future home construction in the Assessment District could be denied. The creation of residential lots and the approval for the construction of homes in Diablo Estates at Clayton is the overriding clear and distinct special benefit conferred on exclusively on property in the Assessment District and not enjoyed by other properties outside the Assessment District. Moreover, benefits to the public at large, if any, will be offset by benefits residents within the Assessment District receive from the use of other similar public facilities not funded by the Assessment District. Therefore, the assessments solely provide special benefit to property in the Assessment District (100% special benefit) over and above the general benefits conferred to the public at large or properties outside the Assessment District.

METHOD OF ASSESSMENT

This process of apportioning assessments for each property involves determining the relative benefit received by each property in relation to a single family home, or, in other words, on the basis of Single Family Equivalent dwelling units (SFE). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefit and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this Engineer's Report, all properties are designated an SFE value, which is each property's relative benefit in relation to a single family home on one parcel. In this case, the "benchmark" property is the single family detached dwelling which is one Single Family Equivalent unit or one SFE.

ASSESSMENT APPORTIONMENT

The proposed assessments for the Diablo Estates at Clayton Benefit Assessment District would provide direct and special benefit to properties in the Assessment District. Diablo Estates at Clayton is a residential single family development project consisting of a total of 24 single family homes, each on a separate parcel. As such, each residential property receives similar benefit from the proposed improvements. Therefore, the Engineer has determined that the appropriate method of apportionment of the benefits derived by all parcels is on a dwelling unit or single family residence basis. All improved properties or properties proposed for development are assigned an SFE factor equal to the number of dwelling units developed or planned for the property. In other words, developed parcels and vacant parcels with proposed development will be assessed 1 SFE. The assessments are listed on the Assessment Roll in Appendix A.

APPEALS AND INTERPRETATION

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment, may file a written appeal with the City of Clayton City Engineer or his or her designee. Any such appeal is limited to correction of an assessment during the then current or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the City of Clayton City Engineer or his or her designee will promptly review the appeal and any information provided by the property owner. If the City of Clayton City Engineer or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the City of Clayton City Engineer or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any property owner who disagrees with the decision of the City of Clayton City Engineer or her or his designee may refer their appeal to the City Council of the City of Clayton and the decision of the City Council of the City of Clayton shall be final.

CERTIFICATES

DIABLO ESTATES AT CLAYTON BENEFIT ASSESSMENT DISTRICT

1. The undersigned respectfully submits the enclosed Engineer's Report and does hereby certify that this Engineer's Report, and the Assessment and Assessment Diagram herein, have been prepared by me in accordance with the order of the City Council of the City of Clayton.



Engineer of Work, License No. C052091

2. I, the City Clerk, City of Clayton, County of Contra Costa, California, hereby certify that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was filed and recorded with me on March 14, 2012.



City Clerk

3. I, the City Clerk, City of Clayton, County of Contra Costa, California, hereby certify that the Assessment in this Engineer's Report was approved and confirmed by the City Council on _____, 2012, by Resolution No. _____.

City Clerk

4. I, the City Clerk of the City of Clayton, County of Contra Costa, California, hereby certify that a copy of the Assessment and Assessment Diagram was filed in the office of the County Auditor of the County of Contra Costa, California, on _____, 2012.

City Clerk

5. I, the County Auditor of the County of Contra Costa, California, hereby certify that a copy of the Assessment Roll and Assessment Diagram for fiscal year 2012-13 was filed with me on _____, 2012.

County Auditor, County of Contra Costa

And I do hereby assess and apportion said net amount of the cost and expenses of said Improvements, including the costs and expenses incident thereto, upon the parcels and lots of land within said Diablo Estates at Clayton Benefit Assessment District in accordance with the special benefits to be received by each parcel or lot from the Improvements, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The assessments are made upon the parcels or lots of land within the Diablo Estates at Clayton Benefit Assessment District in proportion to the special benefits to be received by the parcels or lots of land, from said Improvements.

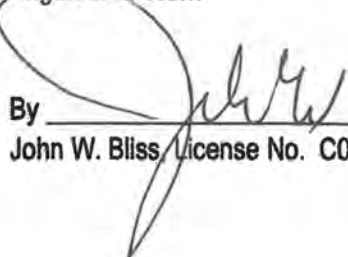
The assessments are subject to an annual adjustment tied to the Consumer Price Index for Urban Consumers (CPI-U) for the San Francisco Bay Area as of April of each succeeding year, with the maximum annual adjustment not to exceed 4%. In the event that the annual change in the CPI exceeds 4%, any percentage change in excess of 4% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 4%.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of Contra Costa for the fiscal year 2012-13. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of said County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Rolls, the amount of the assessment for the fiscal year 2012-13 for each parcel or lot of land within the said Diablo Estates at Clayton Benefit Assessment District.

Dated: March 6, 2012

Engineer of Work

By  _____
John W. Bliss, License No. C052091



ASSESSMENT

WHEREAS, the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the assessment districts and an assessment of the estimated costs of the Improvements upon all assessable parcels within the assessment district;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Acts and the order of the City Council of the City of Clayton, hereby make the following assessment to cover the portion of the estimated cost of said Improvements, and the costs and expenses incidental thereto to be paid by the assessment district.

The amounts to be paid for said Improvements and the expense incidental thereto, to be paid by the Diablo Estates at Clayton Benefit Assessment District for the fiscal year 2012-13, are generally as follows:

