



**CITY OF PITTSBURG
AGENDA**

MARCH 17, 2025

**CITY HALL COUNCIL CHAMBER
65 CIVIC AVENUE, PITTSBURG, CA**

**CLOSED SESSION
6:00 P.M.**

**REGULAR MEETING
7:00 P.M.**

**CITY COUNCIL
HOUSING AUTHORITY
PITTSBURG ARTS AND COMMUNITY FOUNDATION
PITTSBURG POWER COMPANY
SOUTHWEST PITTSBURG GEOLOGIC HAZARD ABATEMENT DISTRICT II
SUCCESSOR AGENCY**

PRESIDING

**Jelani Killings, Mayor/Chair
Dionne Adams, Vice-Mayor/Chair
Angelica Lopez, Council Member/Board Member
Juan Antonio Banales, Council Member/Board Member
Arlene Kobata, Council Member/Board Member**

**FOR HOUSING AUTHORITY:
S.L. Floyd, Housing Authority Member
Annie Hill Herring, Housing Authority Member**

Pittsburg City Council regular meetings are held the first and third Mondays of each month at 7:00 p.m. The Housing Authority meets in conjunction with the City Council on the third Monday of each month. The Pittsburg City Council meets regularly in the Council Chamber at 65 Civic Avenue, unless otherwise noted above. The City Council also sits as the Board of Directors of several other City agencies. The stipends for all agency members conform to state statutes governing compensation amounts. All other Agencies meet on an as needed basis and will be listed above if applicable. Copies of the open session agenda packets, which are distributed to the City Council, are on file in the office of the City Clerk, 65 Civic Avenue, Pittsburg, California, and are available for public inspection, beginning 72 hours in advance, during normal business hours (8:00 a.m. – 5:00 p.m., Monday through Friday, except from noon to 1:00 p.m. and City holidays). The agenda and reports are also located on the City's website at www.pittsburgca.gov. Additionally, if any reports or documents, which are public records, are distributed to the City Council less than 72 hours before the meeting, those reports and documents will also be available for public inspection in the City Clerk's Office and on the day of the meeting in the Council Chamber at the public counter area below the dais.

AUDIENCE REMARKS

The Audience Remarks period is for the public to comment on any items scheduled to be heard during the Closed Session portion of the meeting, if applicable.

6:00 PM - CONVENE IN CLOSED SESSION

1. CONFERENCE WITH LABOR NEGOTIATORS Pursuant to Section 54957.6:
City designated representatives: Garrett Evans, Maria Aliotti, Jennifer Brizel, Jordan Davis

Employee organizations: American Federation of State, County, and Municipal Employees Local 512 Management/Professional/Confidential Unit and Miscellaneous A Unit; Pittsburg Police Officers' Association; Pittsburg Police Managers Group; Teamsters Local 856; and International Brotherhood of Electrical Workers Local 1295

Unrepresented employees: Management Group; Senior Executive Team

7:00 PM - CONVENE IN OPEN SESSION FOR REGULAR MEETING

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

PROCLAMATIONS

The standing proclamation(s) were published as part of the agenda. The proclamation(s) will be posted on the City's website and social media accounts as appropriate.

2. Inspire Pittsburg - Nayelli Roman
3. World Down Syndrome Day
4. Cesar Chavez Day

PRESENTATIONS

5. Fiscal Year 2025-2026 City Council Strategic Plan

CITY MANAGER REPORTS/REMARKS

The City Manager may make brief announcements or informal comments at this time and brief the Council on items of interest. (No Action Required)

PUBLIC COMMENTS

Members of the audience who wish to address the City Council or Agency Boards on issues that are not scheduled for the agenda and on any items listed as part of the Consent Calendar should complete a Speaker's Card available at the dais. Please read the card carefully in order to fill out the card properly. Submit the completed card to the City Clerk before the item is called, preferably before the meeting begins. Individuals will be given three minutes to address the Council unless additional time is allowed as provided for spokespersons. Prior to speaking, each member of the public shall state their name and business and City of residence in a clear and audible tone of voice. (No Action Required)

COMMITTEE REPORTS

Council Members may make a report on their committee assignments at this time. (see attached list of adhoc committees and other public agencies in which Council members participate). (No Action Required)

HOUSING AUTHORITY

PUBLIC HEARING

6. Adoption of a Housing Authority Resolution Approving the Public Housing Agency 5-Year Plan and Annual Plan for 2025 and Authorizing the Executive Director to Submit the Public Housing Agency 5-Year and Annual Plan for 2025 to the U.S. Department of Housing and Urban Development

As required by the U.S. Department of Housing and Urban Development ("HUD") and contained in CFR 24 parts 35 and 982, the Housing Authority of the City of Pittsburgh (the "Housing Authority") has prepared its 5-Year and Public Housing Agency Annual Plan for 2025 ("PHA Annual Plan for 2025"). HUD requires all public housing agencies to submit their annual plan for review. The PHA Annual Plan for 2025 summarizes the activities proposed by the Housing Authority for the next year. The 2025-2030 5-Year Plan replaces the 5-Year Plan submitted in 2020.

CONSIDERATION

7. Adoption of a Housing Authority Resolution Amending the Fiscal Year 2024-25 Budget Based on Year-End Revenue and Expenditure Projections

Staff has completed a Mid-Year Review of the Fiscal Year 2024-25 budget and has determined that budget adjustments are needed to meet year-end projections.

CONSENT CALENDAR

8. Minutes of January 21, 2025
9. Adoption of a Housing Authority Minute Order Approving an Annual Report Pursuant to Senate Bill 341

The Housing Authority of the City of Pittsburgh (Housing Authority) has reviewed and considered the Housing Successor Agency's annual report regarding housing activities through June 30, 2024 (Report).

HOUSING AUTHORITY MEMBER REMARKS

ADJOURNMENT OF THE HOUSING AUTHORITY

CITY COUNCIL MEETING

COMBINED CITY COUNCIL, PITTSBURG POWER COMPANY, SOUTHWEST PITTSBURG GHAD II AND SUCCESSOR AGENCY CONSIDERATION

10. Adoption of City Council Resolution Authorizing the Purchase of Security Camera Storage for Project 1801-Frontage Road Living Green Trail

Project 1801-Frontage Road Living Green Trail (the Project) has successfully constructed a Class I trail and implemented parkway improvements along Frontage Road, spanning from Dover Way to Chelsea Way. To further enhance safety in the area, the City will be installing security cameras along the trail. If adopted, this resolution will authorize the acceptance of a quote from Dell Technologies and facilitate the purchase of camera storage.

11. Adoption of City Council, Pittsburg Power Company, Successor Agency for the Redevelopment Agency of the City of Pittsburg, SW Pittsburg Geologic Hazard Abatement District II Resolutions Amending the Fiscal Year 2024-25 Budget Based on Year End Revenue and Expenditure Projections

Staff has completed a Mid-Year Review of the Fiscal Year 2024-25 budget and has determined that budget adjustments are necessary to meet year-end projections.

CONFLICT OF INTEREST STATEMENT

City Council/Agency Members may make any conflict of interest declarations pertaining to Consent Calendar items at this time.

COMBINED CITY COUNCIL, PITTSBURG ARTS AND COMMUNITY FOUNDATION, PITTSBURG POWER COMPANY, SOUTHWEST PITTSBURG GHAD II AND SUCCESSOR AGENCY CONSENT CALENDAR

12. Minutes of February 18, 2025
13. Adoption of a City Council Resolution to Authorize an Application for and Accept Grant Funds from the California Department of Water Resources for an Aquatic Adventure Camp

The California Department of Water Resources is accepting grant applications for aquatic programs. Staff is requesting adoption of a resolution to submit an application to the California Department of Water Resources for a \$12,900 grant to support an Aquatic Adventure Camp use between Fiscal Year 2025/2026, Fiscal Year 2027/28, and Fiscal Year 2028/29, and to accept grant funds if awarded.

14. Adoption of a City Council Resolution to Accept Grant Funds from Los Medanos Health Advisory Committee for FY 24/25 Senior Programs

The City of Pittsburg has been awarded grant funds in the amount of \$54,122 supporting programs benefiting seniors offered at the City's Senior Center. Staff is requesting adoption of a resolution to accept the grants and allocate the funds to the FY 2024-25 Recreation budget.

15. Adoption of a City Council Resolution to Authorize a Sixth Amendment to the Employment Agreement for the City Manager

On February 5, 2019, the City Council approved the appointment of Garrett Evans as City Manager and authorized an Employment Agreement. Section 6 of the Employment Agreement as amended by the Fifth Amendment approved in October 2023, provides beginning 2025, City and employee agree, each succeeding year while the Agreement is in effect, the employee's base salary shall be increased no greater than the San Francisco Bay Area Consumer Price Index, All Consumers and no less than two percent. The amended section goes on to provide that the City Council will determine the percentage of the annual cost of living adjustment. The Sixth Amendment to the Employment Agreement includes amendments to Section 6, Compensation and Evaluation and eliminates Section 11, Car Allowance.

16. Adoption of a City Council Resolution to Amend the Master Pay Schedule as Required by California Public Employees' Retirement System

To comply with CalPERS' interpretation of the requirements of California Code of Regulations, Title 2, Section 570.5 by amending the single master pay schedule on the City's website representing all previously approved actions on the individual classifications of the pay schedule. The single master pay schedule will be submitted to the City Council for approval each time any single MOU, or compensation plan is brought to the City Council for approval.

17. Adoption of a Pittsburg Power Company Resolution Approving the First Amendment to the Operating Agreement with the City of Vallejo to Provide Gas Service to Mare Island and the First Amendment to the Operating Agreement with the City of Vallejo to Provide Electric Service to Mare Island

In 2005, the Governing Board ("Board") of the Pittsburg Power Company ("PPC") authorized the execution of Operating Agreements with the City of Vallejo related to the provision of electric and gas services to residents and businesses by PPC on Mare Island, Vallejo. In 2024, PPC and Vallejo began discussion on revised Operating Agreements for electric and gas services to Mare Island. The Parties concur that additional time is needed to negotiate the terms and conditions of another long-term agreement(s), and propose extending the current agreements for twelve months ("First Amendments"). The Vallejo City Council authorized execution of the First Amendments on February 25, 2025.

18. Adoption of a Pittsburg Power Company Resolution Allocating \$4 Million of Capital Reserve Balance to the Sports Tourism Project and Adoption of a City Council Resolution Authorizing the City Manager to Expend Funds and Execute Necessary Agreements to Complete Construction of the Dream Courts

The City of Pittsburg ("City") and Discovery Builders DBI ("DBI") have previously entered into an agreement in which DBI shall design and construct all components of an approximately 45,000 square foot recreation facility ("Dream Courts") on land owned by the City ("Agreement"). Pursuant to this Agreement, DBI shall contribute an amount not-to-exceed \$3.25 million, while the City shall be responsible for the remaining cost(s).

COUNCIL REQUEST FOR FUTURE AGENDA ITEMS

Council Members may request items to be considered for future agendas. An item will only be brought forward with a majority vote and will appear on a future agenda with staff recommendations for further Council consideration.

COUNCIL MEMBER REMARKS

Council Members may make brief announcements or informal comments at this time. (No Action Required)
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ADJOURNMENT TO APRIL 7, 2025

NOTICE TO PUBLIC

GENERAL INFORMATION

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SPEAKER'S CARD

Members of the audience who wish to address the City Council on issues that are not scheduled for the agenda and on any items listed as part of the agenda should complete a Speaker's Card available at the dais. Please read the card carefully in order to fill out the card properly. Submit the completed card to the City Clerk before the item is called, preferably before the meeting begins. Individuals will be given up to three minutes to address the Council unless additional time is allowed as provided for spokespersons. Speakers are not permitted to yield their time to another speaker. Prior to speaking, each member of the public shall state their name and business and City of residence in a clear and audible tone of voice. Pursuant to the Brown Act, no action may be taken by the City Council on items not already scheduled on the agenda; however, the City Council may refer your comments/concerns to staff or request that the item be placed on a future agenda.

PUBLIC HEARINGS

Persons who wish to speak on Public Hearings listed on the agenda will be heard when the Public Hearing is opened, except on Public Hearing items previously heard and closed to public comment. After the public has commented, the item is closed to public comment and brought to the Council/Agency level for discussion and action. Further comment from the audience will not be received unless requested by the Council/Agency.

There is a 90-day limit for the filing of a challenge in the Superior Court to certain City administrative decisions and orders which require a hearing by law, the receipt of evidence, and the exercise of discretion. The 90-day limit begins on the date the decision is final (Code of Civil Procedure Section 1094.6). Further, if you challenge an action taken by the City Council in court, you may be limited, by California law, including but not limited to Government Code Section 65009, to raising only those issues you or someone else raised in the public hearing, or in written correspondence delivered to the City Council prior to or at the public hearing. The City Council may be requested to reconsider a decision if the request is made prior to the next City Council meeting, regardless of whether it is a regular or special meeting.

NOTICE TO THE DISABLED AND VISUALLY OR HEARING IMPAIRED

In compliance with the Americans with Disabilities Act, the City of Pittsburg will provide special assistance for disabled residents. Upon request, an agenda for any meeting shall be made available in appropriate alternative formats. The Council Chamber is equipped with sound amplifier units for use by the hearing impaired. The units operate in conjunction with the Chamber's sound system. You may request the sound amplifier from the City Clerk for personal use during Council meetings. If you need special assistance to participate in this meeting, or are requesting a specially formatted agenda, please contact the City Clerk at (925) 252-4850. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting or provide the requested agenda format. (28 CFR 35.102-35.104 ADA Title II)

DISRUPTIVE CONDUCT

The Council requests that you observe the order and decorum of our Council Chamber by turning off or setting to vibrate all cellular telephones and electronic devices, and that you refrain from making personal, impertinent, or slanderous remarks. Boisterous and disruptive behavior while the Council is in session, and the display of signs in a manner which violates the rights of others or prevents others from watching or fully participating in the Council meeting, is a violation of our Municipal Code and any person who engages in such conduct can be ordered to leave the Council Chamber by the Mayor.

LIVE MEDIA BROADCASTING ADVISEMENT

City Council meetings are webcast live on the City's website at www.pittsburgca.gov on the Agendas and Live Meetings page. Past meetings and approved minutes are also archived on that webpage. Watch the live meeting via the City's webcast (www.pittsburgca.gov - Agendas and Live Meetings), on Comcast Channel 24 Delta TV, AT&T U-Verse Channel 99 Delta TV. Contact the City Clerk's office at (925) 252-4850 for more information

City Council Agency/Liaison/Subcommittee Assignments as of January 21, 2025

OUTSIDE AGENCY BOARDS	COUNCIL MEMBER(S)	TYPE	MEETS	TIME	STAFF
ABAG	Dionne Adams / Jelani Killings Alternate	Standing	Annual		G. Evans
Delta Diablo*	Juan Banales / Jelani Killings Alternate	Standing	2nd Wednesday	4:30 PM	J. Samuelson
East Co. Co. County Habitat Conservancy	Angelica Lopez / Juan Banales Alternate	Standing	4th Monday Bi-Monthly	2:00 PM	J. Davis
East County Water Management	Juan Banales / Jelani Killings Alternate	Standing	Bi-Annual	1:00 PM	J. Samuelson
MCE Clean Energy Board	Arlene Kobata / Angelica Lopez Alternate	Standing	3rd Thursday	6:30 PM	D. Buchanan
TRANSPLAN / ECCRFFA	Juan Banales / Dionne Adams Alternate	Standing	2nd Thursday	6:30 PM	J. Samuelson
Tri-Delta Transit (2 reps)**	Angelica Lopez & Dionne Adams / Jelani Killings Alternate	Standing	4th Wednesday	4:00 PM	J. Samuelson

LIAISON TO	COUNCIL MEMBER(S)	TYPE	MEETS	TIME	STAFF
East Bay League of California Cities	Jelani Killings / Dionne Adams Alternate	Standing	3rd Thursday		G. Evans
Green Empowerment Zone	Dionne Adams/ Jelani Killings Alternate	Standing	3rd Friday Bi-monthly	9:30 AM	J. Davis
Los Medanos Health Advisory Committee	Angelica Lopez & Jelani Killings	Ad Hoc	As needed		M. Aliotti
Mayor's Conference	Jelani Killings / Dionne Adams Alternate	Standing	1st Thursday	6:30 PM	G. Evans
Pittsburg Police Activities League (PAL)	Arlene Kobata & Angelica Lopez / Dionne Adams Alternate	Standing	Monthly		S. Albanese
School Districts Committee (2x2)	Jelani Killings & Angelica Lopez / Juan Banales Alternate	Standing	Quarterly		M. Aliotti

SUBCOMMITTEES	COUNCIL MEMBER(S)	TYPE	MEETS	TIME	STAFF
Budget Sustainability	Juan Banales & Jelani Killings	Ad Hoc	As needed		G. Evans
Community and Economic Development	Jelani Killings & Dionne Adams / Angelica Lopez Alternate	Standing	2nd Wednesday	5:00 PM	J. Davis
Facilities Rental and Usage	Jelani Killings & Dionne Adams	Ad Hoc	As needed		G. Evans
Finance Management	Juan Banales & Jelani Killings / Dionne Adams Alternate	Standing	3rd Friday	4:00 PM	P. Rodrigues
Government Performance	Juan Banales & Jelani Killings	Ad Hoc	4th Friday	4:00 PM	J. Brizel
Infrastructure and Transportation	Juan Banales & Dionne Adams / Angelica Lopez Alternate	Standing	4th Thursday	5:30 PM	J. Samuelson
Life Enrichment	Dionne Adams & Angelica Lopez / Arlene Kobata Alternate	Standing	3rd Wednesday	5:30 PM	K. Simonton
Pittsburg Arts and Community Foundation	Angelica Lopez & Jelani Killings	Standing	As needed		K. Simonton
Public Safety	Arlene Kobata & Angelica Lopez / Jelani Killings Alternate	Standing	1st Wednesday	5:30 PM	S. Albanese
Tobacco, Cannabis, Alcohol Policy Review	Arlene Kobata & Jelani Killings	Ad Hoc	As needed		G. Evans

*Stipend of \$170 per month

** Stipend of \$100 per month



City of Pittsburg
65 Civic Avenue
Pittsburg, California 94565-3814

Proclamation

WORLD DOWN SYNDROME DAY MARCH 21, 2025

WHEREAS, World Down Syndrome Day also known as WDSD is a global awareness day which has been officially observed since 2012; and

WHEREAS, the date for WDSD being the 21st day of the 3rd month of the year, was selected to signify the uniqueness of the triplication of the 21st chromosome which causes down syndrome; and

WHEREAS, the 2025 theme for WDSD is "Improve Our Support Systems." People with down syndrome need support to live and be included in the community, like everyone else; and

WHEREAS, the support that is needed by each person differs and each person has the right to support that meets their needs that gives choice, control and dignity; and

WHEREAS, for people with disabilities, the word 'support', not 'care', is used because it is more empowering and there are many groups working together globally to push for fairer systems of care, both for people receiving and providing care;

WHEREAS, by working together, the campaign to improve support systems can be part of a wider push for a rights-based approach to care and support people with down syndrome.

NOW, THEREFORE, I, Jelani Killings, on behalf of the City Council of the City of Pittsburg, do hereby proclaim March 21, 2025 as World Down Syndrome Day in the City of Pittsburg.



Jelani Killings, Mayor

Alice E. Evenson, City Clerk





City of Pittsburg
65 Civic Avenue
Pittsburg, California 94565-3814

Proclamation

CESAR CHAVEZ DAY
MARCH 31, 2025

WHEREAS, Cesar Chavez Day is celebrated to honor the enduring legacy of the American labor rights hero. On March 31, union members and community leaders come together to celebrate his life and take inspiration from his selfless service to the farm workers of the United States; and

WHEREAS, through his persistent efforts and non-violent protests, Cesar Chavez became America's lightning rod as the cofounder of the National Farm Worker's Association; and

WHEREAS, his work in civil rights involved creating community service organizations that functioned to protect the rights of farm workers; and

WHEREAS, he is remembered as a visionary for his achievements and aspirational ambitions for fighting for the needs of others; and

WHEREAS, he dedicated his life: championing the dignity and rights of every worker, using nonviolence to fight for justice, and standing with organized labor to build an economy that rewards work and not just wealth; and

WHEREAS, he lived and died in the service of his community. His lifelong struggle for labor rights enlightened a generation of Americans to fight for better working conditions.

NOW, THEREFORE, I, Jelani Killings, on behalf of the City Council of the City of Pittsburg, do hereby proclaim March 31, 2025 as Cesar Chavez Day in the City of Pittsburg and observe this day as a day of service and learning.



Jelani Killings, Mayor

Alice E. Evenson, City Clerk





OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Chair and Governing Board Members

FROM: Garrett Evans, Executive Director

SUBJECT: Adoption of a Housing Authority Resolution Approving the Public Housing Agency 5-Year Plan and Annual Plan for 2025 and Authorizing the Executive Director to Submit the Public Housing Agency 5-Year and Annual Plan for 2025 to the U.S. Department of Housing and Urban Development

MEETING DATE: March 17, 2025

EXECUTIVE SUMMARY

As required by the U.S. Department of Housing and Urban Development (HUD) and contained in CFR 24 parts 35 and 982, the Housing Authority of the City of Pittsburg (the "Housing Authority") has prepared its 5-Year and Public Housing Agency Annual Plan for 2025 ("PHA Annual Plan for 2025"). HUD requires all public housing agencies to submit their annual plan for review. The PHA Annual Plan for 2025 summarizes the activities proposed by the Housing Authority for the next year. The 2025-2030 5-Year Plan replaces the 5-Year Plan submitted in 2020.

FISCAL IMPACT

There is no fiscal impact to adopting this Resolution. However, housing authorities that fail to submit their annual plan will not receive federal funding until their annual plan has been submitted and subsequently approved by HUD. If the Housing Authority fails to submit its PHA Annual Plan for 2025 in a timely manner, HUD may impose sanctions.

RECOMMENDATION

The Governing Board of the Housing Authority open the public hearing, receive public comment, close the public hearing, consider testimony, and adopt the Resolution for approval and submission of the PHA 5-Year Plan and PHA Annual Plan for 2025.

BACKGROUND

In compliance with federal legislation, the Housing Authority has prepared the PHA 5-Year Plan and PHA Annual Plan for 2025 for submission to HUD; addressing the delivery of housing services in Pittsburg and thereby, satisfying HUD's requirement to prepare and submit the PHA Annual Plan annually and the PHA 5-Year Plan. There were no significant policy changes in this year's annual plan.