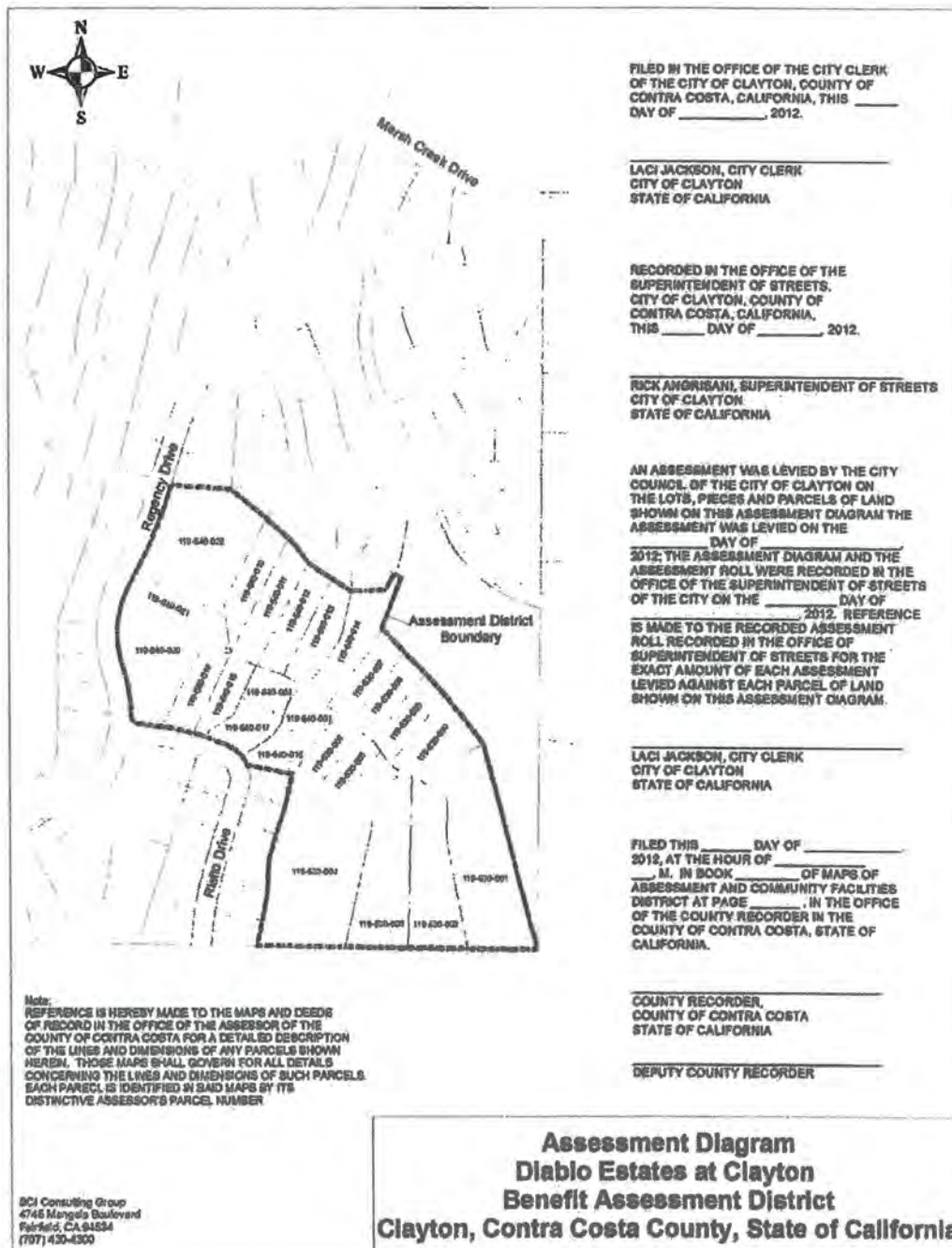
FIGURE 3 – SUMMARY COST ESTIMATES – FISCAL YEAR 2012-13

CITY OF CLAYTON	
Diablo Estates at Clayton Benefit Assessment District	
Summary Cost Estimate FY 2012-13	
Installation, Maintenance & Servicing Costs	\$60,763
Incidental Costs	\$11,900
Total Budget	\$72,663
<hr/>	
Budget to Assessment	
Total Budget	\$72,663
Total SFE Units	24
Rate per SFE Unit	\$3,027.62

As required by the Acts, an Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Diablo Estates at Clayton Benefit Assessment District. The distinctive number of each parcel or lot of land in said Diablo Estates at Clayton Benefit Assessment District is its Assessor Parcel Number appearing on the Assessment Roll.

ASSESSMENT DIAGRAM

The boundaries of the Diablo Estates at Clayton Benefit Assessment District are displayed on the following Assessment Diagram.



APPENDICES

APPENDIX A – ASSESSMENT ROLL, FISCAL YEAR 2012-13

An Assessment Roll (a listing of all parcels assessed within the Assessment District and the amount of the assessment) will be filed with the City Clerk and is, by reference, made part of this Report and is available for public inspection during normal office hours.

Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this Report. These records shall govern for all details concerning the description of the lots or parcels.

FIGURE 4 – ASSESSMENT ROLL

CITY OF CLAYTON
Diablo Estates at Clayton Assessment District
Assessment Roll

PARCEL NUMBER	OWNER	SITUS	SFE Units	ASSESSMENT
119-630-001	TOLL CA XIX L P	27 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-002	TOLL CA XIX L P	26 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-003	TOLL CA XIX L P	22 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-004	TOLL CA XIX L P	18 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-005	TOLL CA XIX L P	14 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-006	TOLL CA XIX L P	10 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-007	TOLL CA XIX L P	9 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-008	TOLL CA XIX L P	15 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-009	TOLL CA XIX L P	19 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-630-010	TOLL CA XIX L P	23 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-640-001	TOLL CA XIX L P	8 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-640-004	TOLL CA XIX L P	7 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-010	TOLL CA XIX L P	16 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-011	TOLL CA XIX L P	12 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-012	TOLL CA XIX L P	8 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-013	TOLL CA XIX L P	4 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-014	TOLL CA XIX L P	5 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-640-016	TOLL CA XIX L P	2 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-640-017	TOLL CA XIX L P	3 SEMINARY RIDGE PL CLAYTON CA 94517	1	\$3,027.62
119-640-018	TOLL CA XIX L P	11 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-019	TOLL CA XIX L P	17 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-020	TOLL CA XIX L P	21 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-021	TOLL CA XIX L P	24 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
119-640-022	TOLL CA XIX L P	20 PROMONTORY PL CLAYTON CA 94517	1	\$3,027.62
			24	\$72,662.88

ATTACHMENT 5

MAINTENANCE MANAGEMENT SCOPE OF SERVICES

EXHIBIT "A"
SCOPE OF SERVICES

PROPERTY MANAGEMENT SERVICES

The property management duties to be included in this contract shall generally include, but not necessarily limited to, the following:

- a) Contracting with, overseeing and being responsible for, various State-licensed contractors as needed to complete the maintenance services specified below. Consultant shall provide copies of all executed contracts (including detailed scopes of work, and work, manpower and payment schedules) and contractor insurance certificates;
- b) Periodic inspections of the property and improvements to verify current conditions and to ensure satisfactory performance of the various contractors hired by the Proposer to complete the maintenance duties specified in the maintenance document;
- c) Periodic inspections of the property and improvements to ensure satisfactory performance of the homeowners in providing the maintenance services specified below as being the homeowners' responsibility.;
- d) Preparation and submittal of a monthly report to the City Engineer describing the findings of the periodic inspections, the maintenance work completed that month and anticipated for the following month;
- e) Satisfaction of Regional Water Quality Control Board requirements relating to the operation and maintenance of stormwater treatment facilities, including the preparation and submittal of annual reports.

COMMON LANDSCAPING (ALONG REGENCY AND RIALTO DRIVES)

DESCRIPTION AND DETAILED SCOPE OF WORK

Description

As part of the projects approval conditions, the Developer was required to install landscaping and irrigation over a strip of land adjacent to the sidewalks along the project's frontage on Regency and Rialto Drives. The strip of land is variable in width (but generally 25 feet wide, more or less, from the back of sidewalk) and is delineated by an open wire fence except along the frontage of Lot 9 where it is delineated by a wooden "Good Neighbor" fence.

Along with the perimeter fencing, the improvements include trees, shrubs, groundcover and a complete automatic irrigation system. In addition, a subdivision entry monument has been constructed on Lot 8. All of the land covered by the improvements has been encumbered by a recorded landscape maintenance easement in favor of the City of Clayton.

Detailed Scope of Work – City's Responsibility

Maintenance of the Common Landscaping shall occur twice a month by a maintenance crew comprised of at least 3 men for a period of at least 4 hours on each visit.

Trees

The scope of normal tree care shall include, but not be limited to, the following:

- Pruning will be performed under the direction of a qualified maintenance supervisor using appropriate tools and equipment in general accordance with industry standards.

- Pruning shall promote structural strength and accentuate the plants natural forms and features within the limitation of space.
- Trees stakes and guides will be checked regularly and removed or replaced as necessary.
- Minor pesticide application.
- Tree pruning over the 12 foot height.
- Insect and disease control including pest control spraying.
- Deep root feeding on an annual basis.
- Replacement of dead trees.

Shrubs and Groundcover

The scope of shrub and groundcover care shall include, but not be limited to, the following:

- On a continual basis, shrubs shall be checked for appropriate pruning and thinning, shearing or hedging. Hard pruning or cutting back will be done in winter to allow new growth or flushing out during the oncoming spring season.
- On a continual basis, ground covers shall be checked for proper coverage within the planting areas, and general health and condition. Required mowing or shearing of ground covers will be done in the winter to allow new growth during the spring season.
- Shrub pruning, thinning and trimming shall be accomplished on a regular basis to maintain a neat appearance.
- Shrubs shall be pruned to promote strength and accentuate the shrubs natural forms and features, minimize balling, shearing, etc.
- Ground covers shall be mowed on an annual basis as necessary.
- Plant material shall be fertilized on a regular basis before showing any sign of nutritional deficiencies.
- Minor pesticide application.
- Replacement of dead shrubs and groundcover plantings.

Irrigation

The scope of the irrigation check shall include, but not be limited to, the following:

- The system shall be routinely checked twice each month.
- Adjust programming to apply water in accordance with plant requirements based upon weather and soil conditions, and to minimize water runoff.
- Clean and adjust the sprinkler heads and nozzles as needed. Adjust spray patterns to insure coverage and prevent overspray on to the paved areas and buildings.
- Remote control valves shall be checked for proper operation. Valve boxes shall be cleared on top and clean on the inside.
- Minor irrigation repairs (e.g., pipe cracks, joint leaks, damaged spray heads or nozzles, etc.) shall be repaired immediately. The need for more significant repairs shall be brought to the attention of the City for authorization prior to the work being undertaken.

WEED ABATEMENT

DESCRIPTION AND DETAILED SCOPE OF WORK

Description

The City has placed significant restrictions on the use of the large sloped areas within each of the lots. These areas are intended to remain unimproved and covered with "native" vegetation installed by the Developer. Such vegetation tends to become a fire hazard during the summer months if left unchecked.

The Contra Costa Fire District requires that all vegetation be maintained at a height of no more than 3 inches. Weeds and grasses must be mowed with the material raked, bagged, and removed from the

property. This work must be accomplished by the end of June, at the very latest. Re-growth could necessitate additional abatement during the fire season.

Detailed Scope of Work – City's Responsibility

The scope of weed abatement work shall include, but not be limited to, the following:

- Each spring, prior to the date established by the Contra Costa Fire District, all sloped areas between the open wire fences at the rear of each building pad and the lot property line, shall be mowed by hand to a height of less than 3 inches. The excess materials generated by the mowing shall be raked, placed in bags, and legally disposed of offsite.
- When needed due to re-growth of the vegetation, the process as specified shall be repeated.

STORM DRAINAGE FACILITIES

DESCRIPTION AND DETAILED SCOPE OF WORK

Description

As part of the subdivision construction, a storm drainage system has been constructed within the streets of the project. The system includes concrete collection ditches (known as "J" and "V" ditches), storm drain pipes interconnecting and running between manholes and catch basins. The system also includes five large storage pipes (36" and 48" in diameter with a total length of 728 feet). The storage pipes also include observation structures for inspection and cleaning, if required. These storage pipes have been designed to collect the storm runoff from the streets and delay the discharge of the runoff into the remainder of the storm drain system by metering the discharge flows. The intent of this delay is to keep the peak flow rate of the storm water discharge leaving the project at the same or lower rate that existed prior to construction of the project.

In order to continue to work as designed, the system must be kept clear of sediment, trash and debris.

Detailed Scope of Work – City's Responsibility

The scope of storm drain facility maintenance work shall include, but not be limited to, the following:

- Each year, by October 15th, each storm drain structure and facility (concrete ditches, manholes, catch basins, and storage pipes) shall be inspected for build-up of sediment and debris.
- Each structure shall be cleaned as necessary using a truck-mounted vacuum system.
- The concrete ditches shall be cleaned of all weeds and trash by hand. The materials generated shall be placed in bags, and legally disposed of offsite.
- Cracks in the concrete ditches and structures shall be repaired.
- If necessary, the structures shall be treated for vector (mosquitoes) infestation as necessary with Larvicide dunks.
- Upon completion of the inspection and work, the contractor shall file a written report, including photos of the findings and maintenance work, with the City indicating the results of the inspection and work, including a description of amount and type of debris removed, depth of sediment observed in the structures, and a description of repairs that the Contractor believes necessary to maintain the integrity of the storm drainage facilities.
- Any major repairs deemed necessary by the City shall be performed under separate written authorization.

STORMWATER TREATMENT FACILITIES

DESCRIPTION AND DETAILED SCOPE OF WORK

Description

As part of the subdivision construction, stormwater treatment facilities have been constructed both in the street and on each lot. The in-street facility consists of a single Vortech 3000 Hydrodynamic Separator unit located near Rialto Drive. The on-lot treatment facilities consist of one or two bioretention filtration planters ("planters") on each lot as well as small collection pipes which convey the runoff to the planters. In addition, the collection systems on some lots may include trench drains adjacent to the end of the driveways to collect runoff from the driveways.

The planters have been sized to accept and treat all of the on-lot runoff from impervious surfaces. The planters include 18" of filter soils placed on top of a thick layer of permeable rock. The runoff that enters the planter is cleaned as it percolates through the filter soils and into the permeable rock. The permeable rock layer includes a 24" storage pipe and smaller perforated drains to collect the runoff. The outflow from the storage pipes is metered by a small orifice opening to limit the rate of discharge as required by the latest stormwater regulation.

In addition to the filter soils, treatment of the runoff is accomplished by the vegetation planted in the filter soils. It is the responsibility of the individual property owners to maintain the vegetation and surface condition of the planters as well as the on-lot collection pipe system. It should be understood that the types of plantings installed by the Developer were selected from a pre-approved list of plant materials published by the Contra Costa Clean Water Program. Any vegetation that must be replaced, at any time, can only be replaced with the same or another pre-approved plant.

The stormwater treatment regulations require routine and annual inspections of all facilities, the results of which are required to be reported to the Regional Water Quality Control Board. If these inspections note that the property owner has not properly maintained the on-lot collection system, planters or vegetation, or replaced any plantings with non-approved types, a notice of deficiency will be issued to the property owner. If the property owner fails to satisfy the notice of deficiency within the time period specified on the notice, such failure shall be reported to the Regional Water Quality Control Board and may subject the property owner to fines as high as \$10,000 per day.

Detailed Scope of Work – Homeowners' Responsibility

The scope of the property owners' responsibility shall include, but not be limited to, the following routine work:

- Inspect the driveway trench drain, its entrances (grates) and exits. Look for obstructions, vegetation, debris, litter, sediment, etc., blocking the entrances and exits of the trench drain. If necessary, clear trench drain, exits and entrances by hand and with hand tools. Ensure that water flows freely into and out of the trench drain.
- Inspect for large vegetation growing within 4" of the trench drain entrance or exit. Remove any invasive plants, weeds, shrubs, or any plant with a woody stem within 4" of trench drain entrance or exit.
- Inspect the outlets of the collection system in each of the planters for plugging caused by debris. Look for evidence of erosion in the planter surface. Inspect side soils and/or rocks placed around the edges of the planters. Repair and/or replace any erosion or missing rocks. Clear outlets as necessary.
- Examine vegetation to ensure it is healthy and dense enough to provide filtering and to protect soils from erosion, Replenish mulch as necessary, remove fallen leaves and debris, prune large

shrubs or trees. Replace dead plants and remove invasive vegetation. Confirm that the irrigation is adequate and not excessive.

Detailed Scope of Work – City's Responsibility

The scope of the City's responsibility shall include, but not be limited to, the following:

- Each year, prior to the rainy season, the City, or its contractor, shall undertake a complete inspection and testing of the in-street and on-lot stormwater treatment systems in accordance with the project's Stormwater Control Operation & Maintenance Manual.
- Maintain Vortech 3000 Hydrodynamic Separator unit in accordance with the manufacturer's operation and maintenance requirements. This work shall include removal and disposal of accumulated sediment. Monitor and treat for vector (mosquitoes) infestation as necessary with Larvicide dunks.
- Upon completion of the inspection and work, the contractor shall file a written report, including photos of the findings and the maintenance work, with the City indicating the results of the inspection and work, including a description of amount and type of debris removed, depth of sediment observed in the structures, and a description of repairs that the Contractor believes necessary to maintain the integrity of the stormwater treatment facilities.
- Standard City fees will be paid to the City directly by the BAD and are not a part of this contract.
- Any major repairs deemed necessary by the City shall be performed under separate written authorization.

STREET LIGHTING FACILITIES

DESCRIPTION AND DETAILED SCOPE OF WORK

Description

As part of the subdivision construction, a street lighting system, consisting of four street lights and associated wiring and boxes, was installed.