SUBCOMMITTEE FINDINGS

As part of the HUD requirement for submission of the 5-Year Plan and PHA Annual Plan for 2025, staff met with the Resident Advisory Board ("RAB") to solicit feedback on the PHA 5-Year and Annual Plan for 2025. The RAB is comprised of any Section 8 participant wishing to participate and meets only for the purpose of providing comments on the annual plan.

The RAB met on February 27, 2025, and no comments regarding the proposed changes were provided. Therefore, no relevant comments are included within the PHA 5-Year Plan and PHA Annual Plan for 2025.

STAFF ANALYSIS

The Housing Authority has prepared the PHA 5-Year Plan and PHA Annual Plan for 2025, specifying the Housing Authority's goals for providing housing and offering support to families needing such assistance. It further outlines how the Housing Authority will utilize its 955 Section 8 Housing Choice Vouchers and its 185 Veterans Affairs Supportive Housing Vouchers, also referred to as VASH, thereby authorizing ongoing program funding.

The Notice of Public Hearing was published on January 30, 2025.

ATTACHMENTS: Exhibit A – Annual Plan for 2025 – HUD Form 50075 HCV
 Exhibit B – 5-Year Plan for 2025 - HUD Form 50075-5Y
 Exhibit C – Certification - HUD Form 50077-ST-HCV-HP
 Exhibit D – Certification - HUD Form 50077-SL

Report Prepared By: Tanya Ray, Housing Manager

BEFORE THE GOVERNING BOARD OF THE HOUSING AUTHORITY
OF THE CITY OF PITTSBURG

In the Matter of:

Approving the Public Housing Agency)
5-Year and Annual Plan for 2025 and)
Directing the Executive Director to)
Submit to the Public Housing Agency)
5-Year and Annual Plan for 2025 to the)
U.S. Department of Housing and Urban)
Development)

RESOLUTION NO. 25-

WHEREAS, in compliance with federal legislation, the Housing Authority of the City of Pittsburgh (Housing Authority) has prepared the Public Housing Agency's (PHA's) 5-Year and Annual Plan for 2025, addressing the delivery of housing services to the community and thereby, satisfying the U.S. Department of Housing and Urban Development (HUD) requirements to submit a 5-Year and Annual Plan; and

WHEREAS, a Public Notice was published on the Housing Authority website on January 30, 2025 commencing the 45-day period to submit written comments. The public notice was published in the East County Times on February 5, 2025. The public hearing scheduled for this evening is to address any written comments received during the public notice period and to allow comments prior to the document being approved by Governing Board of the Housing Authority and submitted to HUD; and

WHEREAS, the adoption of the PHA's 5-Year and Annual Plan for 2025 is in the best interest of the residents of Pittsburgh.

NOW, THEREFORE, BE IT RESOLVED that the Governing Board of the Housing Authority of the City of Pittsburgh hereby finds the PHA's 5-Year and Annual Plan for 2025 to be a thorough and complete document, approves the PHA's 5-Year and Annual Plan for 2025, and directs the Executive Director to submit the PHA's 5-Year and Annual Plan for 2025 to HUD.

PASSED AND ADOPTED by the Governing Board of the Housing Authority of the City of Pittsburgh at a regular meeting on the 17th day of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Jelani Killings, Chair

ATTEST:

Alice E. Evenson, Agency Secretary

5-Year PHA Plan (for All PHAs)	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 03/31/2024
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA’s operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA’s mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

Applicability. The **Form HUD-50075-5Y** is to be completed once every 5 PHA fiscal years by all PHAs.

A.	PHA Information.																																
A.1	PHA Name: Housing Authority of the City of Pittsburgh PHA Code: CA060 PHA Plan for Fiscal Year Beginning: (MM/YYYY): 07/2025 The Five-Year Period of the Plan (i.e. 2019-2023): 2025-2030 PHA Plan Submission Type: ☐ 5-Year Plan Submission ☐ Revised 5-Year Plan Submission Availability of Information. In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information on the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official websites. PHAs are also encouraged to provide each resident council a copy of their PHA Plans. ☐ PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below.) <table border="1"> <tr> <th rowspan="2">Participating PHAs</th> <th rowspan="2">PHA Code</th> <th rowspan="2">Program(s) in the Consortia</th> <th rowspan="2">Program(s) not in the Consortia</th> <th colspan="2">No. of Units in Each Program</th> </tr> <tr> <th>PH</th> <th>HCV</th> </tr> <tr> <td>Lead PHA:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV	Lead PHA:																							
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		PH	HCV																														
Lead PHA:																																	

B.	Plan Elements. Required for <u>all</u> PHAs completing this form.
B.1	Mission. State the PHA's mission for serving the needs of low-income, very low-income, and extremely low-income families in the PHA's jurisdiction for the next five years. To advocate and provide quality, affordable and safe housing and to positively enhance and better serve the low, very low and moderate income residents of our community with integrity, care, and high ethical standards.
B.2	Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low-income, very low-income, and extremely low-income families for the next five years. PHA Goal 1: Achieve organizational excellence. Objectives: a) promote professional development opportunities for employees; b) implement a staff succession plan; c) streamline operations through elimination of non-required paperwork and obsolete forms; and d) Maintain program integrity through fingerprinting of applicants for the Section 8 program. PHA Goal 2: Maximize use of Housing Choice Voucher allocation to provide housing assistance to low-income families. Objectives: a) issue vouchers from the Section 8 waitlist; and b) maximize the utilization of Vouchers based on annual budget authority and allocation; and c) issue vouchers for a new PBV project. PHA Goal 3: Improve the quality of assisted housing Objectives: a) maintain the High Performer status through the Section Eight Management Assessment Program; b) promote homeownership to Section 8 participants; and c) continue to foster relationships with non-profits to assist families in need.
B.3	Progress Report. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan. - The Housing Authority implemented the Homeownership program for Section 8 Voucher holders. We now have 13 Homeowners receiving subsidy towards their mortgages and anticipate increasing that number by the next Annual Plan submission. - Under the Veterans Affairs Supportive Housing program (VASH), the Housing Authority was initially granted 35 VASH Vouchers and successfully housed all 35 Veterans. An additional 150 VASH Vouchers were allocated to the Housing Authority for a total of 185 granted. 125 VASH vouchers are currently being utilized by homeless Veterans. The Housing Authority continues to work with the Veterans Administration to obtain 100% leasing for the VASH program. - The Housing Authority has focused on providing housing assistance to as many families as possible and maintaining a High Performer status on the Section 8 program. The Housing Authority has maintained its High Performer rating for the last five years. - The Housing successfully leased 29 units in its first PBV, Veterans Square, in 2022.
B.4	Violence Against Women Act (VAWA) Goals. Provide a statement of the PHA's goals, activities, objectives, policies, or programs that will enable the PHA to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking. The Housing Authority of the City of Pittsburgh (PHA) is committed to supporting the safety, well-being, and empowerment of all residents, including child and adult victims of domestic violence, dating violence, sexual assault, or stalking. In recognition of the unique challenges faced by these individuals, the PHA has established the following goals, activities, objectives, policies, and programs to effectively serve their needs: - Provide Safe and Supportive Housing: Ensure that victims of domestic violence, dating violence, sexual assault, or stalking can access safe, stable housing without fear of retaliation or eviction due to their status as victims. - Promote Access to Services and Resources: Facilitate connections to support services, including legal assistance, counseling, healthcare, and victim advocacy programs, to empower survivors and aid in their recovery. - Ensure Non-Discriminatory Practices: Uphold fair housing practices and prevent discrimination or harassment against survivors, ensuring equal access to housing opportunities for all.
C.	Other Document and/or Certification Requirements.

C.1	Significant Amendment or Modification. Provide a statement on the criteria used for determining a significant amendment or modification to the 5-Year Plan. The Housing Authority of the City of Pittsburg defines a "substantial deviation of significant amendment or modification" for both its Five-Year and Annual Plans as follows: a. is discretionary rather than mandated by HUD; b. fundamentally changes the policies of the Housing Authority; c. requires formal approval of the Board; and d. would result in changes to a Streamline Plan submission.
C.2	Resident Advisory Board (RAB) Comments. (a) Did the RAB(s) have comments to the 5-Year PHA Plan? Y N ☐ ☒ (b) If yes, comments must be submitted by the PHA as an attachment to the 5-Year PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.
C.3	Certification by State or Local Officials. Form HUD-50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.4	Required Submission for HUD FO Review. (a) Did the public challenge any elements of the Plan? Y N ☐ ☒ (b) If yes, include Challenged Elements.
D.	Affirmatively Furthering Fair Housing (AFFH).

D.1	Affirmatively Furthering Fair Housing. (Non-qualified PHAs are only required to complete this section on the Annual PHA Plan. All qualified PHAs must complete this section.) Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.
	Fair Housing Goal: <u>Describe fair housing strategies and actions to achieve the goal</u> 1. Reduce housing discrimination and discriminatory barriers to residential mobility. a. <i>Educate landlords on criminal background screening in rental housing (using HUD fair housing guidance) and explore the feasibility of adopting ordinances.</i> b. <i>Develop and disseminate a best practice guide to screening in the rental housing context.</i> c. <i>Develop and distribute informational brochure on inclusionary leasing practices, including with licenses where applicable.</i> d. <i>Continue and increase outreach and education activities for all protected classes. For publicly-supported housing, develop protocols to ensure responsiveness to reasonable accommodation requests.</i>
	Fair Housing Goal: <u>Describe fair housing strategies and actions to achieve the goal</u> 2. Address barriers to mobility for families and individuals in publicly-supported housing, including Housing Choice Voucher participants. a. <i>Provide mobility counseling and updated briefing materials to families with or eligible for Housing Choice Vouchers, including with regard to healthy neighborhoods and high-performing, low poverty schools.</i> b. <i>Provide referrals of other funding for security deposits (including for voucher holders).</i> c. <i>Require developers to affirmatively market affordable units (especially in opportunity areas) to voucher holders throughout the city.</i> d. <i>Implement measures to address source of income discrimination against Housing Choice Voucher participants and landlord reluctance to participate in the HCV program.</i> e. <i>Provide increased landlord support and contact, production of an owner's packet, and outreach and education (including workshops).</i>

Fair Housing Goal:

Describe fair housing strategies and actions to achieve the goal

3. Improve inter-jurisdictional coordination.

- a. Explore an ongoing working group of representatives from a local PHA, and local housing and community development staff, along with representatives of local and regional transportation, education, climate/energy, and health agencies.*
- b. Partnering with nearby PHA & local mortgage company to conduct combined quarterly meetings to educate shared clients about the path to home ownership under the HCV Home Ownership Program.*

Instructions for Preparation of Form HUD-50075-5Y - 5-Year PHA Plan for All PHAs

A. PHA Information. All PHAs must complete this section. (24 CFR § 903.4)

A.1 Include the full **PHA Name**, **PHA Code**, **PHA Fiscal Year Beginning** (MM/YYYY), **Five-Year Period** that the Plan covers, i.e. 2019-2023, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the hearing and proposed PHA Plan.

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table.

B. Plan Elements.

B.1 Mission. State the PHA's mission for serving the needs of low- income, very low- income, and extremely low- income families in the PHA's jurisdiction for the next five years. (24 CFR § 903.6(a)(1))

B.2 Goals and Objectives. Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low- income, very low- income, and extremely low- income families for the next five years. (24 CFR § 903.6(b)(1))

B.3 Progress Report. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5- Year Plan. (24 CFR § 903.6(b)(2))

B.4 Violence Against Women Act (VAWA) Goals. Provide a statement of the PHA's goals, activities objectives, policies, or programs that will enable the PHA to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking. (24 CFR § 903.6(a)(3)).

C. Other Document and/or Certification Requirements.

C.1 Significant Amendment or Modification. Provide a statement on the criteria used for determining a significant amendment or modification to the 5-Year Plan. For modifications resulting from the Rental Assistance Demonstration (RAD) program, refer to the 'Sample PHA Plan Amendment' found in Notice PIH-2012-32, REV 2.

C.2 Resident Advisory Board (RAB) comments.

(a) Did the public or RAB have comments?

(b) If yes, submit comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. (24 CFR § 903.17(b), 24 CFR § 903.19)

C.3 Certification by State or Local Officials.

[Form HUD-50077-SL](#), *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan.

C.4 Required Submission for HUD FO Review.

Challenged Elements.

(a) Did the public challenge any elements of the Plan?

(b) If yes, include such information as an attachment to the Annual PHA Plan or 5-Year PHA Plan with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public.

D. Affirmatively Furthering Fair Housing.

(Non-qualified PHAs are only required to complete this section on the Annual PHA Plan. All qualified PHAs must complete this section.)

D.1 Affirmatively Furthering Fair Housing. The PHA will use the answer blocks in item D.1 to provide a statement of its strategies and actions to implement each fair housing goal outlined in its accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5) that states, in relevant part: "To implement goals and priorities in an AFH, strategies and actions shall be included in program participants' ... PHA Plans (including any plans incorporated therein) Strategies and actions must affirmatively further fair housing" Use the chart provided to specify each fair housing goal from the PHA's AFH for which the PHA is the responsible program participant – whether the AFH was prepared solely by the PHA, jointly with one or more other PHAs, or in collaboration with a state or local jurisdiction – and specify the fair housing strategies and actions to be implemented by the PHA during the period covered by this PHA Plan. If there are more than three fair housing goals, add answer blocks as necessary.

Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D.; nevertheless, the PHA will address its obligation to affirmatively further fair housing in part by fulfilling the requirements at 24 CFR 903.7(o)(3) enacted prior to August 17, 2015, which means that it examines its own programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintain records reflecting these analyses and actions. Furthermore, under Section 5A(d)(15) of the U.S. Housing Act of 1937, as amended, a PHA must submit a civil rights certification with its Annual PHA Plan, which is described at 24 CFR 903.7(o)(1) except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document.

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the 5-Year PHA Plan. The 5-Year PHA Plan provides the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families and the progress made in meeting the goals and objectives described in the previous 5-Year Plan.

Public reporting burden for this information collection is estimated to average 1.64 hours per year per response or 8.2 hours per response every five years, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

Streamlined Annual PHA Plan <i>(HCV Only PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 03/31/2024
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA’s operations, programs, and services, including changes to these policies, and informs HUD, families served by the PHA, and members of the public of the PHA’s mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

Applicability. The Form HUD-50075-HCV is to be completed annually by **HCV-Only PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, High Performer PHA, Small PHA, or Qualified PHA do not need to submit this form. Where applicable, separate Annual PHA Plan forms are available for each of these types of PHAs.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceed 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceed 550, and that was designated as a standard performer in the most recent PHAS and SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined and is not PHAS or SEMAP troubled.

A. PHA Information.					
A.1	PHA Name: <u>HOUSING AUTHORITY of the CITY of PITTSBURG</u> PHA Code: <u>CA060</u> PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/2025</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Housing Choice Vouchers (HCVs) <u>1140</u> PHA Plan Submission Type: ☒ Annual Submission ☐ Revised Annual Submission				
	Availability of Information. In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at the main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website.				
	☐ PHA Consortia: (Check box if submitting a joint Plan and complete table below)				
	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program
	Lead HA:				

B.	Plan Elements.
B.1	Revision of Existing PHA Plan Elements. a) Have the following PHA Plan elements been revised by the PHA since its last Annual Plan submission? Y N ☐ ☒ Statement of Housing Needs and Strategy for Addressing Housing Needs. ☐ ☒ Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. ☐ ☒ Financial Resources. ☒ ☐ Rent Determination. ☐ ☒ Operation and Management. ☐ ☒ Informal Review and Hearing Procedures. ☐ ☒ Homeownership Programs. ☐ ☒ Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements. ☒ ☐ Substantial Deviation. ☒ ☐ Significant Amendment/Modification. (b) If the PHA answered yes for any element, describe the revisions for each element(s): The Housing Authority plans to place into practice many provisions of HOTMA & NSPIRE policies related to rent calculations and inspections during the coming fiscal year. Once HUD finalizes operational guidance and implementation, the administrative plan will modified to reflect the changes as well as provide staff training.
B.2	New Activities. – Not Applicable
B.3	Progress Report. Provide a description of the PHA’s progress in meeting its Mission and Goals described in its 5-Year PHA Plan. The Housing Authority outlined 3 Mission and Goals described in the last 5-Year Plan: PHA Goal 1: Achieve organizational excellence. The Housing Authority has met its goal for organizational excellence by maintaining a “High Performer” rating through the Section Eight Management Assessment Program (SEMAP). In addition, professional development opportunities have been provided to employees through formal training in program requirements to ensure program compliance and success. PHA Goal 2: Maximize use of Housing Choice Vouchers To maximize the use of Housing Choice Vouchers, the Housing Authority opened the HCV-Section 8 Wait List to new applicants in 2017. Vouchers were issued from the Wait List and vouchers were absorbed to obtain full utilization of Vouchers and 99% of budget authority was expended. PHA Goal 3: Improve the quality of assisted housing. Improvement in the quality of assisted housing has been achieved by utilization of our local building officials to ensure the properties are maintained and in good condition. The Housing Authority promoted its Homeownership Program to current participants who are expressing increased interest in becoming homeowners in the program.
B.4	Capital Improvements. – Not Applicable
B.5	Most Recent Fiscal Year Audit. (a) Were there any findings in the most recent FY Audit? Y N N/A ☐ ☒ ☐ (b) If yes, please describe:
C.	Other Document and/or Certification Requirements.
C.1	Resident Advisory Board (RAB) Comments. (a) Did the RAB(s) have comments to the PHA Plan? Y N ☐ ☒ (b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.

C.2	Certification by State or Local Officials. Form HUD 50077-SL , <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i> , must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.3	Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan. Form HUD-50077-ST-HCV-HP, <i>PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed</i> , must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.4	Challenged Elements. If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public. (a) Did the public challenge any elements of the Plan? Y N ☐ ☒ If yes, include Challenged Elements.

D.	Affirmatively Furthering Fair Housing (AFFH).
D.1	Affirmatively Furthering Fair Housing (AFFH). Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.

Fair Housing Goal:

Describe fair housing strategies and actions to achieve the goal

1. Reduce housing discrimination and discriminatory barriers to residential mobility.

- a. Educate landlords on criminal background screening in rental housing (using HUD fair housing guidance) and explore the feasibility of adopting ordinances.*
- b. Develop and disseminate a best practice guide to screening in the rental housing context.*
- c. Develop and distribute informational brochure on inclusionary leasing practices, including with licenses where applicable.*
- d. Continue and increase outreach and education activities for all protected classes.*
- e. For publicly-supported housing, develop protocols to ensure responsiveness to reasonable accommodation requests.*

The Housing Authority has intended to educate landlords about best practices to avoid fair housing & screening by partnering with a fair housing attorney and apartment association representative while conducting landlord workshops.

The Housing Authority has created a landlord handbook as a resource for new landlords that participate in the HCV Program.

Fair Housing Goal:

Describe fair housing strategies and actions to achieve the goal

2. Address barriers to mobility for families and individuals in publicly-supported housing, including Housing Choice Voucher participants.

- a. Provide mobility counseling and updated briefing materials to families with or eligible for Housing Choice Vouchers, including with regard to healthy neighborhoods and high-performing, low poverty schools.*
- b. Provide referrals of other funding for security deposits (including for voucher holders).*
- c. Require developers to affirmatively market affordable units (especially in opportunity areas) to voucher holders throughout the city.*
- d. Implement measures to address source of income discrimination against Housing Choice Voucher participants and landlord reluctance to participate in the HCV program.*
- e. Provide increased landlord support and contact, production of an owner's packet, and outreach and education (including workshops).*

Fair Housing Goal:

Describe fair housing strategies and actions to achieve the goal

3. Improve inter-jurisdictional coordination.

- a. Explore an ongoing working group of representatives from a local PHA, and local housing and community development staff, along with representatives of local and regional transportation, education, climate/energy, and health agencies.*
- b. Partnering with nearby PHA & local mortgage company to conduct combined quarterly meetings to educate shared clients about the path to home ownership under the HCV Home Ownership Program.*

Instructions for Preparation of Form HUD-50075-HCV

Annual PHA Plan for HCV-Only PHAs

A. PHA Information. All PHAs must complete this section. (24 CFR §903.4)

A.1 Include the full **PHA Name**, **PHA Code**, **PHA Type**, **PHA Fiscal Year Beginning** (MM/YYYY), **Number of Housing Choice Vouchers (HCVs)**, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the public hearing and proposed PHA Plan.

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table. (24 CFR §943.128(a))

B. Plan Elements. All PHAs must complete this section. (24 CFR §903.11(c)(3))

B.1 Revision of Existing PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.”

☐ **Statement of Housing Needs and Strategy for Addressing Housing Needs.** Provide a statement addressing the housing needs of low-income, very low-income and extremely low-income families and a brief description of the PHA’s strategy for addressing the housing needs of families who reside in the jurisdiction served by the PHA and other families who are on the Section 8 tenant-based assistance waiting lists. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income); (ii) elderly families (iii) households with individuals with disabilities, and households of various races and ethnic groups residing in the jurisdiction or on the public housing and Section 8 tenant-based assistance waiting lists. The statement of housing needs shall be based on information provided by the applicable Consolidated Plan, information provided by HUD, and generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. Once the PHA has submitted an Assessment of Fair Housing (AFH), which includes an assessment of disproportionate housing needs in accordance with 24 CFR 5.154(d)(2)(iv), information on households with individuals with disabilities and households of various races and ethnic groups residing in the jurisdiction or on the waiting lists no longer needs to be included in the Statement of Housing Needs and Strategy for Addressing Housing Needs. (24 CFR § 903.7(a)).

The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. (24 CFR §903.7(a)(2)(i)) Provide a description of the ways in which the PHA intends, to the maximum extent practicable, to address those housing needs in the upcoming year and the PHA’s reasons for choosing its strategy. (24 CFR §903.7(a)(2)(ii))

☐ **Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.** A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for HCV. (24 CFR §903.7(b))

☐ **Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA HCV funding and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. (24 CFR §903.7(c))

☐ **Rent Determination.** A statement of the policies of the PHA governing rental contributions of families receiving tenant-based assistance, discretionary minimum tenant rents, and payment standard policies. (24 CFR §903.7(d))

☐ **Operation and Management.** A statement that includes a description of PHA management organization, and a listing of the programs administered by the PHA. (24 CFR §903.7(e)).

☐ **Informal Review and Hearing Procedures.** A description of the informal hearing and review procedures that the PHA makes available to its applicants. (24 CFR §903.7(f))

☐ **Homeownership Programs.** A statement describing any homeownership programs (including project number and unit count) administered by the agency under section 8y of the 1937 Act, or for which the PHA has applied or will apply for approval. (24 CFR §903.7(k))

☐ **Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.** A description of any PHA programs relating to services and amenities coordinated, promoted, or provided by the PHA for assisted families, including those resulting from the PHA’s partnership with other entities, for the enhancement of the economic and social self-sufficiency of assisted families, including programs provided or offered as a result of the PHA’s partnerships with other entities, and activities subject to Section 3 of the Housing and Community Development Act of 1968 (24 CFR Part 135) and under requirements for the Family Self-Sufficiency Program and others. Include the program’s size (including required and actual size of the FSS program) and means of allocating assistance to households. (24 CFR §903.7(l)(i)) Describe how the PHA will comply with the requirements of section 12(c) and (d) of the 1937 Act that relate to treatment of income changes resulting from welfare program requirements. (24 CFR §903.7(l)(iii)).

☐ **Substantial Deviation.** PHA must provide its criteria for determining a “substantial deviation” to its 5-Year Plan. (24 CFR §903.7(r)(2)(i))

☐ **Significant Amendment/Modification.** PHA must provide its criteria for determining a “Significant Amendment or Modification” to its 5-Year and Annual Plan.

If any boxes are marked “yes”, describe the revision(s) to those element(s) in the space provided.

B.2 New Activities. This section refers to new capital activities which is not applicable for HCV-Only PHAs.

B.3 Progress Report. For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year PHA Plan. (24 CFR §903.11(c)(3), 24 CFR §903.7(r)(1))

B.4 Capital Improvements. This section refers to PHAs that receive funding from the Capital Fund Program (CFP) which is not applicable for HCV-Only PHAs

B.5 Most Recent Fiscal Year Audit. If the results of the most recent fiscal year audit for the PHA included any findings, mark "yes" and describe those findings in the space provided. (24 CFR §903.7(p))

C. Other Document and/or Certification Requirements.

C.1 Resident Advisory Board (RAB) comments. If the RAB had comments on the annual plan, mark "yes," submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. (24 CFR §903.13(c), 24 CFR §903.19)

C.2 Certification by State of Local Officials. Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan. (24 CFR §903.15). Note: A PHA may request to change its fiscal year to better coordinate its planning with planning done under the Consolidated Plan process by State or local officials as applicable.

C.3 Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan. Provide a certification that the following plan elements have been revised, provided to the RAB for comment before implementation, approved by the PHA board, and made available for review and inspection by the public. This requirement is satisfied by completing and submitting form HUD-50077 ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed*. Form HUD-50077-ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed* must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the certification requirement to affirmatively further fair housing if the PHA fulfills the requirements of §§ 903.7(o)(1) and 903.15(d) and: (i) examines its programs or proposed programs; (ii) identifies any fair housing issues and contributing factors within those programs, in accordance with 24 CFR 5.154; or 24 CFR 5.160(a)(3) as applicable (iii) specifies actions and strategies designed to address contributing factors, related fair housing issues, and goals in the applicable Assessment of Fair Housing consistent with 24 CFR 5.154 in a reasonable manner in view of the resources available; (iv) works with jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; (v) operates programs in a manner consistent with any applicable consolidated plan under 24 CFR part 91, and with any order or agreement, to comply with the authorities specified in paragraph (o)(1) of this section; (vi) complies with any contribution or consultation requirement with respect to any applicable AFH, in accordance with 24 CFR 5.150 through 5.180; (vii) maintains records reflecting these analyses, actions, and the results of these actions; and (viii) takes steps acceptable to HUD to remedy known fair housing or civil rights violations, impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o)).

C.4 Challenged Elements. If any element of the Annual PHA Plan or 5-Year PHA Plan is challenged, a PHA must include such information as an attachment to the Annual PHA Plan or 5-Year PHA Plan with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public.

D. Affirmatively Furthering Fair Housing (AFFH).

D.1 Affirmatively Furthering Fair Housing. The PHA will use the answer blocks in item D.1 to provide a statement of its strategies and actions to implement each fair housing goal outlined in its accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5) that states, in relevant part: "To implement goals and priorities in an AFH, strategies and actions shall be included in program participants' ... PHA Plans (including any plans incorporated therein) Strategies and actions must affirmatively further fair housing" Use the chart provided to specify each fair housing goal from the PHA's AFH for which the PHA is the responsible program participant – whether the AFH was prepared solely by the PHA, jointly with one or more other PHAs, or in collaboration with a state or local jurisdiction – and specify the fair housing strategies and actions to be implemented by the PHA during the period covered by this PHA Plan. If there are more than three fair housing goals, add answer blocks as necessary.

Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D., nevertheless, the PHA will address its obligation to affirmatively further fair housing in part by fulfilling the requirements at 24 CFR 903.7(o)(3) enacted prior to August 17, 2015, which means that it examines its own programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintain records reflecting these analyses and actions. Furthermore, under Section 5A(d)(15) of the U.S. Housing Act of 1937, as amended, a PHA must submit a civil rights certification with its Annual PHA Plan, which is described at 24 CFR 903.7(o)(1) except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document.

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the Annual PHA Plan. The Annual PHA Plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public for serving the needs of low- income, very low- income, and extremely low- income families.

Public reporting burden for this information collection is estimated to average 6.02 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Certifications of Compliance with PHA Plan and Related Regulations (Standard, Troubled, HCV-Only, and High Performer PHAs)

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 3/31/2024

PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations including PHA Plan Elements that Have Changed

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairperson or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the 2025 5-Year and/or 2025 Annual PHA Plan, hereinafter referred to as "the Plan", of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) for the PHA fiscal year beginning 07/2025, in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located (24 CFR § 91.2).
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments (AI) to Fair Housing Choice, or Assessment of Fair Housing (AFH) when applicable, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan (24 CFR §§ 91.2, 91.225, 91.325, and 91.425).
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the RAB (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
4. The PHA provides assurance as part of this certification that:
 - (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
 - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), the Fair Housing Act (42 U.S.C. 3601-19), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), title II of the Americans with Disabilities Act (42 U.S.C. 12101 et seq.), and other applicable civil rights requirements and that it will affirmatively further fair housing in the administration of the program. In addition, if it administers a Housing Choice Voucher Program, the PHA certifies that it will administer the program in conformity with the Fair Housing Act, title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, title II of the Americans with Disabilities Act, and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of the program.
7. The PHA will affirmatively further fair housing, which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR § 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR § 903.7(o)(3). The PHA will fulfill the requirements at 24 CFR § 903.7(o) and 24 CFR § 903.15(d). Until such time as the PHA is required to submit an AFH, the PHA will fulfill the requirements at 24 CFR § 903.7(o) promulgated prior to August 17, 2015, which means that it examines its programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintains records reflecting these analyses and actions.
8. For PHA Plans that include a policy for site-based waiting lists:
 - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2011-65);

- The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing; and
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR 903.7(o)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
 10. In accordance with 24 CFR § 5.105(a)(2), HUD's Equal Access Rule, the PHA will not make a determination of eligibility for housing based on sexual orientation, gender identify, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.
 11. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
 12. The PHA will comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
 13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
 14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
 15. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
 16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
 17. The PHA will keep records in accordance with 2 CFR 200.333 and facilitate an effective audit to determine compliance with program requirements.
 18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
 19. The PHA will comply with the policies, guidelines, and requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Financial Assistance, including but not limited to submitting the assurances required under 24 CFR §§ 1.5, 3.115, 8.50, and 107.25 by submitting an SF-424, including the required assurances in SF-424B or D, as applicable.
 20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
 21. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
 22. The PHA certifies that it is in compliance with applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

Housing Authority of the City of Pittsburgh
PHA Name

CA060
PHA Number/HA Code

 X Annual PHA Plan for Fiscal Year 2025

 X 5-Year PHA Plan for Fiscal Years 2025 - 2029

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Name of Executive Director Garrett Evans

Name Board Chairman Jelani Killings

Signature

Date

Signature

Date

The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality. This information is collected to ensure compliance with PHA Plan, Civil Rights, and related laws and regulations including PHA plan elements that have changed.

Public reporting burden for this information collection is estimated to average 0.16 hours per year per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

**Certification by State or Local
Official of PHA Plans Consistency
with the Consolidated Plan or
State Consolidated Plan
(All PHAs)**

U. S Department of Housing and Urban Development

Office of Public and Indian Housing

OMB No. 2577-0226

Expires 3/31/2024

**Certification by State or Local Official of PHA Plans
Consistency with the Consolidated Plan or State Consolidated Plan**

I, Garrett Evans, the Executive Director
Official's Name *Official's Title*

certify that the 5-Year PHA Plan for fiscal years 2025-2029 and/or Annual PHA Plan for fiscal year 2025 of the CA060 Housing Authority of the City of Pittsburg is consistent with the
PHA Name

Consolidated Plan or State Consolidated Plan including the Analysis of Impediments (AI) to Fair Housing Choice or Assessment of Fair Housing (AFH) as applicable to the

Contra Costa County
Local Jurisdiction Name

pursuant to 24 CFR Part 91 and 24 CFR § 903.15.

Provide a description of how the PHA Plan's contents are consistent with the Consolidated Plan or State Consolidated Plan.

The Annual Plan is closely aligned with the goals of the Consolidated Plan by maintaining and preserving affordable housing, promoting fair housing activities and by continuing to promote tenant and landlord counseling through educating the rights and responsibilities of both parties.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official:	Title:
Garrett Evans	Executive Director
Signature:	Date: 03/17/2025

The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality. This information is collected to ensure consistency with the consolidated plan or state consolidated plan.

Public reporting burden for this information collection is estimated to average 0.16 hours per year per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.



**OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565**

TO: Chair and Governing Board Members

FROM: Garrett Evans, Executive Director

SUBJECT: Adoption of a Housing Authority Resolution Amending the Fiscal Year 2024/25 Budget Based on Year-End Revenue and Expenditure Projections

MEETING DATE: March 17, 2025

EXECUTIVE SUMMARY

Staff has completed a Mid-Year Review of the Fiscal Year 2024/25 budget and has determined that budget adjustments are needed to meet year-end projections.

FISCAL IMPACT

The proposed amendments to the Housing Authority of the City of Pittsburg (Housing Authority) Budget for Fiscal Year 2024/25 includes an increase of \$4 in revenue projections and an increase of \$37,270 expenditure appropriations.

RECOMMENDATION

The Governing Board of the Housing Authority adopt this Resolution amending the Fiscal Year 2024/25 Budget based on year-end revenue and expenditure projections.

BACKGROUND

The Fiscal Year 2024/25 Budget was approved by the Housing Authority Board on June 17, 2024. The Budget was developed based upon information available at that time regarding anticipated revenue and expenditures for the period from July 1, 2024, through June 30, 2025. Upon completion of the first six months during the fiscal year, staff reviewed the initial Housing Authority budget to identify any adjustments needed to revenue and expenditure projections.

SUBCOMMITTEE FINDINGS

The proposed amendments to the Housing Authority Budget were not discussed in a subcommittee.

STAFF ANALYSIS

The table below provides an overview of projected Housing Authority revenue and expenditures for the 2024/25 fiscal year.

				Fiscal Year 2023-2024 Actual	Fiscal Year 2024-2025 Amended Budget	Fiscal Year 2024-2025 Projected	Proposed Amendments
Fund 241 Pittsburgh Housing Authority							
Revenues	HUD Housing Authority			21,696,829	21,588,588	21,588,588	-
	Port-In Revenue			1,146,481	1,498,644	1,498,644	-
	HUD Administrative Fees			1,769,204	1,584,903	1,584,903	-
	Other Service Charges			382	2,191	2,195	4
	Investment Earnings			35	26	26	-
	Fraud Recovery Revenue			91,778	16,671	16,671	-
	Rental Income			153,626	175,000	175,000	-
	Other Revenue			8,215	-	-	-
	Transfer In from Successor Agency Housing Fund 248			55,000			
Revenues Total				24,921,550	24,866,023	24,866,027	4
Expenditures	Salaries and Benefits			955,878	1,152,418	1,180,688	28,270
	Supplies & Computer Expense			36,466	98,300	98,300	-
	Utilities			34,167	30,900	37,900	7,000
	Building/Equipment Rental			32,447	31,600	31,600	-
	Housing Assistance Payments			20,655,551	19,383,360	19,383,360	-
	Port In Expense			1,067,559	1,498,644	1,498,644	-
	Veterans Affairs Supportive Housing Assistance Payments			943,702	2,205,228	2,205,228	-
	Maintenance Agreements			31,440	61,000	61,000	-
	Other Contractual & Professional Services			126,021	140,000	140,000	-
	Administrative Overhead			126,691	136,842	136,842	-
	Internal Service Fund Allocation Charges			94,820	63,939	63,939	-
	Rental Expenses			11,020	52,500	54,500	2,000
	Other Expenses			182,555	184,642	184,642	-
	Transfers Out			24,907	24,907	24,907	-
Expenditures Total				24,323,224	25,064,280	25,101,550	37,270
Surplus (Deficit)				598,326	(198,257)	(235,523)	(37,266)

Revenue

The projected revenues for Fiscal Year 2024/25 are \$24,866,027. Staff has projected those revenues for this fiscal year will remain as projected, with a very minimal increase over the amended budgeted amount of \$24,866,023.

Expenditures

The projected expenditures for Fiscal Year 2024/25 are \$25,101,550. Staff has projected those expenditures for this fiscal year will increase by \$37,270 over the amended budgeted amount of \$25,064,280. This increase is primarily related to salary and benefits exceeding projections, while other minor increases include increases to utility costs and rental expenses.

Working Capital Reserve Fund Balance

The amended budget assumed an operating loss of \$198,257. The proposed budget adjustments increases the operating loss by \$37,266 for a total of \$235,523. The projected working capital fund balance at June 30, 2025 is estimated to be \$527,801. There is no reserve requirement for the Pittsburgh Housing Authority's working capital reserve fund balance, as funds consist primarily of revenues received from the U.S. Department of Housing and Urban Development and are required to be expended on related rental programs.

ATTACHMENTS: Resolution

Report Prepared By: Paul Rodrigues, Finance Director

**CITY OF PITTSBURG
HOUSING AUTHORITY MEETING MINUTES**

DATE: January 21, 2025

LOCATION: Council Chamber, City Hall, 65 Civic Avenue, Pittsburg, CA 94565

CITY COUNCIL/AGENCY MEMBERS

Jelani Killings, Mayor/Chair
Dionne Adams, Vice-Mayor/Chair
Angelica Lopez, Council/Agency Member
Juan Antonio Banales, Council/Agency Member
Arlene Kobata, Council/Agency Member
S.L. Floyd, Agency Member
Annie Hill Herring, Agency Member

APPOINTED OFFICIALS

Garrett Evans, City Manager/Executive Director
Donna Mooney, City Attorney/Legal Counsel
Alice E. Evenson, City Clerk/Agency Secretary (elected)
Nancy Parent, City Treasurer (elected)

Chair Killings called the meeting of the Housing Authority to order at 7:08 P.M. in the Council Chamber at City Hall, 65 Civic Avenue Pittsburg, CA

ROLL CALL

Member Lopez was absent and excused.

CONSENT CALENDAR

On Motion by Member Floyd, seconded by Member Herring and adopted by the following vote:

AYES: Adams, Banales, Floyd, Herring, Kobata, Killings,
ABSENT: Lopez

5. Minutes of August 19, 2024
6. Adoption of a Housing Resolution Approving the 2025 Utility Allowance Schedule

HOUSING AUTHORITY MEMBER REMARKS

There were no Housing Authority Member remarks.

ADJOURNMENT

The Housing Authority was adjourned at 7:27 P.M.

Respectfully submitted,

Alice E. Evenson, Secretary



**OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565**

TO: Chair and Governing Board Members

FROM: Garrett Evans, Executive Director

SUBJECT: Adoption of a Housing Authority Minute Order Approving an Annual Report Pursuant to Senate Bill 341

MEETING DATE: March 17, 2025

EXECUTIVE SUMMARY

The Housing Authority of the City of Pittsburg (Housing Authority) has reviewed and considered the Housing Successor Agency's Annual Report regarding housing activities through June 30, 2024 (Report).

FISCAL IMPACT

There is no fiscal impact in approving the Report. The Report provides a snapshot of housing activities that have occurred during a specified period.

RECOMMENDATION

Staff recommends that the Governing Board of the Housing Authority approve the Report.

BACKGROUND

The Redevelopment Agency of the City of Pittsburg (Agency) was a redevelopment agency formed, existing and exercising its powers pursuant to California Community Redevelopment Law Health and Safety Code Section 33000 et seq. (CRL). Pursuant to authority granted under the CRL, the Agency has the responsibility to implement the redevelopment plan established by the Community Development Plan for the Los Medanos Community Development Project by Ordinance No. 93-1063, adopted by the City Council on June 7, 1993 (as subsequently amended and restated by Resolution 07-1221 and as may be further amended from time to time).

On January 17, 2012, by City Resolution 12-11753 and Housing Authority Resolution 12-261, the City elected to transfer, and the Housing Authority elected to assume all the rights, responsibilities, and functions related to housing previously performed by the Agency to the Housing Authority.

SUBCOMMITTEE FINDINGS

STAFF ANALYSIS

Within the reporting period (Fiscal Year 2023/24), \$924,238.83 was deposited into the Low Moderate Income Housing Asset Fund (LMIHAF). The ending Fiscal Year 2023/24 balance of the LMIHAF was \$31,230,266.00 which includes a reclass of \$24,596,630 of loans receivables due to a change by the Governmental Accounting Standards Board according to the City's auditor. The Housing Successor real property value was valued at \$1,975,021.46. For Fiscal Year 2024/25, the Housing Successor is investing funds in community housing counseling and a potential loan for transitional age youth housing.

Report Prepared By: Ishani Rasanayagam, Administrative Analyst II

THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF PITTSBURGH
ANNUAL REPORT ON LMIHAF PURSUANT TO SB 341
FOR FISCAL YEAR: July 1, 2023-June 30, 2024

1 Amount deposited into LMIHAF: \$ 924,238.83

Amount deposited listed on ROPS: \$ -

Description of the Deposit

--

2 Balance of LMIHAF: \$ 31,230,266.00 *

Balance listed on ROPS: \$ -

Description of the Balance

* Includes a reclassification of \$24,596,630 of Deferred Revenues to Reserved Fund Balance
Loans Receivable

3 Description of expenditures by category for:

Monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency, housing successor agency, and activities described in paragraphs (2) and (3) of subdivision (a).

\$ -

Homeless prevention and rapid rehousing services for the development of housing described in paragraph (2) of subdivision (a).

Development of housing pursuant to paragraph (3) of subdivision (a).

\$ -

4 As described in paragraph 1 of subdivision (a):

Statutory value of real property owned by the housing successor.

\$ 1,975,021.46

Value of loans and grants receivables.

\$ 28,959,077.07

Total

\$ 30,934,098.53

Description of any transfers made pursuant to paragraph (2) of subdivision (c) in the previous fiscal year and, if still unencumbered, in earlier fiscal years and a description of and status update of any project for which transferred funds have been or will be expended if that project

5 has not yet been placed in services.

Name and Description	Address	Transferred To	Value

Description of any project for which the housing successor receives or holds property tax revenue pursuant to the ROPS and status of that project.

6

Project Name and Description	Address	Amount Received
NA		

For interests in real property acquired by the former redevelopment agency prior to February 1, 2012, a status update on compliance with Section 33334.16. For interests in real property acquired on or after February 1, 2012, a status update on the project.

7

Address	Status
NA	

Description of any outstanding obligations pursuant to 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successor's plans to meet unmet obligations. In addition, the housing successor shall include in the report posted on its Internet Web site the implementation plans of the former redevelopment agency.

8

Outstanding Obligation	Status
NA	

9 The information required by subparagraph (B) of paragraph (3) of subdivision (a):

Targeting Requirements	Status
NA	

Percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed restricted rental housing assisted individually or jointly by the housing successor, its former redevelopment agency, and its host jurisdiction within the same time period.

10

Low Income Senior Housing	# of Units
Presidio Village	103
Delta Hawaii	5
Siena Court	110
Total	218
Deed Restricted Total	1328
Percentage of Senior Housing	16%

11 Amount of any excess surplus.

NA

Amount of time that the successor agency has had excess surplus.

NA

Housing successor's plan for eliminating surplus.

For FY 23-24- \$20,000 for housing counseling service with PCSI and ECHOs;
\$500,000 loan to Village of Hope for transitional age youth housing is anticipated in FY 2024-25.



**OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565**

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Adoption of City Council Resolution Authorizing the Purchase of Security Camera Storage for Project 1801 - Frontage Road Living Green Trail

MEETING DATE: March 17, 2025

EXECUTIVE SUMMARY

Project 1801 - Frontage Road Living Green Trail (the "Project") has successfully constructed a Class I trail and implemented parkway improvements along Frontage Road, spanning from Dover Way to Chelsea Way. To further enhance safety in the area, the City will be installing security cameras along the trail. If adopted, this resolution will authorize the acceptance of a quote from Dell Technologies and facilitate the purchase of camera storage.

FISCAL IMPACT

The quote from Dell Technologies totals \$125,335.70, covering the necessary camera storage equipment and labor. These services will be provided out of the existing Project budget. No additional funding is requested.

The quote provided by Dell Technologies is attached to this report.

RECOMMENDATION

Staff recommends City Council adopt the attached resolution to authorize the purchase of the necessary camera storage equipment and labor with Dell Technologies, for a total amount of \$125,335.70.

BACKGROUND

The Project was substantially completed in December 2024. As part of the Project, conduits for future security camera installation were incorporated. The cameras and exterior storage will aid in the reduction of crime along the trail and provide for secure handling of camera footage.

On February 21, 2025, the City received a quote from Dell Technologies for camera storage equipment and associated labor, totaling \$125,335.70. Dell is considered a sole source provider due to their status as the City's current supplier of storage solutions and their exclusive expertise and capability to fulfill this specific requirement.

SUBCOMMITTEE FINDINGS

This item was not reviewed by a subcommittee.

STAFF ANALYSIS

The installation of security cameras and the storage of this footage along the trail will effectively reduce crime and significantly improve safety for both the individuals who use the trail and the residents of the surrounding neighborhoods.