Detailed Scope of Work – City's Responsibility

The scope of streetlighting system work shall include, but not be limited to, the following:

- Routinely inspect and replace parts as needed
- Payment for the supply of electricity from PG&E. (Note: the electrical billing for the street lights will be paid by the City directly to PG&E and is not a part of the contract)



Agenda Date: 5-15-2018

Agenda Item: 3e

Approved:

Gary A. Napper
City Manager

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: KEVIN MIZUNO, FINANCE MANAGER

DATE: MAY 15, 2018

SUBJECT: INVESTMENT PORTFOLIO REPORT – THIRD QUARTER FY 2017-18

RECOMMENDATION

It is recommended the City Council accept the City Investment Portfolio Report for the third quarter of fiscal year 2017-18 ending March 31, 2018.

BACKGROUND

Pursuant to the section XIII of the City of Clayton Investment Policy, last revised on April 21, 2015, the Finance Manager is required to submit a quarterly investment report to the City Council. This quarterly report is also designed to meet the local agency reporting requirements outlined in *California Government Code* section 53646. The third quarter 2017-18 fiscal year report is provided herein.

DISCUSSION

With the third quarter of the fiscal year completed, interest earnings for the General Fund is \$66,110, or 82.64% of forecasted interest revenues per the 2017-18 fiscal year adopted budget of \$80,000. City-wide investment earnings solely attributable to pooled investments (i.e. not related to cash with fiscal agents such as bond proceeds) through the third quarter of fiscal year 2017-18 totaled \$150,389. The LAIF quarterly apportionment rate was 1.51%, which reflects a continued trend of gradual growth over recent years. This quarter's LAIF apportionment rate represents an increase of 0.31% from a rate of 1.20% in the preceding quarter. Investments in certificates of deposit comprised approximately 83.96% of the City investment portfolio as of the quarter ended March 31, 2018 and were the highest yielding investment type with a collective weighted average interest rate of 1.82%. Approximately 3.41% of the Portfolio is made up of cash deposits and low interest bearing money market mutual funds available for normal operating cash flow purposes. Federal Agency Notes, authorized by the revised April 21, 2015 investment policy, were the second highest yielding investment type making up approximately 5.18% of the portfolio with a weighted average

interest rate of 1.55%. This continued small proportion of government agency notes in the Portfolio is due to several government agency note investments being called over the past several years following Fed announcements that “long-postponed interest rate growth will be addressed cautiously with any increases to come slowly, if at all”. Subsequent to this announcement, the City’s investment strategy shifted more heavily to non-callable certificates of deposit, where interest rates and other terms were more favorable to the City. Given the current market scenario of rising interest rates, the City Portfolio’s proportional share of federal agency notes is expected to gradually increase as the rates become more competitive with certificates of deposit and their call risk decreases.

The market value of the total investment portfolio was approximately \$13,361,333, which is \$144,716 (or 1.07%) lower than total carrying value as of March 31, 2018. The fair value is lower than the carrying value given the current rising interest rate environment paired with the City’s Portfolio being primarily comprised of fixed income investment instruments which the City generally expects to hold to maturity. This relatively marginal difference demonstrates how the conservative nature of the City’s investment strategy mitigates the risk of the City incurring large unrealized losses in market declines. Simultaneously, given less risk being incurred, more predictable and modest investment returns will be realized following this same strategy.

In conclusion, for the third quarter ending March 31, 2018, the City of Clayton Investment Portfolio is being managed in accordance with the City’s investment policy. In addition, the City’s cash management program provides sufficient liquidity to meet the next six month’s expenditures. Furthermore, on May 10, 2018 the City Treasurer, Mr. Hank Stratford, has reviewed and approved the attached City of Clayton Investment Holdings Summary – Third Quarter of Fiscal Year 2017-2018 (Attachment 1) in accordance with the investment policy. Attachment 1 provides additional analysis and the specific investment reporting criteria required by *California Government Code* section 53646.

FISCAL IMPACT

The acceptance of this report has no direct fiscal impact to the City of Clayton.

Attachment 1: City of Clayton Investment Holdings Summary – Third Quarter of Fiscal Year 2017-18
(January 1, 2018 – March 31, 2018)

City of Cayton
Investment Holdings Summary
Quarter Ending: March 31, 2018

ATTACHMENT 1

Investment Account	Investment Type	Institution	CUSIP	Carrying Value	Rate	Current Yield	Settlement Date	Maturity Date	Market Value
Local Agency Investment Fund (LAIF)	Local Agency Pool	Local Agency Investment Fund	n/a	1,005,243.76	1.51%	1.51%	n/a	n/a	1,002,768.85
UBS Financial Services Inc.	Cash	BS Bank Sa Deposit Account	n/a	-	0.00%	0.00%	n/a	n/a	-
	Money Market Fund	RMA Government Portfolio	n/a	9,486.81	0.60%	0.90%	n/a	n/a	9,486.81
	Certificate of Deposit	First Bus Bk, WI	31938QK78	200,000.00	1.15%	1.15%	3/31/15	4/2/18	199,994.00
	Certificate of Deposit	American Exp Cent, UT	02587DPT9	100,000.00	1.70%	1.70%	7/5/13	7/5/18	99,929.00
	Certificate of Deposit	Compass Bank, AL	20451PAU0	150,000.00	1.55%	1.55%	7/10/13	7/10/18	149,983.50
	Certificate of Deposit	Goldman Sachs Bank, NY	38147HW5	100,000.00	1.75%	1.75%	7/10/13	7/10/18	100,026.00
	Certificate of Deposit	Cit Bank, UT	17294CHW7	146,000.00	1.80%	1.80%	7/17/13	7/17/18	146,088.40
	Certificate of Deposit	First Financial NW, WA	32022MAG3	100,000.00	1.14%	1.15%	1/28/16	8/20/18	99,777.00
	Certificate of Deposit	Bank Baroda New York, NY	0606285Q2	247,000.00	2.05%	2.05%	10/18/13	10/18/18	247,187.72
	Certificate of Deposit	Sallie Mae Bank, UT	795450Q57	147,000.00	2.05%	2.05%	10/23/13	10/23/18	147,148.47
	Certificate of Deposit	American Express C, UT	02587DWJ3	100,000.00	2.00%	2.00%	11/28/14	11/28/18	100,065.00
	Certificate of Deposit	Sallie Mae Bank, UT	795450KT4	100,000.00	2.00%	2.00%	12/11/13	12/11/18	100,072.00
	Certificate of Deposit	Keybank NA, IN	493065Y19	100,000.00	1.53%	1.55%	1/20/16	1/22/19	99,940.00
	Certificate of Deposit	Discover Bank, DE	25467ZGC6	150,000.00	1.60%	1.60%	1/28/15	1/28/19	149,538.00
	Certificate of Deposit	Preferred Bank, CA	740367ER4	197,000.00	1.20%	1.21%	3/9/16	3/29/19	195,774.66
	Certificate of Deposit	First Savings Bank, IN	33621LBV4	99,000.00	1.15%	1.16%	5/4/16	5/24/19	97,924.86
	Certificate of Deposit	UBS Bank, UT	90348JAS9	200,000.00	1.20%	1.21%	6/9/16	6/17/19	197,636.00
	Certificate of Deposit	Discover Bank, DE	2546712B9	100,000.00	2.00%	2.01%	7/9/14	7/9/19	99,732.00
	Certificate of Deposit	Synchrony Bank, UT	87164XBQ8	100,000.00	2.05%	2.06%	7/11/14	7/11/19	99,728.00
	Certificate of Deposit	First Financial NW, WA	32022MAJ7	147,000.00	1.45%	1.50%	2/10/16	8/19/19	145,381.53
	Certificate of Deposit	Third Fed S&L Assn, OH	88413QAY4	200,000.00	1.50%	1.50%	2/19/15	8/19/19	199,518.00
	Certificate of Deposit	Park Natl Bk Newar, OH	700654AT3	240,000.00	2.15%	2.16%	9/12/14	9/12/19	239,018.40
	Certificate of Deposit	Gulf Coast B&T, LA	402194FB5	99,000.00	1.25%	1.27%	10/14/16	10/15/19	97,140.78
	Certificate of Deposit	GE Capital Bank UT	36162YF24	145,000.00	1.80%	1.81%	1/16/15	1/16/20	144,311.25
	Certificate of Deposit	Mercantil Comm Ban, FL	58733AEJ4	100,000.00	1.90%	1.92%	8/15/17	3/2/20	98,899.00
	Certificate of Deposit	BMW Bank NA, UT	05580AHL1	198,000.00	1.80%	1.83%	4/12/17	4/21/20	195,035.94
	Certificate of Deposit	Wells Fargo Bk Na Sd Us	94986TTT4	197,000.00	1.25%	1.25%	4/30/15	4/30/20	196,743.90
	Certificate of Deposit	Washington Trust, RI	940637HX2	99,000.00	1.45%	1.48%	11/18/16	5/18/20	96,731.91
	Certificate of Deposit	Comenity Bank, DE	981996X55	100,000.00	2.30%	2.32%	6/30/15	7/1/20	99,264.00
	Certificate of Deposit	World's Foremost B, NE	9159919E5	200,000.00	2.30%	2.32%	8/6/15	8/6/20	197,928.00
	Certificate of Deposit	Merrick Bk, UT	59013JHE2	149,000.00	1.90%	1.93%	8/20/15	8/20/20	146,632.39
	Certificate of Deposit	Morgan Stanley Bk, UT	61747MG96	245,000.00	2.45%	2.46%	1/18/18	1/25/21	243,782.55
	Certificate of Deposit	JF Morgan Chase, OH	48125YZB3	200,000.00	1.25%	1.52%	1/26/16	2/10/21	197,518.00
	Certificate of Deposit	Synchrony Bank, UT	87164XLH7	94,000.00	1.70%	1.74%	2/25/16	3/4/21	91,998.74
	Certificate of Deposit	BLC Comenity Bank, WI	05549CGN4	198,000.00	2.00%	2.04%	11/13/17	5/28/21	194,010.30
	Certificate of Deposit	Barclays Bank, DE	06740KXC0	100,000.00	2.00%	2.04%	7/12/17	7/12/21	97,887.00
	Certificate of Deposit	Comenity Cap Bank UT	20033AUX2	245,000.00	2.00%	2.04%	7/16/17	7/16/21	239,779.05
	Certificate of Deposit	UBS Bank, UT	90348JAU4	50,000.00	1.50%	1.56%	7/20/16	7/20/21	48,061.00
	Certificate of Deposit	Synchrony Bank, UT	87164XNA0	50,000.00	1.45%	1.51%	7/22/16	7/22/21	48,048.50
	Certificate of Deposit	Medallion Bank, UT	58403BSQ5	198,000.00	2.05%	2.10%	12/16/17	12/16/21	193,398.48
	Certificate of Deposit	Mercantile Comm Bank	58733ADT3	150,000.00	2.10%	2.15%	1/27/17	1/27/22	146,637.00
	Certificate of Deposit	Texas Exchange Bank, TX	88241TBD1	150,000.00	2.25%	2.29%	3/28/17	3/28/22	147,277.50
	Certificate of Deposit	First National Bank of McGregor, TX	36A99U934	145,000.00	2.35%	2.38%	12/20/18	6/20/22	143,406.45
	Certificate of Deposit	First Bank Highland, IL	319141HN0	247,000.00	2.20%	2.38%	9/7/17	9/7/22	240,958.38
	Certificate of Deposit	Capital One Bank	140426FH9	99,000.00	2.30%	2.35%	10/4/17	10/4/22	96,921.99
	Certificate of Deposit	Belmont Svgs Bk, MA	080515CH0	200,000.00	2.70%	2.72%	2/13/18	2/28/23	198,620.00
	Government Agency	FHLMC	3134G8VZ9	250,000.00	1.38%	1.41%	3/29/16	4/28/21	244,460.00
	Total UBS Financial Services Inc.			6,940,486.81					6,769,291.26

City of Clayton
Investment Holdings Summary
Quarter Ending: March 31, 2018

ATTACHMENT 1

Investment Account	Investment Type	Institution	CUSIP	Carrying Value	Rate	Current Yield	Settlement Date	Maturity Date	Market Value
Morgan Stanley	Money Market Fund	Morgan Stanley	n/a	3,907.59	0.15%	0.15%	n/a	n/a	3,907.59
	Certificate of Deposit	Bank of North Carolina, NC	06414QUC1	200,000.00	1.50%	0.12%	1/16/15	4/16/18	200,008.00
	Certificate of Deposit	Bank Leumi, NY	063248FQ6	100,000.00	1.05%	0.52%	6/23/16	6/15/18	99,879.00
	Certificate of Deposit	BMO Harris, IL	05581WHF5	197,000.00	1.05%	0.00%	6/23/16	6/22/18	196,728.14
	Certificate of Deposit	Compass Bank, AL	20451PMD5	100,000.00	1.50%	0.75%	6/30/15	7/2/18	99,963.00
	Certificate of Deposit	Mercantile Bank of Grand Rapids, MI	58740XYT1	147,000.00	1.65%	0.82%	8/14/13	8/14/18	147,133.77
	Certificate of Deposit	First Bank PR Santurce, PR	33767AUJ8	50,000.00	1.45%	1.21%	1/20/16	1/22/19	49,792.50
	Certificate of Deposit	Webster Bank, CT	94768NKJ2	100,000.00	1.35%	1.35%	1/20/16	1/28/19	99,840.00
	Certificate of Deposit	Homebank, NA	43738AFU5	200,000.00	1.50%	1.50%	3/30/15	3/29/19	199,504.00
	Certificate of Deposit	Ally Bank, UT	02006LZR7	100,000.00	1.20%	1.20%	4/14/16	4/15/19	99,265.00
	Certificate of Deposit	State Bank of India, ILL	854283YN0	198,000.00	1.65%	1.65%	5/28/15	5/28/19	196,445.66
	Certificate of Deposit	First Business Bank, WI	31938QL85	80,000.00	1.50%	1.51%	6/11/15	6/11/19	49,605.50
	Certificate of Deposit	Ally Bank, UT	02006LB66	148,000.00	1.25%	1.26%	6/23/16	6/24/19	146,191.44
	Certificate of Deposit	Barclays Bank, DE	06740KHK6	149,000.00	2.10%	2.10%	7/23/14	7/23/19	148,554.49
	Certificate of Deposit	American Express Bank FSB, UT	02587CAJ9	247,000.00	2.00%	2.00%	7/24/14	7/24/19	246,133.03
	Certificate of Deposit	BMW, UT	05580afa7	50,000.00	1.20%	1.22%	8/26/16	8/26/19	49,180.00
	Certificate of Deposit	Comenity Bank, DE	20099A7A9	100,000.00	2.10%	2.10%	8/27/14	8/27/19	99,728.00
	Certificate of Deposit	JPM, OH	48126XCP8	48,000.00	1.25%	1.27%	8/31/16	8/31/19	47,215.68
	Certificate of Deposit	Capital One Bank, VA	140420QF0	130,000.00	2.15%	2.15%	10/16/14	10/16/19	129,528.10
	Certificate of Deposit	State Bk India, NY	8562842P8	50,000.00	2.25%	2.25%	8/27/14	10/17/19	49,938.00
	Certificate of Deposit	The Privatebank & Trust Co., IL	74267GUU9	100,000.00	1.90%	1.91%	1/23/15	1/23/20	99,469.00
	Certificate of Deposit	American Express Centurion Bank, UT	02587DXE3	47,000.00	1.95%	1.97%	1/30/15	1/30/20	46,475.95
	Certificate of Deposit	Peoples United Bank, CT	71270QML7	151,000.00	1.75%	1.76%	3/4/15	3/4/20	149,657.61
	Certificate of Deposit	Everbank, FL	29976DVW7	200,000.00	1.75%	1.77%	3/30/15	3/30/20	196,912.00
	Certificate of Deposit	CIT Bank, UT	17284DBM3	50,000.00	1.98%	2.02%	6/3/15	6/3/20	49,406.50
	Certificate of Deposit	Capital One NA McLean, VA	14042E4Y3	245,000.00	2.22%	2.26%	7/22/15	7/22/20	242,932.20
	Certificate of Deposit	Beneficial Mut, PA	08173QBT2	200,000.00	1.37%	1.39%	10/7/16	10/7/20	193,548.00
	Certificate of Deposit	Connectone England Cliffs, NJ	20786ACD5	100,000.00	2.60%	2.60%	3/28/18	3/29/21	99,850.00
	Certificate of Deposit	Wells Fargo, SD	9497485W3	50,000.00	1.77%	1.80%	6/17/16	6/17/21	48,356.50
	Certificate of Deposit	Isl Internet Bank Indianapolis, IN	32056GCP3	100,000.00	1.95%	1.99%	7/14/17	7/14/21	97,717.00
	Certificate of Deposit	First Bank PR Santurce, PR	33767AAK4	157,000.00	2.05%	2.09%	8/25/17	8/25/21	153,762.66
	Certificate of Deposit	Enerbank USA, UT	29266N3H8	50,000.00	1.48%	1.51%	8/26/16	8/26/21	47,991.00
	Certificate of Deposit	Privatebank, IL	74267GVM6	147,000.00	1.53%	1.56%	8/30/16	8/30/21	141,134.70
	Certificate of Deposit	Franklin Syn Bank, TN	35471TCV2	204,000.00	2.00%	2.05%	1/12/17	1/31/22	198,667.44
	Certificate of Deposit	Live Oak Banking, NC	538036CM4	97,000.00	2.25%	2.29%	4/7/17	4/7/22	95,215.20
	Certificate of Deposit	Commercial Savings Bank, IA	202291AD2	247,000.00	2.10%	2.16%	10/18/17	10/18/22	239,622.11
	Certificate of Deposit	Industrial & Coml, NY	45581EAR2	250,000.00	2.65%	2.67%	2/17/18	2/14/23	247,775.00
	Government Agency	Federal Farm Credit Bank	3133EGEX9	200,000.00	1.67%	1.73%	6/9/16	6/14/21	192,528.00
	Government Agency	Federal Home Loan Bank	3130A8HH9	250,000.00	1.62%	1.67%	6/16/16	6/23/21	241,900.00
	Total Morgan Stanley			5,212,907.59					5,141,861.77
Bank of America (book balance)	Cash (checking account)	Bank of America		447,411.51	0.00%	0.00%	n/a	n/a	447,411.51