ATTACHMENTS: Resolution
 Dell Camera Storage Quote

Report Prepared by: Andrew Peters, Assistant Engineer

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of City Council Resolution	)	
Authorizing the Purchase of Security	)	RESOLUTION NO. 25-
Camera Storage for Project 1801 -	)	
<u>Frontage Road Living Green Trail</u>	)	

WHEREAS, Project 1801 - Frontage Road Living Green Trail (the "Project") has successfully constructed a Class I trail and implemented parkway improvements along Frontage Road, spanning from Dover Way to Chelsea Way. To further enhance safety in the area, the City will be installing security cameras along the trail requiring storage of footage; and

WHEREAS, as part of the Project, conduits for future security camera installation were incorporated; and

WHEREAS, on February 21, 2025, the City received a quote from Dell Technologies for camera storage equipment and associated labor, totaling \$125,335.70. Dell is considered a sole source provider due to their status as the City's current supplier of storage solutions and their exclusive expertise and capability to fulfill this specific requirement.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Pittsburgh hereby adopts this resolution and authorizes the purchase of camera storage with Dell Technologies in the amount of \$125,335.70.

PASSED AND ADOPTED by the City Council of the City of Pittsburgh at a regular meeting on the 17th day of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Jelani Killings, Mayor

ATTEST BY:

Alice E. Evenson, City Clerk



Your quote is ready for purchase.

Complete the purchase of your personalized quote through our secure online checkout before the quote expires on **Mar. 23, 2025**.

You can download a copy of this quote during checkout.

[Place your order](#)

Quote Name:	City of Pittsburg - 2 x A300 nodes 16TB drives	Sales Rep	Fernanda Lacourt
Quote No.	3000184718342.8	Phone	1(800) 4563355
Total	\$125,335.70	Email	Fernanda.Lacourt@dell.com
Customer #	11660119	Billing To	ACCOUNTS PAYABLE
Quoted On	Feb. 21, 2025		CITY OF PITTSBURG
Expires by	Mar. 23, 2025		65 CIVIC AVE
Contract Name	Dell NASPO Computer Equipment PA - California		FINANCE DEPT
Contract Code	C000001115143		PITTSBURG, CA 94565-3814
Customer Agreement #	23026 / 7-23-70-55-01		
Solution ID	19901218.9		
Deal ID	26373362		

Message from your Sales Rep

Please use the Order button to securely place the order with your preferred payment method online. You may contact your Dell sales team if you have any questions. Thank you for shopping with Dell.

Regards,
Fernanda Lacourt

Shipping Group

Shipping To	Shipping Method	Install At
SUNIL GOPALA CITY OF PITTSBURG 65 CIVIC AVE PITTSBURG, CA 94565-3814 (925) 252-4837	Standard Delivery Free Cost	SUNIL GOPALA CITY OF PITTSBURG 65 CIVIC AVE PITTSBURG, CA 94565-3814 (925) 252-4837

Solution Name:

Pittsburg PowerScale Addition (2 Nodes)

Product	Unit Price	Quantity	Subtotal
PowerScale A300 - AMER	\$57,697.97	2	\$115,395.94
PowerScale Chassis - AMER	\$2,480.96	1	\$2,480.96

PowerScale Accessories - AMER	\$1,055.75	1	\$1,055.75
	Subtotal:		\$118,932.65
	Shipping:		\$0.00
	Non-Taxable Amount:		\$49,710.58
	Taxable Amount:		\$69,222.07
	Estimated Tax:		\$6,403.05
	Total:		\$125,335.70

Special pricing may be available for qualified customers. Please contact your DFS Sales Representative for details.

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Shipping Group Details

Shipping To

SUNIL GOPALA
CITY OF PITTSBURG
65 CIVIC AVE
PITTSBURG, CA 94565-3814
(925) 252-4837

Shipping Method

Standard Delivery Free Cost

Install At

SUNIL GOPALA
CITY OF PITTSBURG
65 CIVIC AVE
PITTSBURG, CA 94565-3814
(925) 252-4837

Solution Name:

Pittsburg PowerScale Addition (2 Nodes)

		Unit Price	Quantity	Subtotal
PowerScale A300 - AMER		\$57,697.97	2	\$115,395.94
Estimated delivery if purchased today: Mar. 07, 2025 Contract # C000001115143 Customer Agreement # 23026 / 7-23-70-55-01				
Description	SKU	Unit Price	Quantity	Subtotal
A300 - L3 - 240TB (15x16TB)/800GB SSD	210-AZWT	-	2	-
800GB SSD	400-BMOI	-	2	-
2x25GbE (SFP28) Back-end W/O OPTICS	590-TFHE	-	2	-
2x25GbE (SFP28) W/O OPTICS	590-TFBK	-	2	-
OneFS Base License A300/A3000 12-20TB L3=ID	149-BBGL	-	2	-
Enterprise Bundle A3 Tier 3 L3 =ID	151-BBGR	-	2	-
SnapShotIQ Base License Bundle A3 Tier 3 L3 =ID	151-BBHJ	-	2	-
SmartConnect Base License Bundle A3 Tier 3 L3 =ID	151-BBJE	-	2	-
SmartQuotas Base License Bundle A3 Tier 3 L3 =ID	151-BBJS	-	2	-
ISG Product (info)	379-BDPD	-	2	-
Dell Hardware Limited Warranty	876-9295	-	2	-
Prosupport Plus Mission Critical 4-Hour 7x24 Onsite Service with Emergency Dispatch 3 Years	876-9779	-	2	-
Prosupport Plus Mission Critical 4-Hour 7x24 Onsite Service with Emergency Dispatch 2 Years Extended	876-9783	-	2	-
Prosupport Plus Mission Critical 7x24 Technical Support and Assistance 5 Years	876-9861	-	2	-
Thank you for choosing Dell ProSupport Plus. For tech support, visit http://www.dell.com/contactdell	951-2015	-	2	-
Dell Limited Hardware Warranty Extended Year(s)	975-3461	-	2	-
5 Years ProSupport Plus OneFS Base 12TB Plus Software Support-Maint	854-6562	-	2	-
5 Years ProSupport Plus Enterprise Bundle Base Software Support-Maint	854-6388	-	2	-
ProSupport Plus Mission Critical 4-Hour 7x24 Onsite Capacity Addon TB SSD LO Tier 5 Years	853-7637	-	2	-
None	825-6815	-	2	-
None	825-6815	-	2	-
ProDeploy Plus PowerScale Expansion	886-5539	-	2	-
Transceiver/Optic/SFP28/SR/25Gbe/Qty 2	407-BCLU	-	8	-

OneFS Capacity A3 Tier 3 L3=CB	149-BBGI	-	480	-
SnapShotIQ Capacity License Bundle A3 Tier 3 L3 =CB	151-BBIY	-	480	-
Enterprise Bundle Capacity A3 Tier 3 L3 =CB	151-BBJK	-	480	-
SmartQuotas Capacity License Bundle A3 Tier 3 L3 =CB	151-BBJM	-	480	-
SmartConnect Capacity License Bundle A3 Tier 3 L3 =CB	151-BBJP	-	480	-
5 Years ProSupport Plus OneFS Capacity Software Support-Maint	854-6382	-	480	-
5 Years ProSupport Plus Enterprise Bundle Capacity Software Support-Maint	854-5953	-	480	-
ProSupport Plus Mission Critical 4-Hour 7x24 Onsite Capacity Addon 5 Years	854-3449	-	480	-
None	825-6815	-	2	-
None	825-6815	-	2	-
		Unit Price	Quantity	Subtotal
		\$2,480.96	1	\$2,480.96

PowerScale Chassis - AMER

Estimated delivery if purchased today:

Mar. 06, 2025

Contract # C000001115143

Customer Agreement # 23026 / 7-23-70-55-01

Description	SKU	Unit Price	Quantity	Subtotal
Base Chassis - Normal A-Series	210-BBFS	-	1	-
ISG Product (info)	379-BDPD	-	1	-
Dell Hardware Limited Warranty	876-8976	-	1	-
Prosupport Plus Mission Critical 4-Hour 7x24 Onsite Service with Emergency Dispatch 3 Years	876-8992	-	1	-
Prosupport Plus Mission Critical 4-Hour 7x24 Onsite Service with Emergency Dispatch 2 Years Extended	876-8994	-	1	-
Prosupport Plus Mission Critical 7x24 Technical Support and Assistance 5 Years	876-8997	-	1	-
Thank you for choosing Dell ProSupport Plus. For tech support, visit //www.dell.com/contactdell	951-2015	-	1	-
Dell Limited Hardware Warranty Extended Year(s)	975-3461	-	1	-
		Unit Price	Quantity	Subtotal
		\$1,055.75	1	\$1,055.75

PowerScale Accessories - AMER

Estimated delivery if purchased today:

Mar. 06, 2025

Contract # C000001115143

Customer Agreement # 23026 / 7-23-70-55-01

Description	SKU	Unit Price	Quantity	Subtotal
Accessories Label BASE	210-AXGY	-	1	-
ISG Product (info)	379-BDPD	-	1	-
PWCRD KIT for Normal Chassis	450-AJHP	-	1	-
Node Filler with Normal Sleds	750-ACGE	-	1	-
Node Filler with Normal Sleds	750-ACGE	-	1	-
100G to 25G Breakout (4)SFP28 to (1)Q28 DAC 3M	470-AFFZ	-	2	-

Subtotal:	\$118,932.65
Shipping:	\$0.00
Estimated Tax:	\$6,403.05
Total:	\$125,335.70

Important Notes

Terms of Sale

This Quote will, if Customer issues a purchase order for the quoted items that is accepted by Supplier, constitute a contract between the entity issuing this Quote ("Supplier") and the entity to whom this Quote was issued ("Customer"). Unless otherwise stated herein, pricing is valid for thirty days from the date of this Quote. All product, pricing and other information is based on the latest information available and is subject to change. Supplier reserves the right to cancel this Quote and Customer purchase orders arising from pricing errors. Taxes and/or freight charges listed on this Quote are only estimates. The final amounts shall be stated on the relevant invoice. Additional freight charges will be applied if Customer requests expedited shipping. Please indicate any tax exemption status on your purchase order and send your tax exemption certificate to Tax_Department@dell.com or ARSalesTax@emc.com, as applicable.

Governing Terms: This Quote is subject to: (a) a separate written agreement between Customer or Customer's affiliate and Supplier or a Supplier's affiliate to the extent that it expressly applies to the products and/or services in this Quote or, to the extent there is no such agreement, to the applicable set of Dell's Terms of Sale (available at www.dell.com/terms or www.dell.com/oemterms), or for cloud/as-a-Service offerings, the applicable cloud terms of service (identified on the Offer Specific Terms referenced below); and (b) the terms referenced herein (collectively, the "Governing Terms"). Different Governing Terms may apply to different products and services on this Quote. The Governing Terms apply to the exclusion of all terms and conditions incorporated in or referred to in any documentation submitted by Customer to Supplier.

Supplier Software Licenses and Services Descriptions: Customer's use of any Supplier software is subject to the license terms accompanying the software, or in the absence of accompanying terms, the applicable terms posted on www.Dell.com/eula. Descriptions and terms for Supplier-branded standard services are stated at www.dell.com/servicecontracts/global or for certain infrastructure products at www.dell.com/en-us/customer-services/product-warranty-and-service-descriptions.htm.

Offer-Specific, Third Party and Program Specific Terms: Customer's use of third-party software is subject to the license terms that accompany the software. Certain Supplier-branded and third-party products and services listed on this Quote are subject to additional, specific terms stated on www.dell.com/offeringsspecificterms ("Offer Specific Terms").

In case of Resale only: Should Customer procure any products or services for resale, whether on standalone basis or as part of a solution, Customer shall include the applicable software license terms, services terms, and/or offer-specific terms in a written agreement with the end-user and provide written evidence of doing so upon receipt of request from Supplier.

In case of Financing only: If Customer intends to enter into a financing arrangement ("Financing Agreement") for the products and/or services on this Quote with Dell Financial Services LLC or other funding source pre-approved by Supplier ("FS"), Customer may issue its purchase order to Supplier or to FS. If issued to FS, Supplier will fulfill and invoice FS upon confirmation that: (a) FS intends to enter into a Financing Agreement with Customer for this order; and (b) FS agrees to procure these items from Supplier. Notwithstanding the Financing Agreement, Customer's use (and Customer's resale of and the end-user's use) of these items in the order is subject to the applicable governing agreement between Customer and Supplier, except that title shall transfer from Supplier to FS instead of to Customer. If FS notifies Supplier after shipment that Customer is no longer pursuing a Financing Agreement for these items, or if Customer fails to enter into such Financing Agreement within 120 days after shipment by Supplier, Customer shall promptly pay the Supplier invoice amounts directly to Supplier.

Customer represents that this transaction does not involve: (a) use of U.S. Government funds; (b) use by or resale to the U.S. Government; or (c) maintenance and support of the product(s) listed in this document within classified spaces. Customer further represents that this transaction does not require Supplier's compliance with any statute, regulation or information technology standard applicable to a U.S. Government procurement.

For certain products shipped to end users in California, a State Environmental Fee will be applied to Customer's invoice. Supplier encourages customers to dispose of electronic equipment properly.

Electronically linked terms and descriptions are available in hard copy upon request.



**OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565**

TO: Mayor/Chair and Council/Governing Board Members

FROM: Garrett Evans, Executive Director/City Manager

SUBJECT: Adoption of City Council, Pittsburg Power Company, Successor Agency for the Redevelopment Agency of the City of Pittsburg, SW Pittsburg Geologic Hazard Abatement District II Resolutions Amending the Fiscal Year 2024-25 Budget Based on Year End Revenue and Expenditure Projections

MEETING DATE: March 17, 2025

EXECUTIVE SUMMARY

Staff has completed a Mid-Year Review of the Fiscal Year 2024/25 budget and has determined that budget adjustments are necessary to meet year-end projections.

FISCAL IMPACT

The proposed amendments to the City of Pittsburg Operating Budget for Fiscal Year 2024/25 include a decrease of \$4.4 million in revenue projections for all City funds (\$0.1 million General Fund decrease and \$4.3 million decrease in other funds), and a decrease of about \$29.7 million in expenditure appropriations over the current amended budget (\$1.8 million General Fund decrease and \$27.9 million decrease in other funds).

RECOMMENDATION

The City Council, Governing Boards of the Pittsburg Power Company (PPC), Successor Agency for the Redevelopment Agency, and the SW Pittsburg Geologic Hazard Abatement District II, approve the resolutions amending the Fiscal Year 2024/25 Budget to reflect anticipated revenues and expenditures for the current fiscal year as detailed in this report.

BACKGROUND

The following Operating Budgets for Fiscal Year 2024/25 were approved by the appropriate governing bodies on June 17, 2024:

- City of Pittsburgh City Resolution 24-14489
- Pittsburgh Power Company PPC Resolution 24-467
- Successor Agency for the City of
Pittsburgh Redevelopment Agency SA Resolution 24-056
- SW Pittsburgh Geologic Hazard
Abatement District II GHAD Resolution 24-089

The budgets were developed based upon information at the time regarding anticipated revenues and expenditures from the period from July 1, 2024 through June 30, 2025. At the completion of the mid-point of the fiscal year, staff from all departments reviewed their budgets to identify any adjustments required to revenue projections and expenditure appropriations.

The goal of this mid-year analysis is to update the budget to reflect significant budget changes and to develop the financial starting point for development of the Fiscal Year 2025/26 Budget.

SUBCOMMITTEE FINDINGS

The proposed budget amendments were reviewed by the Budget Sustainability Ad Hoc Subcommittee on February 13, 2025 and March 7, 2025.

STAFF ANALYSIS

The information below provides an overview of projected revenues and expenditures for those City funds with projected significant variances from the budget as currently adopted.

GENERAL FUND

The chart below provides an overview of the major General Fund revenue and expenditure categories. It is projected that Fiscal Year 2024/25 General Fund revenues will fall short of the budgeted amount by \$0.1 million and that expenditure appropriation decreases totaling \$1.8 million are required. While the amended budget provided for a General Fund net shortfall of \$2.3 million, it is currently projected that the General Fund will end the fiscal year with a projected net shortfall of \$0.7 million.

General Fund				Fiscal Year 2023-2024 Actual	Fiscal Year 2024-2025 Amended Budget	Fiscal Year 2024-2025 Projected	Proposed Amendments
Revenues	Admin O/H			2,036,710	2,495,077	2,495,077	-
	City Clerk			-	45	45	-
	Code Enforcement			153,627	161,000	168,500	7,500
	Engineering			1,590,294	2,247,700	1,354,465	(893,235)
	Finance			2,582	-	-	-
	Human Resources			67,856	-	-	-
	Non-Dept			40,843,615	39,248,067	39,896,476	648,409
	Permit Center			2,021,059	2,530,550	2,546,450	15,900
	Planning			834,791	683,500	705,500	22,000
	Police			9,333,759	8,495,395	8,495,395	-
	Public Works			2,802,464	3,244,500	3,283,537	39,037
	Recreation			1,560,325	1,552,211	1,572,921	20,710
	Transfers In			3,456,462	410,000	410,000	-
Revenues Total				64,703,544	61,068,045	60,928,366	(139,679)
Salaries & Benefits	Attorney			325,496	360,517	326,437	(34,080)
	Clerk			274,787	364,915	290,645	(74,270)
	City Manager			99,266	116,354	114,187	(2,167)
	Code Enforcement			708,722	740,257	646,989	(93,268)
	City Council			130,060	124,514	115,644	(8,870)
	Engineering			2,401,198	3,421,626	2,538,766	(882,860)
	Finance			1,393,097	1,529,233	1,496,036	(33,197)
	Human Resources			994,560	1,030,971	1,063,573	32,602
	Police			27,186,638	29,855,292	28,035,292	(1,820,000)
	Permit Center			1,352,952	1,635,878	1,547,376	(88,502)
	Planning			1,243,656	1,248,831	1,272,777	23,946
	Public Work			2,336,594	2,623,041	2,481,723	(141,318)
	Recreation			1,762,578	1,819,641	1,633,651	(185,990)
	Treasurer			6,260	6,215	6,260	45
Salaries & Benefits Total				40,215,864	44,877,285	41,569,356	(3,307,929)
Operating Expenditures	Attorney			81,590	145,660	80,560	(65,100)
	Clerk			169,854	246,019	248,949	2,930
	City Manager			44,349	41,975	28,700	(13,275)
	Code Enforcement			87,970	176,619	111,003	(65,616)
	City Council			19,779	45,150	24,250	(20,900)
	Engineering			747,728	609,049	556,049	(53,000)
	Finance			280,735	557,969	453,669	(104,300)
	Human Resources			418,641	318,496	316,496	(2,000)
	Police			6,982,630	7,490,350	7,597,238	106,888
	Permit Center			602,249	422,842	407,050	(15,792)
	Planning			309,164	153,199	150,849	(2,350)
	Public Work			1,456,801	2,048,470	2,559,430	510,960
	Recreation			975,711	932,681	934,821	2,140
	Non Departmental			6,610,140	1,344,333	3,673,549	2,329,216
	Transfers Out			4,441,560	2,384,300	2,384,300	-
Operating Expenditures Total				23,228,901	16,917,112	19,526,913	2,609,801
Surplus (Deficit) w/o Projects & Capital Expenditures				1,258,779	(726,352)	(167,903)	558,449
Capital Expenditures				753,022	1,605,632	521,250	(1,084,382)
Projects				8,387,103	-	-	-
Return to Source Transfer In				(2,170,803)	-	-	-
Surplus (Deficit)				(5,710,543)	(2,331,984)	(689,153)	1,642,831

General Fund Revenues

The Fiscal Year 2024/25 Budget amended forecasted General Fund revenue of \$61 million. Based upon information currently available, it is projected that General Fund revenue will total \$60.9 million by the end of the fiscal year. Anticipated changes include the following:

Sales Tax

The Fiscal Year 2024/25 budget projected \$12.3 million. Due to unforeseen economic changes, the mid-year budget has been revised to reflect a reduction of \$0.3 million, the revised total is now \$12 million.

Property Tax

Secured property tax revenue was budgeted at \$3.9 million. Based upon continued analysis and receipts through December 2024, it is projected that the total amount received this fiscal year will increase by about \$0.1 million over the budgeted amount for a total of about \$4 million.

Redevelopment Property Tax Trust Fund (RPTTF)

The General Fund's RPPTF allocation was budgeted at \$3.5 million. Based on continued analysis, it is projected that the total amount received this fiscal year will increase by about \$0.6 million for a total of \$4.1 million.

Franchise Fees

The City's franchise fees on cable, refuse, recycling and utilities were budgeted to generate \$5.7 million in revenue this fiscal year. Based upon revenue received to date, it is projected that franchise fee revenue will exceed the budgeted amount by about \$0.1 million for a total of \$5.8 million.

Transient Occupancy Taxes

The City's transient occupancy tax revenues were projected to generate \$1.1 million in revenue this fiscal year, primarily due to the anticipated August 2004 opening of a new hotel within the City. Due to unanticipated delays in the opening, it is projected that transient occupancy taxes will fall short of the budgeted amount by about \$0.3 million for a total of \$0.8 million.

General Fund Expenditures

The current amended budgeted General Fund expenditure appropriations total \$63.4 million including personnel costs and capital expenditures. Based upon a review of all departmental budgets, it is projected that General fund expenditures will total \$61.6 million by the end of the fiscal year – a decrease of \$1.8 million over the current budget.

General Fund Working Capital Reserve Balance

The General Fund available fund balance as of June 30, 2024 was \$20.5 million. With the projected net decrease of \$0.7 million, the projected available fund balance at June 30, 2025 is estimated to be \$19.8 million or 34.4% of operating expenditures. This balance exceeds the required operating reserve requirement of 30% of operating expenditures per the Fiscal Sustainability Ordinance.

OTHER FUNDS

Internal Service Funds

The proposed amendments to the Internal Service Funds reflect an increase of revenue allocations from other City funds to the Employee Fringe Benefit Fund of \$2.8 million. Retiree medical benefits paid out of the OPEB fund, employee fringe benefits and liability insurance costs were originally budgeted at departmental level. The mid-year budget moves those costs to reflect under the respective funds totaling \$8.6 million.

	FY 2023-24		FY 2024-25	
	Actual	ANNUAL Amended Budget	Projected Year End	Proposed Amendments
Fund 601	Information/Communication Systems			
Revenues	3,664,967	2,329,346	2,329,346	-
Expense	3,393,824	2,398,502	2,364,634	(33,868)
Net	271,143	(69,156)	(35,288)	33,868
Fund 611	Fleet Maintenance			
Revenues	3,173,704	2,238,386	2,227,669	(10,717)
Expense	3,039,955	3,730,938	3,652,032	(78,906)
Net	133,749	(1,492,552)	(1,424,363)	68,189
Fund 621	Building Maintenance			
Revenues	3,299,172	2,712,002	2,661,339	(50,663)
Expense	2,906,328	3,275,160	2,964,445	(310,715)
Net	392,844	(563,158)	(303,106)	260,052
Fund 631	Employee Fringe Benefits			
Revenues	3,512,766	1,000,000	3,779,471	2,779,471
Expense	3,152,588	31,417	3,701,471	3,670,054
Net	360,178	968,583	78,000	(890,583)
Fund 632	Pension Trust			
Revenues	681,391	481,954	935	(481,019)
Expense	17,677	222,338	-	(222,338)
To Trust Reserve	663,714	-	-	-
Net	-	259,616	935	(258,681)
Fund 635	Other Post-Employment Benefits (OPEB)			
Revenues	2,296,068	3,103,000	3,103,000	-
Expense	2,425,631	-	2,678,338	2,678,338
Net	(129,563)	3,103,000	424,662	(2,678,338)
Fund 641	Insurance - Liability Insurance			
Revenues	2,985,167	3,393,240	3,393,240	-
Expense	2,856,711	-	2,264,616	2,264,616
Net	128,456	3,393,240	1,128,624	(2,264,616)

Enterprise Funds

The proposed amendments to the City's Enterprise Fund budgets resulted in a net increase of \$10.1 million, out of which \$10 million are reductions of capital project costs deferred to future years.

	FY 2023-24	FY 2024-25		
	Actual	ANNUAL Amended Budget	Projected Year End	Proposed Amendments
Fund 501				
Water Operations				
Revenues	38,769,578	28,756,000	28,820,885	64,885
Expense - Non CIP	28,143,110	32,074,961	32,024,189	(50,772)
Expense - CIP	2,841,855	76,197,692	66,197,692	(10,000,000)
Net	7,784,613	(79,516,653)	(69,400,996)	10,115,657
Fund 521				
Sewer Maintenance				
Revenues	5,206,981	5,292,550	5,292,550	-
Expense	5,746,384	5,188,539	5,187,138	(1,401)
Net	(539,403)	104,011	105,412	1,401
Fund 540				
Water Front Operations				
Revenues	982,300	1,587,238	1,044,453	(542,785)
Expense	1,039,282	1,573,891	1,591,621	17,730
Net	(56,982)	13,347	(547,168)	(560,515)
Fund 550				
Marina - Marina Operations				
Revenues	5,612,776	2,196,014	2,196,014	-
Expense	5,388,067	3,451,280	2,723,802	(727,478)
Net	224,709	(1,255,266)	(527,788)	727,478
Fund 580				
Island Energy				
Revenues	8,670,690	10,049,196	9,512,965	(536,231)
Expense	8,513,496	11,201,182	10,175,405	(1,025,777)
Net	157,194	(1,151,986)	(662,440)	489,546
Fund 590				
Pittsburg Power				
Revenues	3,163,224	4,547,430	3,980,017	(567,413)
Expense	2,966,946	2,718,567	2,819,668	101,101
Net	196,278	1,828,863	1,160,349	(668,514)

Special Revenue Funds

The proposed budget amendments to the Special Revenue Fund group will increase the projected year-end fund balance overall by \$12.4 million. This increase is primarily the result of June 30, 2024 audit adjustments to the ARPA fund, which affects the timing of revenue and expenditure recognition. There is no budget impact, as the adjustments reflect the reclassification of revenues and deferred revenues. It is a timing difference that affects the year in which the revenue is recognized.

	FY 2023-24		FY 2024-25	
	Actual	ANNUAL Amended Budget	Projected Year End	Proposed Amendments
Fund 202	Economic Development			
Revenues	646,800	809,650	803,150	(6,500)
Expense	3,096,361	1,767,364	1,554,644	(212,720)
Net	(2,449,561)	(957,714)	(751,494)	206,220
Fund 205	Citywide Lighting & Landscape			
Revenues	5,894,977	5,437,000	5,503,544	66,544
Expense	6,191,666	6,151,447	5,851,980	(299,467)
Net	(296,689)	(714,447)	(348,436)	366,011
Fund 208	Southwest Pittsburgh - GHAD II			
Revenues	1,432,768	1,389,786	1,389,786	-
Expense	894,078	1,179,869	1,134,166	(45,703)
Net	538,690	209,917	255,620	45,703
Fund 210	Solid Waste Fund			
Revenues	1,114,070	1,978,075	1,243,764	(734,311)
Expense	841,613	1,871,281	1,411,976	(459,305)
Net	272,457	106,794	(168,212)	(275,006)
Fund 226	GHAD Administration			
Revenues	523,547	580,332	520,802	(59,530)
Expense	381,006	705,507	705,507	-
Net	142,541	(125,175)	(184,705)	(59,530)

STAFFING

No additional positions are recommended for the mid-year budget. Per California State Assembly Bill 2561, budgeted positions and vacancies are as follows:

Represented Employee Groups	Budgeted Positions	#Filled	#Vacant	Vacancy Rate
<i>AFSCME MPC</i>	83	71	12	14%
<i>IBEW</i>	7	6	1	14%
<i>POA</i>	79	73*	6	8%
<i>PMG</i>	8	8	0	0%
<i>TEAMSTERS</i>	78	73	5	6%
*9 positions are underfilled with Police Trainees				

SUMMARY

The proposed budget amendments are based upon information available at this time and will result in an overall decrease of \$4.4 million to budgeted revenue and a decrease of \$29.7 million to expenditure appropriations for the 2024/25 fiscal year. These budget amendments will increase the projected year end working capital reserve fund balances by \$25.3 million dollars and reflects continuation of the fiscally responsible and conservative approach taken by the City Council and staff during the development of the Fiscal Year 2024/25 City Budget last year.

ATTACHMENTS: City Council Resolution
 Pittsburg Power Company Resolution
 Successor Agency Resolution
 SW Pittsburg Geologic Hazard Abatement District II Resolution

Report Prepared By: Paul L. Rodrigues, Certified Public Accountant, Finance Director

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Authorizing Necessary City and)
General Fund Budget Adjustments)
Based on Year-End Projections)

RESOLUTION NO.25-

WHEREAS, on June 17, 2024 the City Council of the City of Pittsburgh adopted the Fiscal Year 2024/25 Budget with spending limits across funds (Resolution No. 24-14489); and

WHEREAS, changes to spending limits through the year are necessary to account for unexpected opportunities, unforeseen changes, or if the City's financial position changes and additional spending authority is required to meet the needs of the City; and

WHEREAS, staff has completed the mid-year review and analysis of the Fiscal Year 2024/25 Budget; and

WHEREAS, it has been determined that budget adjustments are necessary to fund certain operating and non-operating expenditures.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Pittsburgh hereby amends funds and budget for Fiscal Year 2024/25 as attached to this Resolution.

BE IT FURTHER RESOLVED that the Finance Director or his/her designee is hereby authorized to approve payment of goods and services received by the City of Pittsburgh in accordance with the City's approved budget, programs and policies.

PASSED AND ADOPTED by the City Council of the City of Pittsburgh at a regular meeting on the 17th day of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Jelani Killings, Mayor

ATTEST:

Alice E. Evenson, City Clerk

Fiscal Year 2024-25 All Funds			
	Proposed Amendments		
	Revenue	Expenditure	Net
<u>General Funds</u>			
General Fund	(139,679)	(1,782,510)	1,642,831
Total General Funds	\$ (139,679)	\$ (1,782,510)	\$ 1,642,831
<u>Internal Service Funds</u>			
Information/Communication Systems	-	(33,868)	33,868
Fleet Maintenance	(10,717)	(78,906)	68,189
Building Maintenance	(50,663)	(310,715)	260,052
Fringe Benefits	2,779,471	3,670,054	(890,583)
Pension Trust	(481,019)	(222,338)	(258,681)
Other Post Employment Benefits	-	2,678,338	(2,678,338)
Liability Insurance	-	2,264,616	(2,264,616)
Total Internal Service Funds	\$ 2,237,072	\$ 7,967,181	\$ (5,730,109)
<u>Enterprise Funds</u>			
Water Operations Fund	64,885	(10,050,772)	10,115,657
Sewer Maintenance Fund	-	(1,401)	1,401
Water Front Operation Fund	(542,785)	17,730	(560,515)
Marina Fund	-	(727,478)	727,478
Island Energy	(536,231)	(1,025,777)	489,546
Pittsburg Power Fund	(567,413)	101,101	(668,514)
Total Enterprise Funds	\$ (1,581,544)	\$ (11,686,597)	\$ 10,105,053
<u>Special Revenue Funds</u>			
Economic Development Fund	(6,500)	(212,720)	206,220
Gas Tax (RMRA)	-	(362,374)	362,374
Measure J Tax Fund	1,328,582	(934,711)	2,263,293
CFD's & GHAD	(59,530)	(45,703)	(13,827)
Solid Waste Fund Fund	(734,311)	(459,305)	(275,006)
Housing - CDBG, HOME, Sec 8, Successor Agency	4	6,986	(6,982)
Grants - ARPA, Police, PW, EPA, Other	(5,251,300)	(14,257,324)	9,006,024
General Plan Update	-	(325,362)	325,362
Regional Freeway Security Fund	(332,498)	(226,905)	(105,593)
NPDES Stormwater	2,930	(611,991)	614,921
Total Special Revenue Funds	\$ (5,052,623)	\$ (17,429,409)	\$ 12,376,786
<u>Capital Project Funds</u>	\$ -	\$ (5,756,015)	\$ 5,756,015
<u>Debt Service Funds</u>			
Assessment Districts	66,544	(299,467)	366,011
Total Debt Service Funds	\$ 66,544	\$ (299,467)	\$ 366,011
<u>Successor Agency Funds</u>	\$ -	\$ (750,000)	\$ 750,000
GRAND TOTAL	\$ (4,470,230)	\$ (29,736,817)	\$ 25,266,587

BEFORE THE GOVERNING BOARD OF THE PITTSBURG POWER COMPANY
OF THE CITY OF PITTSBURG

In the Matter of:

Authorizing Necessary Budget Adjustment)
For Pittsburg Power Company Based on)
Year-End Projections)

RESOLUTION NO. 25-

WHEREAS, on June 17, 2024 the Board of Directors of the Pittsburg Power Company, a Joint Powers Authority, adopted the Fiscal Year 2024/25 Budget (Resolution No. 24-467); and

WHEREAS, the City prepares and adopts the Pittsburg Power Company Budget with the intent of providing a planned program for services and a financial system to carry out the planned program of services; and

WHEREAS, staff has completed the mid-year review of the Fiscal Year 2024-25 Budget; and

WHEREAS, it has been determined that budget adjustments are necessary to fund certain operating and non-operating expenditures; and

WHEREAS, staff recommends an expenditure budget increase in the amount of \$101,101 for the Pittsburg Power Company fund; and

WHEREAS, staff recommends an expenditure budget decrease in the amount of \$1,025,777 for the Island Energy fund.

NOW, THEREFORE, BE IT RESOLVED that the Governing Board of the Pittsburg Power Company of the City of Pittsburg hereby authorizes an expenditure budget increase of \$101,101 for the Pittsburg Power Company fund, resulting in an increased expenditure appropriation for that fund, and an expenditure decrease of \$1,025,777 for the Island Energy fund, resulting in a decreased expenditure appropriation for that fund.

BE IT FURTHER RESOLVED that the Finance Director or his/her designee is hereby authorized to approve payment of goods and services received by the Pittsburg Power Company of the City of Pittsburg in accordance with the Company's approved budget, programs and policies.

PASSED AND ADOPTED by the Governing Board of the Pittsburgh Power Company of the City of Pittsburgh at a regular meeting held on the 17th day of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Jelani Killings, Chair

ATTEST:

Garrett Evans, Executive Secretary

BEFORE THE GOVERNING BOARD OF THE SUCCESSOR AGENCY FOR THE
REDEVELOPMENT AGENCY OF THE CITY OF PITTSBURG

In the Matter of:

Authorizing Necessary Budget Adjustment)
For the Successor Agency for the)
Redevelopment Agency of the City of)
Pittsburg Based on Year End Projections)

RESOLUTION NO. 25-

WHEREAS, on June 17, 2024 the Governing Board of the Successor Agency for the Redevelopment Agency of the City of Pittsburg (Successor Agency), adopted the Fiscal Year 2024/25 Budget by Resolution No. 24-056; and

WHEREAS, the City prepares and adopts the Successor Agency's Budget with the intent of providing a planned program for services and a financial system to carry out the planned program of services; and

WHEREAS, staff has completed the mid-year review of the Fiscal Year 2024/25 Budget; and

WHEREAS, it has been determined that budget adjustments are necessary to fund certain operating and non-operating expenditures; and

WHEREAS, staff recommends an expenditure budget decrease in the amount of \$775,405.

NOW, THEREFORE, BE IT RESOLVED that the Governing Board of the Successor Agency for the Redevelopment Agency of the City of Pittsburg hereby authorizes an expenditure budget decrease in the amount of \$775,405 resulting in a decreased expenditure appropriation.

BE IT FURTHER RESOLVED that the Finance Director or his/her designee is hereby authorized to approve payment of goods and services received by the Successor Agency in accordance with the Successor Agency's approved budget, programs and policies.

PASSED AND ADOPTED by the Governing Board of the Successor Agency for the Redevelopment Agency of the City of Pittsburg at a regular meeting on the 17th day of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

ATTEST:

Jelani Killings, Chair

Alice E. Evenson, Agency Secretary

BEFORE THE SOUTHWEST PITTSBURG GEOLOGIC HAZARD ABATEMENT
DISTRICT II OF THE CITY OF PITTSBURG

In the Matter of:

Authorizing Necessary Budget Adjustments)
For the Southwest Pittsburg Geologic)
Hazard Abatement District II (GHAD II))
Based on Year-End Projections)

RESOLUTION NO.25-

WHEREAS, on June 17, 2024 the Southwest Pittsburg GHAD II Board of the City of Pittsburg (GHAD II), adopted the Fiscal Year 2024/25 Budget (Resolution No. 24-089); and

WHEREAS, the City prepares and adopts the GHAD II Budget with the intent of providing a planned program for services and a financial system to carry out the planned program of services; and

WHEREAS, staff has completed the mid-year review of the Fiscal Year 2024/25 Budget; and

WHEREAS, it has been determined that budget adjustments are necessary to fund certain operating and non-operating expenditures; and

WHEREAS, staff recommends a expenditure budget decrease in the amount of \$45,703.

NOW, THEREFORE, BE IT RESOLVED that the Southwest Pittsburg GHAD II Board hereby authorizes an expenditure budget decrease in the amount of \$45,703 resulting in a decreased expenditure appropriation.

BE IT FURTHER RESOLVED that the Finance Director or his/her designee is hereby authorized to approve payment of goods and services received by the GHAD II in accordance with its approved budget, programs and policies.

PASSED AND ADOPTED by Southwest Pittsburg GHAD II Board of the City of Pittsburg at a regular meeting held on the 17th day of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Jelani Killings, Chair

ATTEST:

Alice E. Evenson, Agency Secretary

**CITY OF PITTSBURG
CITY COUNCIL/AGENCY CONCURRENT MEETING MINUTES**

DATE: February 18, 2025

LOCATION: Council Chamber, City Hall, 65 Civic Avenue, Pittsburg, CA 94565

CITY COUNCIL/AGENCY MEMBERS

Jelani Killings, Mayor/Chair
Dionne Adams, Vice-Mayor/Chair
Angelica Lopez, Council/Agency Member
Juan Antonio Banales, Council/Agency Member
Arlene Kobata, Council/Agency Member
S.L. Floyd, Agency Member
Annie Hill Herring, Agency Member

APPOINTED OFFICIALS

Garrett Evans, City Manager/Executive Director
Donna Mooney, City Attorney/Legal Counsel
Alice E. Evenson, City Clerk/Agency Secretary (elected)
Nancy Parent, City Treasurer (elected)

Mayor Killings called the regular meeting to order at 7:25 P.M. in the Council Chamber at City Hall, 65 Civic Avenue Pittsburg, CA. after having convened at 5:42 P.M. for a Special Meeting for Planning Commission Interviews and convening in Closed Session at 6:37 P.M. for the following Closed Session:

2. CONFERENCE WITH LABOR NEGOTIATORS Pursuant to Section 54957.6:
City designated representatives: Garrett Evans, Maria Aliotti, Jennifer Brizel, Jordan Davis
Employee organizations: American Federation of State, County, and Municipal Employees Local 512 Management/Professional/Confidential Unit and Miscellaneous A Unit; Pittsburg Police Officers' Association; Pittsburg Police Managers Group; Teamsters Local 856; and International Brotherhood of Electrical Workers Local 1295

City Attorney Mooney stated there were no reportable actions taken.

ROLL CALL

All members were present.

PLEDGE OF ALLEGIANCE

Mayor Killings led the Pledge of Allegiance.

PROCLAMATIONS

3. Inspire Pittsburg - Pittsburg High School Varsity Football Team
4. Inspire Pittsburg - Ronald McDowell

CITY MANAGER REPORTS/REMARKS

There were no reports/remarks.

PUBLIC COMMENTS

Bruce Ohlson, Pittsburg, apologized to Public Works employee for riding over fresh paint on Delta DeAnza trail.

Gavin Payton, invited City Council Members to attend the Black History Month event hosted by NAACP on February 22, 2025.

COMMITTEE REPORTS

Mayor Killings attended the Mayors Conference. He also congratulated Vice Mayor Adams on her appointment to the Board of the Bay Area Air Quality Management District (BAAQMD).

CONFLICT OF INTEREST STATEMENT

Vice Mayor Adams and Council Member Banales recused from consent calendar items # 9-12 due to proximity of real property interest.

COMBINED CITY COUNCIL, PITTSBURG ARTS AND COMMUNITY FOUNDATION, PITTSBURG POWER COMPANY, SOUTHWEST PITTSBURG GHAD II AND SUCCESSOR AGENCY CONSENT CALENDAR

On Motion by Mayor Killings, seconded by Member Lopez and adopted unanimously.

5. Minutes of January 6, 2025, January 13, 2025 and January 21, 2025
6. Receive and File the Treasurer's Report for the Quarter Ending December 31, 2024
7. Adoption of a City Council Resolution to Establish the Fiscal Year 2025/26 Annual Stormwater Utility Area Fee
8. Adoption of a City Council Resolution to Accept Fiscal Year 2022/2023 State and Local Cybersecurity Grant Program funds from the California Governor's Office of Emergency Services
9. Adoption of a City Council Resolution Approving the Final Map, Subdivision Improvement Agreement, and Improvement Plans for Subdivision 9554 San Marco Unit 17 Subdivision
10. Adoption of a City Council Resolution Approving the Final Map, Subdivision Improvement Agreement, and Improvement Plans for Subdivision 9687 San Marco Unit 16 Subdivision
11. Adoption of a City Council Resolution Approving the Final Map, Subdivision Improvement Agreement, and Improvement Plans for Subdivision 9688 San Marco Unit 17 Phase 2 Subdivision

12. Adoption of a City Council Resolution Authorizing Reimbursement of CFD 2009-01 (San Marco) Assessment Collection Fees to Developer for Construction of Public Capital Facilities
13. Adoption of a City Council Resolution to Authorize Allocation of U.S. Department of Justice – Bureau of Justice Assistance Edward Byrne Memorial Justice Assistance Grant (JAG)

PUBLIC HEARING

14. Adoption of a City Council Resolution Adopting an Initial Study and Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMRP); Introduction and Waive First Reading of an Ordinance Amending the Zoning Map to Establish a Limited Overlay District; and Adoption of a Resolution Approving Use Permit, Design Review, and Sign Exception Applications for Quick Quack Car Wash AP-24-0004 (RZ, UP, DR, and SE)

Mayor Killings opened the Public Hearing. There being no one to speak on the item, Mayor Killings closed the Public Hearing.

On Motion by Vice Mayor Adams, seconded by Member Kobata to adopt an Initial Study and Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMRP); Introduction and Waive First Reading of an Ordinance Amending the Zoning Map to Establish a Limited Overlay District; and Adoption of a Resolution Approving Use Permit, Design Review, and Sign Exception Applications for Quick Quack Car Wash AP-24-0004 (RZ, UP, DR, and SE) and carried unanimously.

15. Public Hearing on an Appeal of the Planning Commission's Approval of Design Review and Variance Application to Construct a 40-foot-tall 'Mono-Eucalyptus' Telecommunications Facility at Assessor's Parcel No. 094-030-004 for "AT&T Wireless Facility," AP-24-0026 (DR, VA)

Council Member Kobata recused herself due to having voted on the item previously when it came before the Planning Commission during her tenure. She left the dais at 8:16pm.

Greg Osorio, appellant spoke about the project and thanked staff for clarifying questions he had about the project and thank Council for making themselves available.

Mark Jones, Pittsburg, spoke in opposition to the project.

Alvaro Marroquin, Pittsburg, spoke in opposition to the project.

Jared Kearsley, AT&T representative/applicant, spoke about the project and addressed questions from the City Council.

Greg Osorio, appellant, provided closing remarks about the project.

There being no one to speak further to the item, Mayor Killings closed the Public Hearing.

Prior to voting on the item Member Banales, Vice Mayor Adams, Member Lopez and Mayor Killings noted for the record that they met individually with appellant prior to the meeting to hear their concerns about the project.

On Motion by Mayor Killings, seconded by Member Banales to adopt the revised Resolution granting in part and denying in part the appeal of Variance and Design Review application to construct a 40-foot-tall 'Mono-Eucalyptus' Telecommunications facility for "AT&T Wireless Facility," AP-24-0026 (DR, VA) and adopted by the following vote:

AYES: Adams, Banales, Lopez, Killings

ABSENT: Kobata [Recused]

Council Member Kobata returned to the dais at 8:53PM.

COUNCIL REQUEST FOR FUTURE AGENDA ITEMS

There were no requests for Future Agenda Items.

COUNCIL MEMBER REMARKS

There were none.

ADJOURNMENT

The meeting adjourned at 8:57 P.M. to March 3, 2025.

Respectfully submitted,

Alice E. Evenson, City Clerk



**OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565**

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Adoption of a City Council Resolution to Authorize an Application for and Accept Grant Funds from the California Department of Water Resources for an Aquatic Adventure Camp

MEETING DATE: March 17, 2025

EXECUTIVE SUMMARY

The California Department of Water Resources is accepting grant applications for aquatic programs. Staff is requesting adoption of a resolution to submit an application to the California Department of Water Resources for a \$12,900 grant to support an Aquatic Adventure Camp. The Camp would operate, and utilize grant funds if awarded; during Fiscal Year 2025/26, Fiscal Year 2026/27, and Fiscal Year 2027/28.