Broker / Institution	Carrying Value	Percentage of Portfolio	Weighted Average Yield to Maturity	W.A.M. (yrs)	Market Value
Local Agency Investment Fund (LAIF)	1,005,244	7.44%	1.51%	0.64	1,002,769
UBS Financial Services Inc.	6,840,487	50.65%	1.81%	2.12	6,769,291
Morgan Stanley	5,212,908	38.60%	1.78%	2.16	5,141,862
Bank of America (book balance)	447,412	3.31%	0.00%	0.00	447,412
Total Investment Portfolio	13,506,050	100.00%			13,361,333
2017-18 Budgeted Interest - General Fund	\$		80,000		
2017-18 Actual Interest Revenue to date (7/1/17 - 3/31/18)	\$		66,110		
Percent of General Fund Budget Realized			82.64%		
Quarterly Weighted Average Annual Yield*			1.72%		
2017-18 Total Pooled Investment Income To Date (7/1/17 - 3/31/18)	\$		150,389		

*This calculation excludes the City's non-interest bearing pooled checking account with Bank of America

I verify that this investment portfolio is in conformity with State laws and the City of Clayton's investment policy. The City's cash management program provides sufficient liquidity to meet the next six month's expenditures.


 Kevin Mizuno, Finance Manager 4/27/18
 Date



 Hank Stratford, City Treasurer 5/14/18
 Date



Agenda Date: 5-15-2018

Agenda Item: 3F

Approved:


Gary A. Napper
City Manager

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: SCOTT ALMAN, CITY ENGINEER

DATE: May 15, 2017

SUBJECT: APPROVE THE AWARD OF A LOW-BID CONTRACT TO SIERRA NEVADA CONSTRUCTION IN THE AMOUNT OF \$ 784,007.00 FOR THE 2018 NEIGHBORHOOD STREET PROJECT (CIP No. 10436).

RECOMMENDATION

It is recommended that the City Council adopt a Resolution to approve the award of a low-bid contract to Sierra Nevada Construction in the amount of \$ 784,007.00 for the 2018 Neighborhood Street Project (CIP No. 10436).

BACKGROUND

The approved 2017-18 Capital Improvement Program included CIP Project #10436, the City's 2018 Neighborhood Street Project. This project is to accomplish street maintenance and rehabilitation on local streets that are not eligible for state or federal transportation funds. This project is funded by Gas Tax, Measure J, RMRA (SB1) and Cal Recycle grant funds for use of rubberized paving materials. The objective of the project is to elevate all of Clayton's local roads to a Pavement Condition Index of 80 PCI or greater (100 PCI = brand new).

The streets selected for inclusion in the project were approved by City Council public action at its February 20th meeting. The overall street selection included those streets designated as "RMRA" streets by Council action at its September 19, 2017 public meeting and reported as such to the California Transportation Commission (CTC) to be eligible for RMRA funds.

DISCUSSION

Sealed bids for this project were received and opened by the City Clerk on May 10, 2018. The City received five bids ranging from the low bid of \$784,007, to a high of \$1,010,000! The apparent low bidder at \$784,007 is Sierra Nevada Construction. Although five bids were received, all of the bid amounts exceeded the project estimate. The high bids are a result of a very competitive construction environment fueled by a shortage of skilled labor and high demand for materials, due in part to the recovery efforts in the North Bay caused by last

year's wildfires. In discussion with the City Manager, it has been determined the current infrastructure bid climate will not improve in the foreseeable future and this CIP project should be awarded to the low bidder and constructed as planned. Additional local transportation funds are available to gap-fund the total required street project budget without sacrificing other improvement plans.

The Keller Ridge Drive Collector Street Repaving Project (federal funds involved) is still out for competitive bid with sealed bids to be opened on Thursday, May 17th.

FISCAL IMPACT

The approved 2017-18 Capital Improvement Budget established a project budget for the 2018 Neighborhood Street Project (CIP# 10436) at \$610,556. The bids received have exceeded the project estimate causing an increase in the actual construction project budget from the current \$610,556 to \$784,007 (28.4%).

Although this budget increase is not favorable, there are sufficient transportation funds available in the prior year reserves of Gas Tax and Measure J, as well as 2017-18 Gas Tax and Measure J revenues, to cover the necessary budget increase. No additional budget appropriations are necessary at this point as those will be addressed in the FY 2018-19 City and CIP budgets to be reviewed for approval by City Council in June 2018.

- Attachments: 1. Resolution [2 pp.]
2. List of approved City streets for repaving [2 pp.]

RESOLUTION NO. XX-2018

**A RESOLUTION APPROVING THE AWARD OF A LOW BID CONTRACT
TO SIERRA NEVADA CONSTRUCTION IN THE AMOUNT OF \$784,007.00
FOR THE 2018 NEIGHBORHOOD STREET PROJECT (CIP No. 10436)**

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

WHEREAS, the City Engineer recently designed and bid the improvements for the 2018 Neighborhood Street Project and the City received five sealed bids ranging in price from the apparent low of \$784,007.00 to a high of \$1,010,000; and

WHEREAS, the apparent low bidder, Sierra Nevada Construction, Inc., with the apparent low bid of \$784,007.00, has been determined by the City Engineer to be a responsible bidder based on submitted bid documents and reputation within the industry; and

WHEREAS, there is sufficient monies in the City's prior year's local transportation fund reserves and in FY 2017-18 Gas Tax and Measure J revenues to fully fund this construction project as bid; and

WHEREAS, the street maintenance and rehabilitation improvements contemplated by this project are exempt under Section 15302(c) of the CEQA guidelines; and

WHEREAS, in its accompanying report City staff has recommended the City Council adopt this Resolution approving the award of a contract to Sierra Nevada Construction in the amount of \$784,007.00 for the 2018 Neighborhood Street Project (CIP No. 10436);

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Clayton, California does hereby adopt this Resolution approving the award of a contract to Sierra Nevada Construction in the amount of \$784,007.00 for construction of the City's 2018 Neighborhood Street Project (CIP No. 10436), does hereby authorize its City Manager to execute the contract on behalf of the City, and does herewith determine and find the contemplated improvements are categorically exempt under CEQA Section 15302(c).