FISCAL IMPACT

This resolution will authorize staff to apply for a grant. If the grant is awarded, the Recreation Department will apply the \$4,300 in additional revenues to its Fiscal Year 2025/26, \$4,300 to Fiscal Year 2026/27 and another \$4,300 to Fiscal Year 2027/28 Recreation Department grant budget under Fund 299-42191 (Miscellaneous Grants – Recreation). No additional expenditure from the General Fund is required for the receipt of the grants since no matching funds are required.

RECOMMENDATION

City Council adopt the attached resolution authorizing staff to submit an application for the Aquatic Adventure Camp grant from the State of California Department of Water Resources, and to accept funds if awarded.

BACKGROUND

The Aquatic Adventure Camp program will be run primarily at Buchanan Swim Center, and will allow the City's lifeguards to partner with the California Department of Water Resources to teach water safety to children that live near State Water Project reservoirs. This program would be offered at no cost to approximately 50 children each year that would otherwise be unable to afford water safety classes.

SUBCOMMITTEE FINDINGS

This item was not brought before a subcommittee.

STAFF ANALYSIS

If the grant from the State Department of Water Resources is approved, two one-week camps will be held for children ages 9 to 12 from Pittsburg. The first four days of the program will be spent at Buchanan Swim Center and will cover water safety skills, swimming skills and lifejacket awareness. The final day of the program will take place at Del Valle Regional Park in Livermore, the nearest State Water Project Reservoir. Instruction at the reservoir will cover kayak and boat safety as well as water safety at open water facilities.

If approved, grant funding will cover lifeguard wages associated with running the program as well as registration fees. Any additional expenses, which are expected to be minimal, will be covered by the department's Fiscal Year 2025/26, Fiscal Year 2026/27 and Fiscal Year 2027/28 operating budget.

ATTACHMENTS: Resolution

Report Prepared By: Kolette Simonton, Director of Recreation

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Authorizing Filing of Grant Application)
And Acceptance of Funds from the)
Department of Water Resources for an)
Aquatic Adventure Camp)

RESOLUTION NO. 25-

WHEREAS, the City of Pittsburg desires to deliver the highest quality of lifeguarding and program instruction for the safety of park visitors engaged in aquatic activities; and

WHEREAS, the City aims to provide recreational activities that will add to the enjoyment and quality of life by establishing programs to assist individuals and groups; and

WHEREAS, the State of California Department of Water Resources and the State Water Project Recreation Coordinating Committee has expressed concern about the number of drowning incidents at the State's Water Parks and Reservoirs.

NOW, THEREFORE, the City Council DOES RESOLVE as follows:

- Section 1. The Department of Water Resources has partnered with California State youth organizations to provide funds, to develop and offer an Aquatic Adventure Camp to youth that is designed to reduce the number of drowning incidents.
- Section 2. If the grant is awarded, the City will enter into a contract with the State of California Department of Water Resources to conduct an Aquatic Adventure Camp.
- Section 3. The City certifies that it will have or will sufficiently develop, staff and operate the Aquatic Adventure Camp.
- Section 4. The City will review, understand and agree to the General Provisions contained in the contract from the Department of Water Resources; and certifies that the Aquatic Adventure Camp conforms to the recreation element of any applicable city or county general plan.
- Section 5. The City Manager or his designee is hereby authorized to execute the contract and any amendments thereto and to take such further actions as may be necessary or appropriate to carry out the City's obligations pursuant to the grant program.
- Section 6. The procedures established by the Department of Water Resources requires that the City Council certifies by resolution the approval of the Application before submission of said Application to the State.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 17th day of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Jelani Killings, Mayor

ATTEST:

Alice E. Evenson, City Clerk



**OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565**

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Adoption of a City Council Resolution to Accept Grant Funds from Los Medanos Health Advisory Committee for Fiscal Year 2024/25 Senior Programs

MEETING DATE: March 17, 2025

EXECUTIVE SUMMARY

The City of Pittsburg has been awarded grant funds in the amount of \$54,122 supporting programs benefiting seniors offered at the City's Senior Center. Staff is requesting adoption of a resolution to accept the grants and allocate the funds to the Fiscal Year 2024/25 Recreation budget.

FISCAL IMPACT

If approved, the resolution will authorize allocation of the \$54,122 grant funds to the Fiscal Year 2024/25 Recreation Department budget under Fund 299-42191 (Miscellaneous Grants – Recreation). No additional expenditure from the General Fund is required for the receipt of the grants since no matching funds are required. The term of this grant is July 1, 2024 through November 30, 2025.

RECOMMENDATION

City Council adopt the attached resolution authorizing acceptance of the grants and allocation of the additional \$54,122 to the Fiscal Year 2024/25 Recreation budget.

BACKGROUND

Staff applied for and was awarded grant funding from the Los Medanos Health Advisory Committee to support senior programs at the Senior Center. This fund is administered by Contra Costa County.

SUBCOMMITTEE FINDINGS

This item was discussed during the Life Enrichment Subcommittee on February 21, 2024.

STAFF ANALYSIS

The Los Medanos Health Advisory Committee grants must provide direct health programs designed to support initiatives that contribute to the improvement of community health and well-being to the residents of the Los Medanos Health Area. The Los Medanos Health Area includes Pittsburg, the unincorporated community of Bay Point, and a small portion of Antioch.

Awarded programs must support one of the program goals as previously approved by the Contra Costa County Board of Supervisors:

1. Improve the availability of and/or access to affordable healthcare services (e.g., elder care, health related clinics, and linkage to care).
2. Provide mental health awareness, education, and prevention programs (e.g., depression, anxiety, stress, and suicide prevention).
3. Provide awareness, education, and prevention programs targeted at chronic disease (e.g., cardiovascular disease, diabetes, asthma, food security).
4. Provide service or access programs for the unhoused, prioritizing families and children.
5. Provide substance use awareness, education, and prevention programs (alcohol, drugs and tobacco).

The Los Medanos Health Advisory Committee grant will support specialized recreation services for senior citizens by allowing opportunities for socialization and improved quality of life. Services and programs to be offered are as follows art therapy classes, medical workshops, blood pressure checks, overall wellness, and low impact exercise classes.

ATTACHMENTS: Resolution
 Contra Costa County Contract #23-854-1

Report Prepared By: Kolette Simonton, Director of Recreation

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Accepting Grant Funds from)
Los Medanos Health Advisory)
Committee for Fiscal Year 2024/)
2025 Senior Programs)

RESOLUTION NO. 25-

WHEREAS, the City has been awarded a \$54,122 grant from the Los Medanos Health Advisory Committee, administered by Contra Costa County, to support senior programs; and

WHEREAS, the grant will support specialized recreation services for senior citizens by allowing opportunities for socialization and improved quality of life; and

WHEREAS, services and programs to be offered include art therapy classes, medical workshops, blood pressure checks, overall wellness, and low impact exercise classes; and

WHEREAS, the City wishes to accept these grants and allocate the funds to the Fiscal Year 2024/25 Recreation Department grant budget (Fund 299-42191).

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby accepts a \$54,122 grant from the Los Medanos Health Advisory Committee and allocates the funds to the Recreation Department grant budget for Fiscal Year 2025/26.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 17th day of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Jelani Killings, Mayor

ATTEST:

Alice E. Evenson, City Clerk

Contra Costa County
Standard Form L-1
Revised 2014

STANDARD CONTRACT
(Purchase of Services - Long Form)

Number 23-854-1
Fund/Org # As Coded
Account # As Coded
Other # _____

1. **Contract Identification.**

Department: Health Services – Office of the Director

Subject: Provide recreational activities at Pittsburg Senior Center to Los Medanos Health Area senior community members ages 50 and older

2. **Parties.** The County of Contra Costa, California (County), for its Department named above, and the following named Contractor mutually agree and promise as follows:

Contractor: **CITY OF PITTSBURG RECREATION DEPARTMENT**

Capacity: Government Agency

Legal Address: 65 Civic Drive, Pittsburg, California 94565

3. **Term.** The effective date of this Contract is July 1, 2024, and it terminates on November 30, 2025 unless sooner terminated as provided herein.

4. **Payment Limit.** County's total payments to Contractor under this Contract shall not exceed \$54,122.

5. **County's Obligations.** County shall make to the Contractor those payments described in the Payment Provisions attached hereto which are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.

6. **Contractor's Obligations.** Contractor shall provide those services and carry out that work described in the Service Plan attached hereto which is incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.

7. **General and Special Conditions.** This Contract is subject to the General Conditions and Special Conditions (if any) attached hereto, which are incorporated herein by reference.

8. **Project.** This Contract implements in whole or in part the following described Project, the application and approval documents of which are incorporated herein by reference: Not Applicable

Contra Costa County
Standard Form L-1
Revised 2014

STANDARD CONTRACT
(Purchase of Services - Long Form)

Number 23-854-1

9. **Legal Authority.** This Contract is entered into under and subject to the following legal authorities:
California Government Code §§ 26227 and 31000.

10. **Signatures.** These signatures attest the parties' agreement hereto:

COUNTY OF CONTRA COSTA, CALIFORNIA

BOARD OF SUPERVISORS	ATTEST: Clerk of the Board of Supervisors
By _____ Chairman/Designee	By <u>XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX</u> Deputy

CONTRACTOR

Signature A Name of business entity <u>City of Pittsburg Recreation Department</u> By _____ (Signature of individual or officer) _____ (Print name and title A, if applicable)	Signature B Name of business entity <u>City of Pittsburg Recreation Department</u> By _____ (Signature of individual or officer) _____ (Print name and title B, if applicable)
--	--

Note to Contractor: For corporations (profit or nonprofit) and limited liability companies, the contract must be signed by two officers. Signature A must be that of the chairman of the board, president, or vice-president; and Signature B must be that of the secretary, any assistant secretary, chief financial officer or any assistant treasurer (Civil Code Section 1190 and Corporations Code Section 313). All signatures must be acknowledged as set forth on form L-2.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF CONTRA COSTA)

On _____ (Date), before me, _____ (Name and Title of the Officer), personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS MY HAND AND OFFICIAL SEAL

Signature of Notary Public

Place Seal Above

ACKNOWLEDGMENT (by Corporation, Partnership, or Individual)
(Civil Code §1189)

APPROVALS

RECOMMENDED BY DEPARTMENT

FORM APPROVED COUNTY COUNSEL

Signed by: 
By: 65892BF5C34D49D... Designee

By: 
Deputy County Counsel

APPROVED: COUNTY ADMINISTRATOR

County Administrator approval not required
By: per Administrative Bulletin 600.3

Contra Costa County
Standard Form P-2
Revised 2014

PAYMENT PROVISIONS
(Cost Basis Contracts – Short Form)

Number 23-854-1

1. **Payment Basis.** Subject to the **Payment Limit**, payments to Contractor for all services provided for County under this Contract shall only be for allowable costs that **are actually incurred** in the performance of Contractor's obligations under this Contract.

2. **Payment Amounts.** Subject to later adjustments in total payments as provided below and subject to the **Payment Limit** of this Contract, County will pay Contractor as full compensation for all services, work, expenses or costs provided or incurred by Contractor:
 - ☐ a. \$_____ monthly,
 - ☐ b. \$_____ per unit, as defined in the Service Plan,
 - ☐ c. An amount equal to Contractor's allowable costs that are actually incurred each month, but **subject to** the Attachment A (Budget of Estimated Program Expenditures) which is incorporated herein and made a part hereof by reference, *or*
 - ☒ d. An amount equal to Contractor's allowable costs that are actually incurred each month, but subject to the attached "Budget of Estimated Program Expenditures" which has been prepared and submitted by Contractor to County and shall be maintained on file in the offices of County's Public Health Division, and which is incorporated herein and made a part here of by reference. Any movement of funds between line items in the budget of estimated program expenditures must have the prior written approval of the Public Health Director, or designee.

3. **Allowable Costs.** Contractor's allowable costs are only those which are determined in accordance with:
 - ☐ a. Such State regulations and documents as are set forth in the Service Plan regarding accounting guidelines, including standards for determining allowable or non-allowable costs.
 - ☒ b. Department of Health and Human Services Administration of Grants Federal Regulations Title 45 Part 74 including any amendments thereto and the applicable Subpart listed hereunder; and other documents specified in the Service Plan regarding principles for determining and allocating the allowable costs of providing the services; and any standards set forth in the Service Plan for determining the allowability of selected items of costs of providing the services.
 - ☒ (1) Federal Management Circular A-87, including any amendments to the circular published in the Federal Register by OMB is to be used for determining allowable costs of activities conducted by state and local governmental agencies.
 - ☐ (2) OMB Circular A-122, including any amendments to the Circular published in the Federal Register by OMB is to be used for determining allowable costs of activities conducted by nonprofit organizations (other than government agencies, educational institutions, and hospitals).
 - ☐ (3) 41 CFR Subpart 1-15.2 shall be used for profit organizations other than hospitals.
 - ☐ (4) OMB Circular No. A-21, including any amendments to the Circular published in the Federal Register by OMB shall be the principles to be used for determining allowable costs by educational institutions (other than for-profit institutions).
 - ☐ (5) Appendix E Subpart Q Section 74.173 shall be used for determining costs of research, development work, and other activities for determining allowable costs.

Initials: _____
Contractor Initial
M County Dept.

Contra Costa County
Standard Form P-2
Revised 2014

PAYMENT PROVISIONS
(Cost Basis Contracts – Short Form)

Number 23-854-1

- ☐ c. Part IV Department of Labor, Employment and Training administration, 20 CFR Part 674, Section 674.402 and any amendments thereto; and California Department of Aging Title V Operations Handbook, 1987, Section 505.4 and any amendments thereto.
4. **Payment Demands.** Contractor shall submit written demands on County Demand Form D-15 in the manner and form prescribed by County. Contractor shall submit demands for payment no later than 30 days from the end of the month in which the contract services upon which such demand is based were actually rendered. Upon approval of said payment demands by the head of the County Department for which this Contract is made, or designee, County will make payments as specified in Paragraph 2. (Payment Amounts) above.
 5. **Penalty for Late Submission.** If County is unable to obtain reimbursement from the State of California as a result of Contractor's failure to submit to County a timely demand for payment as specified in Paragraph 4. (Payment Demands) above, County shall not pay Contractor for such services to the extent County's recovery of funding is prejudiced by the delay even though such services were fully provided.
 6. **Right to Withhold.** County has the right to withhold payment to Contractor when, in the opinion of County expressed in writing to Contractor, (a) Contractor's performance, in whole or in part, either has not been carried out or is insufficiently documented, (b) Contractor has neglected, failed or refused to furnish information or to cooperate with any inspection, review or audit of its program, work or records, or (c) Contractor has failed to sufficiently itemize or document its demand(s) for payment.
 7. **Cost Report and Settlement.** No later than forty-five (45) days following the termination of this Contract, Contractor shall submit to County a cost report in the form required by County, showing the allowable costs that have actually been incurred by Contractor under this Contract. If the cost report shows that the allowable costs actually incurred by Contractor under this Contract exceed the payments made by County, subject nevertheless to the Payment Limit of this Contract, County will remit any such excess amount to Contractor, provided that the payments made, together with any such excess amount, may not exceed the Payment Limit. If the cost report shows that the payments made by County exceed the allowable costs actually incurred by Contractor under this Contract, Contractor shall remit any such excess amount to County.
 8. **Audits.** The records of Contractor may be audited by the County, State, or United States government, in addition to any certified cost report or audit required by the Service Plan. Any certified cost report or audit required by the Service Plan shall be submitted to County by Contractor within such period of time as may be expressed by applicable state or federal regulations, policies or contracts, but in no event later than 18 months from the termination date of this Contract. If such audit(s) show that the payments made by County exceed the allowable costs that have actually been incurred by Contractor under this Contract, including any adjustments made pursuant to Paragraph 7. (Cost Report and Settlement), then Contractor shall pay County within 30 days of demand by County any such excess amount. If such audit(s) show that the allowable costs that have actually been incurred by Contractor under this Contract exceed the payments made by County, including any adjustments made pursuant to Paragraph 7. (Cost Report and Settlement), then County agrees to pay Contractor any such excess amount, provided that payments made, together with any such excess payment, may not exceed the contract Payment Limit.
 9. **Audit Exceptions.** In addition to its obligations under Paragraph 8. (Audits) above, Contractor agrees to accept responsibility for receiving, replying to, and/or complying with any audit exceptions by appropriate county, state or federal audit agencies resulting from its performance of this Contract. Within 30 days of demand, Contractor shall pay County the full amount of County's obligation, if any, to the state and/or federal government resulting from any audit exceptions, to the extent such are attributable to Contractor's failure to perform properly any of its obligations under this Contract.

Initials: _____

Contractor

Initial
M

County Dept.

Exhibit A**BUDGET OF ESTIMATED PROGRAM EXPENDITURES**Number 23-854-1**A. GROSS OPERATIONAL BUDGET****1. Cost Reimbursement Categories**

a. Personnel Salaries and Benefits	27,499
b. Operational Costs (Direct)	26,623

2. Total Gross Allowable Program Costs **\$ 54,122**

B. LESS PROJECTED NON-COUNTY PROGRAM REVENUES

(To be collected and provided by Contractor) 0

C. NET ALLOWABLE TOTAL COSTS**\$ 54,122****TOTAL CONTRACT PAYMENT LIMIT : \$ 54,122****D. CHANGES IN COST CATEGORY AMOUNTS**

Subject to the Total Payment Limit, and subject to State guidelines, each cost category Subtotal Amount set forth above:

1. May vary within each program by up to 15% without approval by County; *and*
2. May be changed in excess of 15% in any fiscal year period provided, however, that Contractor has obtained written authorization prior to April 30th that fiscal year period under this Contract from the Health Services Director, or designee before implementing any such budget changes.

E. PROGRAM BUDGET CHANGES

Subject to the Contract Payment Limit and subject to State guidelines, Contractor may make changes in the total amounts set forth above for the Total Gross Allowable Program Cost and the Total Projected Non-County Program Revenue, provided, however, that Contractor has obtained written authorization prior to April 30th of each fiscal year period under this Contract, from the Department's Health Services Director, or designee in accordance with Paragraph G, below, before implementing any such budget changes.

F. CONTRACTOR BUDGET

Contractor will submit to County, for informational purposes upon request, its total Corporation budget including: all program budgets, all revenue sources and projected revenue amounts, all cost allocations, and line item breakdown of budget categories to include salary levels listed by job classification as well as detailing of operational and administrative expenses by cost center and listing numbers of staff positions by job classification.

G. BUDGET REPORT

No later than April 30th of each fiscal year period under this Contract, Contractor shall deliver a written Budget Report to the Department's Health Services Director, or designee stating whether or not the budgeted amounts set forth in this Budget of Estimated Program Expenditures for the Total Gross Allowable Program Cost and the Total Projected Non-County Program Revenue for the respective fiscal year period hereunder accurately reflect the actual cost for the Service Program. If any of these program budget amounts need to be changed, Contractor shall include in its Budget Report a complete copy of the revised Budget of Estimated Program Expenditures, an explanation of the program budget and revenue changes, and a request for prior written authorization to implement the changes in accordance with Paragraph E, above, subject to Payment Provisions, Paragraph 7. (Cost Report and Settlement).

Initials: _____

Contractor

Initial


County Dept.

Contra Costa County
Standard Form L-3
Revised 2014

SERVICE PLAN

Number 23-854-1

1. **Contractor's Obligations.** Contractor will facilitate recreational activities at its Pittsburg Senior Center to Los Medanos Healthcare District members ages fifty (50) and older. Contractor will ensure all personnel performing services have been specially trained or have experience herein possession of licenses or certifications to activities described herein. Activities will include all necessary supplies and required safety equipment. Activities include, but are not limited to, the following:
 - a. Twenty-six (26) art therapy classes for mental health and mobility;
 - b. Twenty-six (26) sessions of forty-five (45) minute medical workshops to improve mental health and mobility;
 - c. Ten (10) healthy eating and cooking demonstration classes;
 - d. Monthly blood pressure checks and records will be provided to the participant only and will remain in the participant's possession;
 - e. Fifteen (15) minute senior massages two (2) days a week; and
 - f. Low impact exercise classes for six (6) months for up to twenty (20) individuals.

2. **Performance Reports.** Contractor will prepare and submit to County such periodic performance progress reports as may be provided as may be required by County's Health Services Director or the Director's designee. No later than sixty (60) days following the expiration or termination of this Contract, whichever comes first, Contractor will prepare and submit to County, a written final activity report which will include, but is not limited to, an evaluation of the quantity, quality, and impact of the work undertaken in conducting services provided under this Contract (the "Final Activity Report").

Initials: _____

Contractor

Initial


County Dept.

Contra Costa County
Standard Form L-5
Revised 2016

GENERAL CONDITIONS
(Purchase of Services - Long Form)

1. **Compliance with Law.** Contractor is subject to and must comply with all applicable federal, state, and local laws and regulations with respect to its performance under this Contract, including but not limited to, licensing, employment, and purchasing practices; and wages, hours, and conditions of employment, including nondiscrimination.
2. **Inspection.** Contractor's performance, place of business, and records pertaining to this Contract are subject to monitoring, inspection, review and audit by authorized representatives of the County, the State of California, and the United States Government.
3. **Records.** Contractor must keep and make available for inspection and copying by authorized representatives of the County, the State of California, and the United States Government, the Contractor's regular business records and such additional records pertaining to this Contract as may be required by the County.
 - a. **Retention of Records.** Contractor must retain all documents pertaining to this Contract for five years from the date of submission of Contractor's final payment demand or final Cost Report; for any further period that is required by law; and until all federal/state audits are complete and exceptions resolved for this Contract's funding period. Upon request, Contractor must make these records available to authorized representatives of the County, the State of California, and the United States Government.
 - b. **Access to Books and Records of Contractor, Subcontractor.** Pursuant to Section 1861(v)(1) of the Social Security Act, and any regulations promulgated thereunder, Contractor must, upon written request and until the expiration of five years after the furnishing of services pursuant to this Contract, make available to the County, the Secretary of Health and Human Services, or the Comptroller General, or any of their duly authorized representatives, this Contract and books, documents, and records of Contractor necessary to certify the nature and extent of all costs and charges hereunder.

Further, if Contractor carries out any of the duties of this Contract through a subcontract with a value or cost of \$10,000 or more over a twelve-month period, such subcontract must contain a clause to the effect that upon written request and until the expiration of five years after the furnishing of services pursuant to such subcontract, the subcontractor must make available to the County, the Secretary, the Comptroller General, or any of their duly authorized representatives, the subcontract and books, documents, and records of the subcontractor necessary to verify the nature and extent of all costs and charges thereunder.

This provision is in addition to any and all other terms regarding the maintenance or retention of records under this Contract and is binding on the heirs, successors, assigns and representatives of Contractor.

4. **Reporting Requirements.** Pursuant to Government Code Section 7550, Contractor must include in all documents and written reports completed and submitted to County in accordance with this Contract, a separate section listing the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of each such document or written report. This section applies only if the Payment Limit of this Contract exceeds \$5,000.

Contra Costa County
Standard Form L-5
Revised 2016

GENERAL CONDITIONS
(Purchase of Services - Long Form)

5. Termination and Cancellation.

- a. **Written Notice.** This Contract may be terminated by either party, in its sole discretion, upon thirty-day advance written notice thereof to the other, and may be cancelled immediately by written mutual consent.
- b. **Failure to Perform.** County, upon written notice to Contractor, may immediately terminate this Contract should Contractor fail to perform properly any of its obligations hereunder. In the event of such termination, County may proceed with the work in any reasonable manner it chooses. The cost to County of completing Contractor's performance will be deducted from any sum due Contractor under this Contract, without prejudice to County's rights to recover damages.
- c. **Cessation of Funding.** Notwithstanding any contrary language in Paragraphs 5 and 11, in the event that federal, state, or other non-County funding for this Contract ceases, this Contract is terminated without notice.

6. **Entire Agreement.** This Contract contains all the terms and conditions agreed upon by the parties. Except as expressly provided herein, no other understanding, oral or otherwise, regarding the subject matter of this Contract will be deemed to exist or to bind any of the parties hereto.

7. **Further Specifications for Operating Procedures.** Detailed specifications of operating procedures and budgets required by this Contract, including but not limited to, monitoring, evaluating, auditing, billing, or regulatory changes, may be clarified in a written letter signed by Contractor and the department head, or designee, of the county department on whose behalf this Contract is made. No written clarification prepared pursuant to this Section will operate as an amendment to, or be considered to be a part of, this Contract.

8. Modifications and Amendments.

- a. **General Amendments.** In the event that the total Payment Limit of this Contract is less than \$200,000 and this Contract was executed by the County's Purchasing Agent, this Contract may be modified or amended by a written document executed by Contractor and the County's Purchasing Agent or the Contra Costa County Board of Supervisors, subject to any required state or federal approval. In the event that the total Payment Limit of this Contract exceeds \$200,000 or this Contract was initially approved by the Board of Supervisors, this Contract may be modified or amended only by a written document executed by Contractor and the Contra Costa County Board of Supervisors or, after Board approval, by its designee, subject to any required state or federal approval.
- b. **Minor Amendments.** The Payment Provisions and the Service Plan may be amended by a written administrative amendment executed by Contractor and the County Administrator (or designee), subject to any required state or federal approval, provided that such administrative amendment may not increase the Payment Limit of this Contract or reduce the services Contractor is obligated to provide pursuant to this Contract.

9. **Disputes.** Disagreements between County and Contractor concerning the meaning, requirements, or performance of this Contract shall be subject to final written determination by the head of the county department for which this Contract is made, or his designee, or in accordance with the applicable procedures (if any) required by the state or federal government.

Contractor

County Dept.

Contra Costa County
Standard Form L-5
Revised 2016

GENERAL CONDITIONS
(Purchase of Services - Long Form)

10. Choice of Law and Personal Jurisdiction.

- a. This Contract is made in Contra Costa County and is governed by, and must be construed in accordance with, the laws of the State of California.
- b. Any action relating to this Contract must be instituted and prosecuted in the courts of Contra Costa County, State of California.

11. Conformance with Federal and State Regulations and Laws. Should federal or state regulations or laws touching upon the subject of this Contract be adopted or revised during the term hereof, this Contract will be deemed amended to assure conformance with such federal or state requirements.

12. No Waiver by County. Subject to Paragraph 9. (Disputes) of these General Conditions, inspections or approvals, or statements by any officer, agent or employee of County indicating Contractor's performance or any part thereof complies with the requirements of this Contract, or acceptance of the whole or any part of said performance, or payments therefor, or any combination of these acts, do not relieve Contractor's obligation to fulfill this Contract as prescribed; nor is the County thereby prevented from bringing any action for damages or enforcement arising from any failure to comply with any of the terms and conditions of this Contract.

13. Subcontract and Assignment. This Contract binds the heirs, successors, assigns and representatives of Contractor. Prior written consent of the County Administrator or his designee, subject to any required state or federal approval, is required before the Contractor may enter into subcontracts for any work contemplated under this Contract, or before the Contractor may assign this Contract or monies due or to become due, by operation of law or otherwise.

14. Independent Contractor Status. The parties intend that Contractor, in performing the services specified herein, is acting as an independent contractor and that Contractor will control the work and the manner in which it is performed. This Contract is not to be construed to create the relationship between the parties, or between County and any Contractor employee, of agent, servant, employee, partnership, joint venture, or association. Neither Contractor, nor any of its employees, is a County employee. This Contract does not give Contractor, or any of its employees, any right to participate in any pension plan, workers' compensation plan, insurance, bonus, or similar benefits County provides to its employees. In the event that County exercises its right to terminate this Contract, Contractor expressly agrees that it will have no recourse or right of appeal under any rules, regulations, ordinances, or laws applicable to employees.

15. Conflicts of Interest. Contractor covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Contractor further covenants that in the performance of this Contract, no person having any such interests will be employed by Contractor. If requested to do so by County, Contractor will complete a "Statement of Economic Interest" form and file it with County and will require any other person doing work under this Contract to complete a "Statement of Economic Interest" form and file it with County. Contractor covenants that Contractor, its employees and officials, are not now employed by County and have not been so employed by County within twelve months immediately preceding this Contract; or, if so employed, did not then and do not now occupy a position that would create a conflict of interest under Government Code section 1090. In

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Contractor

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Contra Costa County
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GENERAL CONDITIONS
(Purchase of Services - Long Form)

addition to any indemnity provided by Contractor in this Contract, Contractor will indemnify, defend, and hold the County harmless from any and all claims, investigations, liabilities, or damages resulting from or related to any and all alleged conflicts of interest. Contractor warrants that it has not provided, attempted to provide, or offered to provide any money, gift, gratuity, thing of value, or compensation of any kind to obtain this Contract.

16. **Confidentiality.** To the extent allowed under the California Public Records Act, Contractor agrees to comply and to require its officers, partners, associates, agents and employees to comply with all applicable state or federal statutes or regulations respecting confidentiality, including but not limited to, the identity of persons served under this Contract, their records, or services provided them, and assures that no person will publish or disclose or permit or cause to be published or disclosed, any list of persons receiving services, except as may be required in the administration of such service. Contractor agrees to inform all employees, agents and partners of the above provisions, and that any person knowingly and intentionally disclosing such information other than as authorized by law may be guilty of a misdemeanor.
17. **Nondiscriminatory Services.** Contractor agrees that all goods and services under this Contract will be available to all qualified persons regardless of age, gender, race, religion, color, national origin, ethnic background, disability, or sexual orientation, and that none will be used, in whole or in part, for religious worship.
18. **Indemnification.** Contractor will defend, indemnify, save, and hold harmless County and its officers and employees from any and all claims, demands, losses, costs, expenses, and liabilities for any damages, fines, sickness, death, or injury to person(s) or property, including any and all administrative fines, penalties or costs imposed as a result of an administrative or quasi-judicial proceeding, arising directly or indirectly from or connected with the services provided hereunder that are caused, or claimed or alleged to be caused, in whole or in part, by the negligence or willful misconduct of Contractor, its officers, employees, agents, contractors, subcontractors, or any persons under its direction or control. If requested by County, Contractor will defend any such suits at its sole cost and expense. If County elects to provide its own defense, Contractor will reimburse County for any expenditures, including reasonable attorney's fees and costs. Contractor's obligations under this section exist regardless of concurrent negligence or willful misconduct on the part of the County or any other person; provided, however, that Contractor is not required to indemnify County for the proportion of liability a court determines is attributable to the sole negligence or willful misconduct of the County, its officers and employees. This provision will survive the expiration or termination of this Contract.
19. **Insurance.** During the entire term of this Contract and any extension or modification thereof, Contractor shall keep in effect insurance policies meeting the following insurance requirements unless otherwise expressed in the Special Conditions:
 - a. **Commercial General Liability Insurance.** For all contracts where the total payment limit of the contract is \$500,000 or less, Contractor will provide commercial general liability insurance, including coverage for business losses and for owned and non-owned automobiles, with a minimum combined single limit coverage of \$500,000 for all damages, including consequential damages, due to bodily injury, sickness or disease, or death to any person or damage to or destruction of property, including the loss of use thereof, arising from each occurrence. Such insurance must be endorsed to include County and its officers and employees as additional insureds as to all services performed by Contractor under this Contract. Said policies must constitute primary insurance as to County, the state and federal governments, and their officers, agents, and employees, so that other insurance policies held by

Contractor

County Dept.

Contra Costa County
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GENERAL CONDITIONS
(Purchase of Services - Long Form)

them or their self-insurance program(s) will not be required to contribute to any loss covered under Contractor's insurance policy or policies. Contractor must provide County with a copy of the endorsement making the County an additional insured on all commercial general liability policies as required herein no later than the effective date of this Contract. For all contracts where the total payment limit is greater than \$500,000, the aforementioned insurance coverage to be provided by Contractor must have a minimum combined single limit coverage of \$1,000,000.

- b. **Workers' Compensation.** Contractor must provide workers' compensation insurance coverage for its employees.
 - c. **Certificate of Insurance.** The Contractor must provide County with (a) certificate(s) of insurance evidencing liability and worker's compensation insurance as required herein no later than the effective date of this Contract. If Contractor should renew the insurance policy(ies) or acquire either a new insurance policy(ies) or amend the coverage afforded through an endorsement to the policy at any time during the term of this Contract, then Contractor must provide (a) current certificate(s) of insurance.
 - d. **Additional Insurance Provisions.** No later than five days after Contractor's receipt of: (i) a notice of cancellation, a notice of an intention to cancel, or a notice of a lapse in any of Contractor's insurance coverage required by this Contract; or (ii) a notice of a material change to Contractor's insurance coverage required by this Contract, Contractor will provide Department a copy of such notice of cancellation, notice of intention to cancel, notice of lapse of coverage, or notice of material change. Contractor's failure to provide Department the notice as required by the preceding sentence is a default under this Contract
20. **Notices.** All notices provided for by this Contract must be in writing and may be delivered by deposit in the United States mail, postage prepaid. Notices to County must be addressed to the head of the county department for which this Contract is made. Notices to Contractor must be addressed to the Contractor's address designated herein. The effective date of notice is the date of deposit in the mails or of other delivery, except that the effective date of notice to County is the date of receipt by the head of the county department for which this Contract is made.
21. **Primacy of General Conditions.** In the event of a conflict between the General Conditions and the Special Conditions, the General Conditions govern unless the Special Conditions or Service Plan expressly provide otherwise.
22. **Nonrenewal.** Contractor understands and agrees that there is no representation, implication, or understanding that the services provided by Contractor under this Contract will be purchased by County under a new contract following expiration or termination of this Contract, and Contractor waives all rights or claims to notice or hearing respecting any failure to continue purchasing all or any such services from Contractor.
23. **Possessory Interest.** If this Contract results in Contractor having possession of, claim or right to the possession of land or improvements, but does not vest ownership of the land or improvements in the same person, or if this Contract results in the placement of taxable improvements on tax exempt land (Revenue & Taxation Code Section 107), such interest or improvements may represent a possessory interest subject to property tax, and Contractor may be subject to the payment of property taxes levied on such interest. Contractor agrees that this provision complies with the notice requirements of Revenue & Taxation Code Section 107.6, and waives all rights to further notice or to damages under that or any comparable statute.

Contractor

County Dept.

Contra Costa County
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GENERAL CONDITIONS
(Purchase of Services - Long Form)

24. **No Third-Party Beneficiaries.** Nothing in this Contract may be construed to create, and the parties do not intend to create, any rights in third parties.
25. **Copyrights, Rights in Data, and Works Made for Hire.** Contractor will not publish or transfer any materials produced or resulting from activities supported by this Contract without the express written consent of the County Administrator. All reports, original drawings, graphics, plans, studies and other data and documents, in whatever form or format, assembled or prepared by Contractor or Contractor's subcontractors, consultants, and other agents in connection with this Contract are "works made for hire" (as defined in the Copyright Act, 17 U.S.C. Section 101 et seq., as amended) for County, and Contractor unconditionally and irrevocably transfers and assigns to Agency all right, title, and interest, including all copyrights and other intellectual property rights, in or to the works made for hire. Unless required by law, Contractor shall not publish, transfer, discuss, or disclose any of the above-described works made for hire or any information gathered, discovered, or generated in any way through this Agreement, without County's prior express written consent. If any of the works made for hire is subject to copyright protection, County reserves the right to copyright such works and Contractor agrees not to copyright such works. If any works made for hire are copyrighted, County reserves a royalty-free, irrevocable license to reproduce, publish, and use the works made for hire, in whole or in part, without restriction or limitation, and to authorize others to do so.
26. **Endorsements.** In its capacity as a contractor with Contra Costa County, Contractor will not publicly endorse or oppose the use of any particular brand name or commercial product without the prior written approval of the Board of Supervisors. In its County-contractor capacity, Contractor will not publicly attribute qualities or lack of qualities to a particular brand name or commercial product in the absence of a well-established and widely accepted scientific basis for such claims or without the prior written approval of the Board of Supervisors. In its County-contractor capacity, Contractor will not participate or appear in any commercially produced advertisements designed to promote a particular brand name or commercial product, even if Contractor is not publicly endorsing a product, as long as the Contractor's presence in the advertisement can reasonably be interpreted as an endorsement of the product by or on behalf of Contra Costa County. Notwithstanding the foregoing, Contractor may express its views on products to other contractors, the Board of Supervisors, County officers, or others who may be authorized by the Board of Supervisors or by law to receive such views.
27. **Required Audit.**
- If Contractor expends \$750,000 or more in federal grant funds in any fiscal year from any source, Contractor must provide to County, at Contractor's expense, an audit conforming to the requirements set forth in the most current version of Code of Federal Regulations, Title 2, Part 200, Subpart F.
 - If Contractor expends less than \$750,000 in federal grant funds in any fiscal year from any source, but the grant imposes specific audit requirements, Contractor must provide County with an audit conforming to those requirements.
 - If Contractor expends less than \$750,000 in federal grant funds in any fiscal year from any source, Contractor is exempt from federal audit requirements for that year except as required by Code of Federal Regulations, Title 2, Part 200, Subpart F. Contractor shall make its records available for, and an audit may be required by, appropriate officials of the federal awarding agency, the General Accounting Office, the pass-through entity and/or the County. If an audit is required, Contractor must provide County with the audit.

Contractor

County Dept.

Contra Costa County
Standard Form L-5
Revised 2016

GENERAL CONDITIONS
(Purchase of Services - Long Form)

- d. With respect to the audits specified in sections (a), (b) and (c) above, Contractor is solely responsible for arranging for the conduct of the audit, and for its cost. County may withhold the estimated cost of the audit or 10 percent of the contract amount, whichever is greater, or the final payment, from Contractor until County receives the audit from Contractor.
28. **Authorization.** Contractor, or the representative(s) signing this Contract on behalf of Contractor, represents and warrants that it has full power and authority to enter into this Contract and to perform the obligations set forth herein.
29. **No Implied Waiver.** The waiver by County of any breach of any term or provision of this Contract will not be deemed to be a waiver of such term or provision or of any subsequent breach of the same or any other term or provision contained herein.



**OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565**

TO: Mayor and Council Members

FROM: Jennifer Brizel, Human Resources Director

SUBJECT: Adoption of a City Council Resolution to Authorize a Sixth Amendment to the Employment Agreement for the City Manager

MEETING DATE: March 17, 2025

EXECUTIVE SUMMARY

On February 5, 2019, the City Council approved the appointment of Garrett Evans as City Manager and authorized an Employment Agreement. Section 6 of the Employment Agreement as amended by the Fifth Amendment approved in October 2023, provides beginning 2025, City and employee agree, each succeeding year while the Agreement is in effect, the employee's base salary shall be increased no greater than the San Francisco Bay Area Consumer Price Index, All Consumers and no less than two percent. The amended section goes on to provide that the City Council will determine the percentage of the annual cost of living adjustment. The Sixth Amendment to the Employment Agreement includes amendments to Section 6, Compensation and Evaluation and eliminates Section 11, Car Allowance.

FISCAL IMPACT

The Employment Agreement amendment will result in an approximate decreased payroll cost of \$1,800 for the remainder of Fiscal Year 2024/25 based on elimination of the monthly car allowance.

RECOMMENDATION

It is recommended that the City Council adopt a City Council Resolution to Authorize the Mayor to Execute the Sixth Amendment to the Employment Agreement for the City Manager.

BACKGROUND

On February 5, 2019, the City Council approved the appointment of Garrett Evans as City Manager. On February 5, 2020, City Council authorized the first amendment to the Employment Agreement to reflect a Two Percent 2% merit adjustment. On June 15, 2020, the City Council authorized the second amendment to the City Manager's contract to reduce

salary and benefits based on the pandemic. On March 22, 2022, the City Council authorized the third amendment to increase the City Manager's base salary by 2.5% as a cost of living adjustment. A consulting firm was retained by the City in September 2022 to conduct a market-rate compensation survey of local City Manager positions and found that the City Manager salary was behind market rate. On November 21, 2022, City Council approved to extend the term of the agreement and include an automatic renewal as well as and increase base salary by Seven and a Half Percent (7.5%), effective July 10, 2022. The Agreement also amended Section 6.B. Compensation and Annual Evaluation, removing the performance bonus, up to Ten Thousand Dollars (\$10,000) annually and modifying the annual evaluation period from November and December (at least once a year) to February and March ("Annual Evaluation"). On September 18, 2023, the City Council directed staff to bring to open session for consideration an amendment to the Employment Agreement to increase the salary by Four Percent (4%), effective February 5, 2023, and Four Percent (4%), effective the first pay period in February 2024. Additional Agreement term amendments included Deferred Compensation or 401(a) contribution amounts of \$12,500 for 2023 and 2024.

SUBCOMMITTEE FINDINGS

This item was not submitted to a subcommittee.

STAFF ANALYSIS

Mr. Evans received a performance review in closed session with the City Council on November 18, 2024. Based on Section 6C, Compensation and Evaluation, as amended by the Fifth Amendment to the City Manager agreement, beginning 2025 and while this Agreement is in effect, the City Manager's base salary shall be increased no greater than the San Francisco Bay Area Consumer Price Index, All Consumers and no less than Two Percent (2.0%).

The Sixth Amendment to the employment agreement amends Section 6, Compensation and Evaluation to reflect the 2% increase effective February 5, 2025, per the Fifth Amendment. The proposed Sixth Amendment requires the salary amount to revert to the February 2024 salary amount in the event that the budget fails to support citywide cost of living adjustments for Fiscal Year 2025/26, effective the first pay period in July 2025.

Additionally, the proposed Sixth Amendment includes removal of the City Manager's auto allowance, effective the first pay period following adoption of the resolution authorizing the sixth amendment to the employment agreement.

The proposed Sixth Amendment is attached. Adoption of the resolution would authorize the City Manager to execute the amendment.

ATTACHMENTS: Sixth Amendment to Employment Agreement
Resolution

Report Prepared By: Jennifer Brizel, Director of Human Resources

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Authorizing the Mayor to Execute the)
Sixth Amendment to the Employment)
Agreement for the City Manager)

RESOLUTION NO. 25-

WHEREAS, the City Council hired Garrett Evans to serve as City Manager of the City of Pittsburgh and entered into an Employment Agreement (“Agreement”) on February 5, 2019; and

WHEREAS, in the event that the budget fails to support citywide cost of living adjustments for Fiscal Year 2025/26, effective the first pay period in July 2025 the City Manager’s salary amount will revert to the February 2024 rate; and

WHEREAS, effective the first pay period following adoption of the sixth amendment to the employment agreement, Section 11, Car Allowance and its corresponding Four Hundred Fifty Dollar (\$450) monthly compensation will be eliminated; and

WHEREAS, Garrett Evans has indicated his concurrence with the amended terms of the Employment Agreement.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the Mayor to execute the Sixth Amendment to the City Manager Employment Agreement.

PASSED AND ADOPTED by the City Council of the City of Pittsburgh at a regular meeting on the 17th of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Jelani Killings, Mayor

ATTEST:

Alice E. Evenson, City Clerk

SIXTH AMENDMENT TO EMPLOYMENT AGREEMENT

This Sixth Amendment to the Principal Agreement made and entered into on February 5, 2019, hereafter referred to as Agreement, between Garrett Evans, an individual, therein referred to as Employee, and the City of Pittsburg, a municipal corporation, therein referred to as City, is made and entered into on this February 5, 2025.

WHEREAS, the parties agree, effective the first pay period in July 2025, should all of the bargaining groups in the City of Pittsburg not receive a salary increase for Fiscal Year 2025/26, the EMPLOYEE's base salary shall roll back to the February 2024 base salary; and

WHEREAS, the parties further agree, effective the first pay period following adoption of the resolution, the EMPLOYEE agrees to eliminate Section 11 Car Allowance and its corresponding Four Hundred Fifty Dollar (\$450) monthly compensation.

NOW, THEREFORE, Employee and City do mutually agree as follows:

1. Compensation and Evaluation. Sections 6A, 6B and 6C of the Agreement are hereby amended to read as follows:

A. CITY agrees to pay EMPLOYEE effective February 5, 2025, at a monthly rate of \$25,483 per month, which sum shall be considered base salary and shall be payable in installments at the same time as other employees of the CITY are paid, and subject to customary withholdings. This new monthly rate shall reflect a two percent (2%) increase over the February 2024 base salary.

B. CITY and EMPLOYEE may set mutually agreed upon objectives for each year under this Agreement. The City Council shall evaluate Manager's performance at least once a year during the months of November and December ("Annual Evaluation"). Mutually agreed upon objectives will be set during the first quarter of each calendar year. Beginning 2024, the City Council shall evaluate Manager's performance during September.