PASSED, APPROVED and ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 15^h day of May 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Keith Haydon, Mayor

ATTEST:

Janet Brown, City Clerk

EXHIBIT 'A'
2018 Neighborhood Street Project
CIP 10436

OK 40

Road Name	Begin Location	End Location	RMRA	Section Area (Sq)	Current PCI	Treatment	Treatment Cost	Handicap Ramps
HAVILAND PLACE	TARA DRIVE	CUL-DE-SAC		1,691.6	58	CAPE SEAL	\$12,991.15	4
TARA COURT	NORTH END CUL-DE-SAC	SOUTH END CUL-DE-SAC		889.3	65	CAPE SEAL	\$3,904.38	1
WALLACE DRIVE	N. MITCHELL CANYON ROAD	CARDINET DRIVE		4,000.0	65	CAPE SEAL	\$22,656.00	2
MIWOK WAY	Eagle Peak Avenue	Blue Oak Lane		6,203.7	66	CAPE SEAL	\$35,137.57	4
CABERNET COURT	EASLEY COURT	CUL-DE-SAC		1,050.0	67	CAPE SEAL	\$5,947.20	2
TARA DRIVE	CLAYTON BLVD	TARA COURT		2,288.0	67	CAPE SEAL	\$12,959.23	2
ANTELOPE COURT	Obsidian Way	Cul de sac		1,304.0	68	CAPE SEAL	\$7,385.86	2
EL PUEBLO PLACE	EL PORTAL DRIVE	CUL-DE-SAC		4,333.3	68	CAPE SEAL	\$24,544.00	2
WIDMAR COURT	MITCHELL CANYON ROAD	CUL-DE-SAC		979.6	68	CAPE SEAL	\$5,548.20	1
CARDINET DRIVE	North Mitchell Canyon Road	Wallace Drive		5,288.9	69	CAPE SEAL	\$29,956.27	0
MARQUETTE COURT	SOUTHBROOK DRIVE	CUL-DE-SAC		1,493.3	69	CAPE SEAL	\$8,458.24	0
NOTTINGHAM CIRCLE	ATCHINSON STAGE RD. N.	ATCHINSON STAGE RD. S.		4,915.6	69	CAPE SEAL	\$27,841.71	4
OAK STREET	HIGH STREET	DOUGLAS ROAD		3,060.0	69	CAPE SEAL	\$17,445.12	3
OHARA COURT	HAVILAND PLACE	CUL-DE-SAC		1,740.4	69	CAPE SEAL	\$9,857.88	0
REDONDO COURT	EL CAMINO DRIVE	CUL-DE-SAC		376.7	68	CAPE SEAL	\$2,133.44	0
CALISTOGA WAY	EL CAMINO DRIVE	YOSIMITE CIRCLE		1,316.7	70	CAPE SEAL	\$7,457.60	0
SHASTA COURT	EL CAMINO DRIVE	CUL-DE-SAC		513.3	70	CAPE SEAL	\$2,907.52	0
ATCHINSON STAGE PLACE	ATCHINSON STAGE ROAD	CUL-DE-SAC		731.1	71	CAPE SEAL	\$4,141.01	2
HAVILAND COURT	TARA DR	END		432.7	71	CAPE SEAL	\$2,450.62	0
VERNA WAY	YOSIMITE CIRCLE	ATCHINSON STAGE ROAD		3,157.8	71	CAPE SEAL	\$17,885.85	2
EASTBROOK COURT	SOUTHBROOK DRIVE	CUL-DE-SAC		1,848.9	72	CAPE SEAL	\$10,472.11	0
KELQK WAY	Keller Ridge Drive	Cul de sac		6,937.3	72	CAPE SEAL	\$39,293.06	0
MT. SCOTT COURT	MOUNTAIRE CIRCLE	CUL-DE-SAC		416.7	72	CAPE SEAL	\$2,360.00	2
N. EL CAMINO DRIVE	SOUTHBROOK DR	MORNINGSIDE DR		464.4	72	CAPE SEAL	\$2,630.61	0
				55,253.2			\$316,364.43	33
ATCHINSON STAGE COURT	ATCHINSON STAGE DRIVE	CUL-DE-SAC		653.3	73	SLURRY SEAL	\$1,385.07	
DIABLO STREET	MAIN STREET	HIGH STREET		637.2	73	SLURRY SEAL	\$1,360.91	
LASSEN COURT	EL CAMINO	CUL-DE-SAC		510.0	74	SLURRY SEAL	\$1,081.20	
CORONADO COURT	EL CAMINO DRIVE	CUL-DE-SAC	X	523.3	75	SLURRY SEAL	\$1,109.47	
EL PORTAL PLACE	EL PORTAL DRIVE	CUL-DE-SAC		4,136.7	75	SLURRY SEAL	\$8,769.73	
FALCON PLACE	Keller Ridge Drive	Cul de sac		2,183.0	75	SLURRY SEAL	\$4,627.96	
HIGH STREET	Marsh Creek Road	End		1,381.3	75	SLURRY SEAL	\$2,928.43	
HIGH STREET	Diablo Street	Oak Street		822.2	75	SLURRY SEAL	\$1,743.11	
HUMMINGBIRD PLACE	Keller Ridge Drive	Cul de sac		2,178.9	75	SLURRY SEAL	\$4,619.24	
MORRIS STREET	MAIN STREET	SOUTHERN END OF STREET		860.0	75	SLURRY SEAL	\$1,823.20	
MT. RUSHMORE PLACE	MOUNTAIRE CIRCLE	CUL-DE-SAC		2,640.0	75	SLURRY SEAL	\$5,596.80	
PINOT COURT	HAMBURG CIRCLE	CUL-DE-SAC		783.3	75	SLURRY SEAL	\$1,680.67	
YOSEMITE COURT	EL CAMINO DRIVE	CUL-DE-SAC	X	659.6	75	SLURRY SEAL	\$1,398.26	
CROW PLACE	Keller Ridge Drive	Cul de sac		1,710.0	76	SLURRY SEAL	\$3,625.20	
EL CAMINO DRIVE	CLAYTON ROAD	PINE HOLLOW ROAD	X	8,556.7	76	SLURRY SEAL	\$18,140.13	
NOTTINGHAM PLACE	CENTRD ON NOTTINGHAM WAY	CUL-DE-SAC TO CUL-DE-SAC		1,933.3	76	SLURRY SEAL	\$4,098.67	
NOTTINGHAM WAY	ATCHINSON STAGE ROAD	NOTTINGHAM PLACE		637.8	76	SLURRY SEAL	\$1,352.09	
WILDCAT WAY	BLUE OAK LANE	OBSIDIAN WAY		1,558.0	76	SLURRY SEAL	\$3,302.96	
CAROLINA DRIVE	CITY LIMITS	EL CAMINO DRIVE		332.9	77	SLURRY SEAL	\$705.72	
DIABLO PARKWAY	EL PORTAL DRIVE	MARSH CREEK ROAD		2,743.3	77	SLURRY SEAL	\$5,815.87	
ELK DRIVE	Keller Ridge Drive	Cul de sac		2,063.8	77	SLURRY SEAL	\$4,375.21	
GOLDEN EAGLE PLACE	Keller Ridge Drive	Cul de sac		1,586.9	77	SLURRY SEAL	\$3,364.20	
KENSTON COURT	KENSTON DRIVE	CUL-DE-SAC		393.3	77	SLURRY SEAL	\$833.87	
MT. MC KINLEY COURT	MOUNTAIRE CIRCLE	CUL-DE-SAC		2,573.3	77	SLURRY SEAL	\$5,455.47	
DEER PLACE	Acorn Drive	Cul de sac		1,325.8	78	SLURRY SEAL	\$2,810.65	
N. ATCHINSON STAGE RD.	CLAYTON ROAD	CAULFIELD DRIVE		2,860.0	78	SLURRY SEAL	\$6,063.20	
OAK STREET	MAIN STREET	HIGH STREET		1,493.3	78	SLURRY SEAL	\$3,165.87	
WEATHERLY DRIVE	REGENCY DRIVE	CUL-DE-SAC		5,885.8	78	SLURRY SEAL	\$12,477.85	
WIDMAR PLACE	WIDMAR COURT	CUL-DE-SAC		1,430.7	78	SLURRY SEAL	\$3,033.01	
YOSEMITE CIRCLE	EL CAMINO DRIVE S.	EL CAMINO DRIVE N.	X	8,640.0	78	SLURRY SEAL	\$18,316.80	
GRAY FOX PLACE	Acorn Drive	Cul de sac		1,537.6	79	SLURRY SEAL	\$3,259.62	
MT. ETNA DRIVE	MT.VERNON DRIVE	MT. WASHINGTON WAY		4,611.6	79	SLURRY SEAL	\$9,778.50	

EXHIBIT 'A'
 2018 Neighborhood Street Project
 CIP 10436

MT. SEQUOIA COURT	MT. DUNCAN DRIVE	CUL-DE-SAC		2,466.7	79	SLURRY SEAL	\$5,229.33
MT. VERNON DRIVE	491 N/O MOUNTAIRE CIRCLE	MOUNTAIRE CIRCLE		1,745.8	79	SLURRY SEAL	\$3,701.05
SOUTHBROOK DRIVE	250' W/MARQUETTE COURT	100' E/EASTWOOD COURT	X	5,878.2	79	SLURRY SEAL	\$12,461.83
TIFFIN COURT	TIFFIN DRIVE	CUL-DE-SAC		1,083.3	79	SLURRY SEAL	\$2,296.67
CENTER STREET	MARSH CREEK ROAD	WESTERN END OF STREET		2,151.1	80	SLURRY SEAL	\$4,560.36
WESTBROOK COURT	SOUTHBROOK DRIVE	CUL-DE-SAC	X	1,255.1	83	SLURRY SEAL	\$2,660.84
MAIN STREET	OAK STREET	MARSH CREEK ROAD		4,106.7	84	SLURRY SEAL	\$8,706.13
BETTENCOURT DRIVE	YOLANDA CIRCLE W. END	YOLANDA CIRCLE E. END	X	3,566.2	87	SLURRY SEAL	\$7,560.39
FRANK PLACE	YOLANDA CIRCLE	CUL-DE-SAC	X	<u>1,171.1</u>	87	SLURRY SEAL	<u>\$2,482.76</u>
				93,267.1			\$197,726.28

\$514,090.70 \$82,500.00



Agenda Date: 5-15-2018

Agenda Item: 3g

Approved:

Gary A. Napper
City Manager

AGENDA REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: SCOTT ALMAN, CITY ENGINEER

DATE: May 15, 2017

SUBJECT: AUTHORIZE STAFF TO NEGOTIATE AN AGREEABLE CONSTRUCTION PRICE WITH A QUALIFIED CONTRACTOR TO CONSTRUCT THE EL MOLINO DRIVE SANITARY SEWER IMPROVEMENT PROJECT (CIP NO. 10422), PURSUANT TO PUBLIC CONTRACT CODE SECTION 20166.

RECOMMENDATION

Given no construction bids were received for the advertised El Molino Drive Sanitary Sewer Improvement Project (CIP No. 10422), it is recommended the City Council authorize staff, pursuant to Public Contract Code Section 20166, to directly negotiate an agreeable construction price with a willing contractor for construction of this capital improvement project.

BACKGROUND

The approved 2017-18 Capital Improvement Program included CIP Project No. 10422, the El Molino Dive Sanitary Sewer Improvement Project. This project will accomplish certain sewer line capacity improvements necessary to relieve flow constrictions in the existing sewer lines within the El Molino Drive area. The project is necessary to prevent potential future overflows due to system flow restrictions and capacity shortfalls.

DISCUSSION

The former city engineer began the preparation of plans, specifications and bid documents for the proposed sanitary system improvements. The current city engineer completed the design plans, specifications and bid documents and initiated the bid process. Sealed bids for the project were due to the City on May 10, 2018. At the time and place of the bid opening, no bids were received.

_____ Agenda Date:

_____ Agenda Item:

Upon legal opinion rendered by the City Attorney, under Public Contract Code Section 20166 the City Council, in this situation of zero bids, has the authority to have the capital improvement project built and completed per the project specifications without further compliance with competitive bidding requirements. The governing body (City Council) must expressly authorize and direct City staff to have the eligible project constructed through price negotiations with a qualified contractor.

FISCAL IMPACT

There is no known fiscal impact based on the requested City Council action.

Attachments: 1. Resolution [2 pp.]

RESOLUTION NO. XX-2018

**A RESOLUTION AUTHORIZING CITY STAFF TO DIRECTLY NEGOTIATE
AN AGREEABLE CONSTRUCTION PRICE WITH A QUALIFIED
CONTRACTOR FOR CONSTRUCTION OF THE EL MOLINO DRIVE SANITARY
SEWER IMPROVEMEN PROJECT (CIP NO. 10422) DUE TO THE ABSENCE OF
COMPETITIVE BIDS AND PURSUANT TO PUBLIC CONTRACT CODE SECTION 20166**

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

WHEREAS, the City Engineer recently designed and advertised for competitive bid the capital improvement project entitled the El Molino Drive Sanitary Sewer Improvements Project (CIP No. 10422), and on the May 10, 2018 deadline for filing competitive bids the City received no bids for its project; and

WHEREAS, under Public Contract Code Section 20166 the City Council may exercise its authority to have Capital Improvement Project #10422 El Molino Drive Sanitary Sewer Improvements constructed without further compliance with Public Contract Code Section 20166 based on no bids being received for the project; and

WHEREAS, by exercising its authority under Public Contract Code Section 20166, the City Council is to expressly authorize City staff to directly negotiate an acceptable construction cost with a qualified contractor for construction of CIP No. 10422 in accord with its bid specifications and plans; and

WHEREAS, the sanitary sewer improvements contemplated by this project are exempt under Section 15302(c) of the CEQA guidelines; and

WHEREAS, given the zero response from the construction industry to this capital improvement project, and given the currently difficult construction climate being experienced by local governments in the Bay Area, City staff does not envision it will be any more advantageous to rebid the project and therefore recommends the City Council exercise its authority in this circumstance as allowed by Public Contract Code Section 20166;

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Clayton, California does hereby adopt this Resolution exercising its authority to construct Capital Improvement Project CIP# 10422, the El Molino Drive Sanitary Sewer Improvements Project, without further compliance with Public Contract Code Section 20166, does hereby direct City staff to have the project constructed without further competitive bidding requirements based on no bids being received for the project by the bid deadline of May 10, 2018, does herein authorize its City Manager to execute a negotiated construction contract on behalf of the City, and does herewith find the contemplated improvements are categorically exempt under CEQA Section 15302(c).

PASSED, APPROVED and ADOPTED by the City Council of Clayton, California at a regular public meeting thereof held on the 15^h day of May 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

THE CITY COUNCIL OF CLAYTON, CA

Keith Haydon, Mayor

ATTEST:

Janet Brown, City Clerk