C. Beginning 2025, CITY and EMPLOYEE agree, each succeeding year while this Agreement is in effect, the EMPLOYEE'S base salary shall be increased no greater than the San Francisco Bay Area Consumer Price Index, All Consumers and no less than Two Percent (2%). The City Council will determine the percentage of the annual cost of living adjustment. Should all of the bargaining groups in the City of Pittsburg not receive a salary increase during the fiscal year, the City Council may elect to not extend the cost-of-living adjustment in this section. Beginning July 2025, should all of the bargaining groups in the City of Pittsburg not receive a salary increase for Fiscal Year 2025/26, the EMPLOYEE's base salary shall roll back to the February 2024 base salary.

2. Car Allowance. Effective February 5, 2025, Section 11 Car Allowance is deleted.

3. Integration. This Sixth Amendment contains the entire agreement between the parties with respect to its subject matter and supersedes whatever oral or written understanding they may have had prior to the execution of this Sixth Amendment. This Sixth Amendment shall not be amended or modified except by a written agreement executed by each of the parties. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect.

4. Inconsistencies. In the event of any conflict or inconsistency between the provisions of this Sixth Amendment and the Agreement, the provisions of this Sixth Amendment shall control in all respects.

5. Ambiguities. The parties have each carefully reviewed this Sixth Amendment and have agreed to each term of this Sixth Amendment. No ambiguity shall be presumed to be construed against either party.

IN WITNESS WHEREOF, the parties have entered into this Sixth Amendment on the day and year first hereinabove appearing.

EMPLOYEE

CITY OF PITTSBURG

By: _____

Garrett Evans

By: _____

Jelani Killings, Mayor

APPROVED AS TO FORM

By: _____

Donna Mooney, City Attorney



**OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565**

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Adoption of a City Council Resolution to Amend the Master Pay Schedule as Required by California Public Employees' Retirement System

MEETING DATE: March 17, 2025

EXECUTIVE SUMMARY

To comply with CalPERS' interpretation of the requirements of California Code of Regulations, Title 2, Section 570.5 by amending the single master pay schedule on the City's website representing all previously approved actions on the individual classifications of the pay schedule. The single master pay schedule will be submitted to the City Council for approval each time any single MOU, or compensation plan is brought to the City Council for approval.

FISCAL IMPACT

The amendment to the pay schedules as a single master pay schedule has no fiscal impact as adjustments were made with annual budget changes.

RECOMMENDATION

The City Council adopt a resolution to amend the City of Pittsburg's master pay schedule for employee classifications, so the City is in compliance with the requirements of the California Code of Regulations, Title 2, Section 570.5 and the California Public Employees' Retirement System (CalPERS) relating to publicly available pay schedules for purposes of determining the amount of "compensation earnable" pursuant to Government Code Sections 20630, 20636, and 20636.1.

BACKGROUND

CalPERS, pursuant to their interpretation of California Code of Regulations, Title 2, Section 570.5, recommends all CalPERS employers to maintain their compensation levels in one publicly available document, approved and adopted by the governing body, which must meet all of the following requirements:

- Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
- Identifies the position title for every employee position;
- Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
- Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
- Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
- Indicates an effective date and date of any revisions;
- Is retained by the employer and available for public inspection for not less than five years; and
- Does not reference another document in lieu of disclosing the pay rate.

SUBCOMMITTEE FINDINGS

This item was not reviewed by a subcommittee.

STAFF ANALYSIS

The change to the master pay schedule reflects a recent salary adjustment to the City Manager's salary range adopted by the City Council on October 2, 2023 and effective February 3, 2025. Two new classifications were added to the classification plan: Assistant Director of Public Works – Engineering, and Traffic Engineer. A salary adjustment was approved for the Utility Supervisor classification as the salary was less than the Utility Technician's salary. The new recommended salary range of Utility Supervisor is 15% above the Utility Technician with a maximum of \$14,630 per month. In addition, title changes were approved for the Combination Building Inspector, Senior Combination Building Inspector, Lead Police Record Clerk, Police Records Clerk, Water Plant Supervisor and Water Plant Superintendent to updated titles of Building Inspector, Senior Building Inspector, Lead Police Records Technician, Police Records Technician, Water Treatment Plant Supervisor and Water Treatment Plant Superintendent.

The adoption of the resolution will comply with CalPERS' interpretation of the requirements of Code of Regulations section 570.5 by amending the single master pay schedule already on the City's website representing all previously approved actions on the individual classifications of the pay schedule.

ATTACHMENTS: Exhibit A – Salary Schedule
 Resolution

Staff Report Prepared By: Griselda Clift, Senior Human Resources Analyst

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Amending the Master Pay Schedule)
To Include Previously Approved)
Positions and Compensation)

RESOLUTION NO. 25-

WHEREAS, the California Public Employees' Retirement System (CalPERS) has requested all CalPERS employers list their compensation levels on one document, approved and adopted by the governing body, in accordance with Title 2 California Code of Regulations section 570.5, and meeting all of the following requirements thereof:

- Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
- Identifies the position title for every employee position;
- Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
- Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
- Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
- Indicates an effective date and date of any revisions;
- Is retained by the employer and available for public inspection for not less than five years; and
- Does not reference another document in lieu of disclosing the pay rate.

WHEREAS, the salary of the City Manager is amended to include a previously authorized salary adjustment, effective February 3, 2025; and

WHEREAS, the Utility Supervisor classification salary range is modified to a maximum of \$14,630 per month; and

WHEREAS, the classification of Assistant Director of Public Works, Engineering is established with a salary range of \$13,794 to \$16,754 per month; and

WHEREAS, the Traffic Engineer is established with a salary range of \$10,670 to \$12,970 per month; and

WHEREAS, the following position titles changed from Combination Building Inspector, Senior Combination Building Inspector, Lead Police Record Clerk, Police Records Clerk, Water Plant Supervisor and Water Plant Superintendent to the updated titles of Building Inspector, Senior Building Inspector, Lead Police Records Technician, Police Records Technician, Water Treatment Plant Supervisor and Water Treatment Plant Superintendent.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the amendments to master pay schedule and authorizes minor adjustments, as necessary, by the City Manager based on the entry of final calculations into the financial system.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 17th day of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Jelani Killings, Mayor

ATTEST:

Alice E. Evenson, City Clerk

City of Pittsburgh
Monthly Salary Schedule

CLASSIFICATION	CODE	EFFECTIVE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G	Top Step w/Incentives	UNIT
Account Clerk	170	07/07/24	4,918	5,164	5,423	5,694	5,978			6,028	MISC A
Accountant I	355	07/07/24	6,693	7,027	7,379	7,748	8,135			8,185	MPC
Accountant II	500	07/07/24	7,492	7,867	8,260	8,673	9,107			9,157	MPC
Accounting Supervisor	747	07/07/24	8,533	8,960	9,408	9,878	10,372			10,422	MPC
Accounting Technician	220	07/07/24	5,742	6,030	6,331	6,648	6,980			7,030	MISC A
Administrative Analyst I	390	07/07/24	7,311	7,677	8,060	8,463	8,887			8,937	MPC
Administrative Analyst II	702	07/07/24	8,464	8,888	9,332	9,799	10,289			10,339	MPC
Administrative Assistant	160	07/07/24	4,955	5,203	5,463	5,737	6,023			6,073	MISC A/MPC
Administrative Coordinator	350	07/07/24	6,500	6,825	7,167	7,525	7,901			7,951	MPC
Administrative Specialist	290	07/07/24	6,139	6,446	6,768	7,107	7,462			7,512	MPC
Assistant City Clerk	820	07/07/24	9,001	9,451	9,924	10,420	10,941			10,991	MPC
Assistant City Engineer	920a	07/07/24	11,843	12,435	13,056	13,709	14,395			14,445	MPC
Assistant City Manager	950	07/07/24	16,998				21,691			21,691	Sr. Exec Team
Assistant Director of Finance	887	07/07/24	12,336				14,992			14,992	Mgmt Group
Assistant Director, Public Works - Engineering	889	01/31/25	13,794				16,754			16,754	Mgmt Group
Assistant Director of Public Works - Operations	896	07/07/24	12,944	13,591	14,271	14,985	15,734			15,784	MPC
Assistant Director, Community & Economic Development	889	07/07/24	13,794				16,754			16,754	Mgmt Group
Assistant Director, Public Works - Utilities	889	07/07/24	13,794				16,754			16,754	Mgmt Group
Assistant Engineer	510	07/07/24	7,694	8,079	8,483	8,907	9,352			9,870	MPC
Assistant Planner	450	07/07/24	7,162	7,520	7,896	8,291	8,706			9,191	MPC
Assistant to the City Manager	835	07/07/24	11,849				14,401			14,401	Mgmt Group
Associate Engineer	780	07/07/24	8,909	9,354	9,822	10,313	10,829			11,420	MPC
Associate Planner	740	07/07/24	8,291	8,706	9,141	9,598	10,078			10,632	MPC
Building Inspector	520	07/07/24	7,517	7,893	8,288	8,702	9,137			9,187	MISC A
Chief Building Official	895	07/07/24	12,906	13,552	14,229	14,941	15,688			15,738	MPC
Chief of Police	955	07/07/24	18,070				22,844			26,727	Sr. Exec Team
City Attorney	943	09/01/24					22,986			22,986	Contract
City Engineer	9352	07/07/24	13,206				16,052			16,052	Mgmt Group
City Manager	960	02/03/25					25,483			25,483	Contract
Code Enforcement Officer I	258	07/07/24	5,977	6,276	6,589	6,919	7,265			7,315	MISC A
Code Enforcement Officer II	415	07/07/24	6,918	7,264	7,627	8,008	8,409			8,459	MISC A
Code Enforcement Supervisor	820	07/07/24	9,001	9,451	9,924	10,420	10,941			10,991	MPC
Community Outreach Coordinator	315	07/07/24	6,341	6,658	6,991	7,340	7,707			7,757	MISC A
Community Relations Manager	703	07/07/24	8,973	9,422	9,893	10,388	10,907			10,957	MPC
Community Services Specialist	258	07/07/24	5,977	6,276	6,589	6,919	7,265			7,315	MISC A
Construction Inspector I	360	07/07/24	6,688	7,023	7,374	7,743	8,130			8,180	MISC A
Construction Inspector II	520	07/07/24	7,517	7,893	8,288	8,702	9,137			9,187	MISC A
Crime Analyst	700	07/07/24	7,776	8,165	8,573	9,002	9,452			9,502	MPC
Customer Service Representative	170	07/07/24	4,918	5,164	5,423	5,694	5,978			6,028	MISC A

City of Pittsburgh
Monthly Salary Schedule

CLASSIFICATION	CODE	EFFECTIVE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G	Top Step w/Incentives	UNIT
Deputy Chief Information Systems Officer	887	07/07/24	12,336				14,992			14,992	Mgmt Group
Deputy Director, Information Technology Operations	887	07/07/24	12,336				14,992			14,992	Mgmt Group
Deputy General Manager, Pittsburgh Power Company	887	07/07/24	12,336				14,992			14,992	Mgmt
Development Services Coordinator	532	07/07/24	7,676	8,060	8,463	8,886	9,331			9,381	MISC A
Development Services Supervisor	881	07/07/24	10,670	11,204	11,764	12,352	12,970			13,020	MPC
Director of City Clerk Services	8351	07/07/24	11,849				14,401			14,401	Sr. Exec Team
Director of Community & Economic Development	9403	07/07/24	14,741				18,631			18,631	Sr. Exec Team
Director of Community Services	9402	07/07/24	14,535				18,371			18,371	Sr. Exec Team
Director of Finance	9401	07/07/24	14,535				18,371			18,371	Sr. Exec Team
Director of Human Resources	9400	07/07/24	14,535				18,371			18,371	Sr. Exec Team
Director of Public Works/City Engineer	945	07/07/24	15,754				19,151			19,151	Sr. Exec Team
Director of Recreation	9400	07/07/24	14,535				18,371			18,371	Sr. Exec Team
Economic Development Manager	867	07/07/24	11,455	12,028	12,629	13,261	13,924			13,974	MPC
Electrical Technician	420	07/07/24	6,931	7,278	7,642	8,024	8,425			9,267	Teamsters
Electrical Technician Apprentice	200	07/07/24	5,535	5,812	6,103	6,408	6,728			7,401	Teamsters
Engineering Technician I	310	07/07/24	6,276	6,589	6,919	7,265	7,628			7,678	MISC A
Engineering Technician II	460	07/07/24	7,268	7,631	8,013	8,414	8,834			8,884	MISC A
Environmental Health & Safety Officer	832	07/07/24	10,367	10,885	11,429	12,001	12,601			12,651	MPC
Environmental Health Specialist I	390	07/07/24	7,311	7,677	8,060	8,463	8,887			8,937	MPC
Environmental Health Specialist II	702	07/07/24	8,464	8,888	9,332	9,799	10,289			10,339	MPC
Equipment Mechanic	270	07/07/24	6,122	6,428	6,750	7,087	7,442			8,186	Teamsters
Equipment Shop Supervisor	531	07/07/24	7,928	8,324	8,740	9,177	9,636			9,686	MPC
Executive Assistant	400	07/07/24	6,937				8,433			8,433	Mgmt Group
Executive Assistant to the Chief of Police	330	07/07/24	6,446	6,768	7,106	7,462	7,835			7,885	MPC
Finance Division Manager	855	07/07/24	10,359	10,876	11,420	11,991	12,591			12,641	MPC
Financial Analyst	580	07/07/24	8,579	9,008	9,458	9,931	10,428			10,478	MPC
Geographical Information Systems (GIS) Administrator	815	07/07/24	9,940	10,437	10,959	11,507	12,082			12,132	MPC
Harbormaster	830	07/07/24	9,524	10,000	10,500	11,025	11,576			11,626	MPC
Housing Manager	855	07/07/24	10,359	10,876	11,420	11,991	12,591			12,641	MPC
Housing Program Analyst I	390	07/07/24	7,311	7,677	8,060	8,463	8,887			8,937	MPC
Housing Program Analyst II	702	07/07/24	8,464	8,888	9,332	9,799	10,289			10,339	MPC
Housing Specialist	210	07/07/24	5,647	5,930	6,226	6,537	6,864			6,914	MISC A
Human Resources Analyst	701	07/07/24	8,408	8,829	9,270	9,734	10,221			10,271	MPC
Human Resources Specialist	330	07/07/24	6,446	6,768	7,106	7,462	7,835			7,885	MPC
Information Technology Analyst I	420a	07/07/24	6,931	7,278	7,642	8,024	8,425			8,475	MPC
Information Technology Analyst II	720	07/07/24	8,112	8,518	8,944	9,391	9,860			9,910	MPC
Information Technology Manager	866	07/07/24	11,399	11,969	12,568	13,196	13,856			13,906	MPC
Laboratory Supervisor	810	07/07/24	10,094	10,599	11,129	11,685	12,270			13,018	MPC
Lead Customer Service Representative	185	07/07/24	5,410	5,681	5,965	6,263	6,576			6,626	MISC A

City of Pittsburgh
Monthly Salary Schedule

CLASSIFICATION	CODE	EFFECTIVE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G	Top Step w/Incentives	UNIT
Lead Electrical Technician	705	07/07/24	8,023	8,424	8,846	9,288	9,752			10,727	Teamsters
Lead Marina Services Worker	320	07/07/24	6,408	6,728	7,065	7,418	7,789			8,256	Teamsters
Lead Police Records Technician	255	07/07/24	6,023	6,324	6,640	6,972	7,321			7,371	MISC A
Lead Public Works Superintendent	885	07/07/24	12,319	12,934	13,581	14,260	14,973			15,023	MPC
Maintenance Assistant	095	07/07/24	3,887	4,082	4,286	4,500	4,725			5,009	Teamsters
Maintenance Lead Worker	320	07/07/24	6,408	6,728	7,065	7,418	7,789			8,568	Teamsters
Maintenance Worker I	140	07/07/24	4,782	5,021	5,272	5,536	5,812			6,219	Teamsters
Maintenance Worker II	200	07/07/24	5,535	5,812	6,103	6,408	6,728			7,199	Teamsters
Office Assistant	095a	07/07/24	3,887	4,082	4,286	4,500	4,725			4,775	MISC A
Paralegal	400	07/07/24	6,937				8,433			8,433	Mgmt Group
Payroll Coordinator	350	07/07/24	6,500	6,825	7,167	7,525	7,901			7,951	MPC
Permit Center Supervisor	820	07/07/24	9,001	9,451	9,924	10,420	10,941			10,991	MPC
Permit Technician	260	07/07/24	6,057	6,360	6,678	7,012	7,362			7,412	MISC A
Pest Control Specialist	470	07/07/24	7,197	7,557	7,935	8,332	8,748			9,273	Teamsters
Planning Technician	260	07/07/24	6,057	6,360	6,678	7,012	7,362			7,412	MISC A
Police Captain	650	07/07/24	15,665	16,448	17,271	18,134	19,041	19,993		23,392	PMG
Police Forensic Technician I	260	07/07/24	6,057	6,360	6,678	7,012	7,362			7,412	MISC A
Police Forensic Technician II	425	07/07/24	7,012	7,363	7,731	8,118	8,524			8,574	MISC A
Police Lieutenant	640	07/07/24	13,656	14,339	15,056	15,809	16,599	17,429		20,392	PMG
Police Officer	600	07/07/24	7,114	7,470	7,843	8,235	8,647	9,079	9,533		POA
Police Officer (Continuation of Steps H & I)	600	07/07/24						10,010	10,511	13,822	POA
Police Records Supervisor	540	07/07/24	8,048	8,450	8,873	9,317	9,782			9,832	MPC
Police Records Technician	180	07/07/24	5,202	5,462	5,735	6,022	6,323			6,373	MISC A
Police Sergeant	625	07/07/24	10,105	10,610	11,141	11,698	12,283	12,897		16,960	POA
Police Services Administrator	831	07/07/24	10,088	10,593	11,122	11,679	12,262			12,312	MPC
Police System Coordinator	814	07/07/24	8,825	9,267	9,730	10,217	10,727			11,478	MPC
Power Company Manager	920	07/07/24	13,206				16,052			16,052	Mgmt Group
Principal Planner	864	07/07/24	10,559	11,087	11,641	12,223	12,834			13,526	MPC
Property and Evidence Supervisor	540	07/07/24	8,048	8,450	8,873	9,317	9,782			9,832	MPC
Property and Evidence Technician	250	07/07/24	5,462	5,735	6,022	6,323	6,639			6,689	MISC A
Public Works Superintendent	880	07/07/24	10,641	11,173	11,731	12,318	12,934			12,984	MPC
Public Works Supervisor	530	07/07/24	7,626	8,007	8,407	8,828	9,269			9,783	MPC
Records Specialist	330	07/07/24	6,446	6,768	7,106	7,462	7,835			7,885	MISC A
Recreation Coordinator	230	07/07/24	5,829	6,120	6,426	6,748	7,085			7,135	MISC A
Recreation Supervisor	550	07/07/24	7,612	7,993	8,393	8,812	9,253			9,303	MPC
Revenue Operations Supervisor	745	07/07/24	8,345	8,762	9,200	9,660	10,143			10,193	MPC
Senior Accounting Technician	313	07/07/24	6,317	6,632	6,964	7,312	7,678			7,728	MPC
Senior Administrative Analyst	825	07/07/24	9,798	10,288	10,803	11,343	11,910			11,960	MPC
Senior Building Inspector	760	07/07/24	8,449	8,871	9,315	9,781	10,270			10,320	MPC

City of Pittsburgh
Monthly Salary Schedule

CLASSIFICATION	CODE	EFFECTIVE	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G	Top Step w/Incentives	UNIT
Senior Civil Engineer	865	07/07/24	10,914	11,459	12,032	12,634	13,266			13,316	MPC
Senior Construction Inspector	760	07/07/24	8,449	8,871	9,315	9,781	10,270			10,320	MPC
Senior Financial Analyst	790	07/07/24	9,932	10,429	10,950	11,498	12,073			12,123	MPC
Senior Housing Program Analyst	825	07/07/24	9,798	10,288	10,803	11,343	11,910			11,960	MPC
Senior Human Resources Analyst	821	07/07/24	9,733	10,220	10,731	11,267	11,831			11,881	MPC
Senior Information Technology Analyst	815	07/07/24	9,940	10,437	10,959	11,507	12,082			12,132	MPC
Senior Payroll Coordinator	385	07/07/24	7,150	7,508	7,883	8,277	8,691			8,741	MPC
Senior Permit Technician	359	08/12/24	6,663	6,996	7,346	7,713	8,099			8,149	MPC
Senior Planner	840	07/07/24	9,599	10,079	10,583	11,112	11,668			12,301	MPC
Sweeper Operator	140	07/07/24	4,782	5,021	5,272	5,536	5,812			6,161	Teamsters
Traffic Engineer	881	01/21/25	10,670	11,204	11,764	12,352	12,970			13,020	MPC
Utility Lead Technician	870	07/07/24	11,513	12,089	12,693	13,328	13,994			14,974	IBEW
Utility Lineworker	742	07/07/24	8,236	8,648	9,080	9,534	10,011			14,834	IBEW
Utility Maintenance Worker	312	07/07/24	6,275	6,588	6,918	7,264	7,627			8,085	IBEW
Utility Supervisor	810	02/25/25	12,036	12,638	13,270	13,934	14,630			14,680	MPC
Utility Technician	863	07/07/24	10,466	10,990	11,539	12,116	12,722			13,613	IBEW
Water Instrument/Maintenance Technician I	480	07/07/24	8,117	8,523	8,949	9,397	9,867			10,558	Teamsters
Water Instrument/Maintenance Technician II	750	07/07/24	9,396	9,866	10,359	10,877	11,421			12,221	Teamsters
Water Maintenance Mechanic I	480	07/07/24	8,117	8,523	8,949	9,397	9,867			10,558	Teamsters
Water Maintenance Mechanic II	750	07/07/24	9,396	9,866	10,359	10,877	11,421			12,221	Teamsters
Water Plant Apprentice Operator	200	07/07/24	5,535	5,812	6,103	6,408	6,728			7,132	Teamsters
Water Plant Operator	560	07/07/24	8,153	8,560	8,988	9,438	9,910			11,399	Teamsters
Water Treatment Plant Superintendent	883	07/07/24	11,732	12,319	12,935	13,582	14,261			14,711	MPC
Water Treatment Plant Supervisor	810	07/07/24	10,094	10,599	11,129	11,685	12,270			13,398	MPC
Water Quality Analyst I	380	07/07/24	7,145	7,503	7,878	8,272	8,685			9,753	Teamsters
Water Quality Analyst II	710	07/07/24	8,603	9,033	9,485	9,959	10,457			11,649	Teamsters
SEASONAL/ HOURLY/ EXTRA HELP CLASSIFICATIONS	CODE	EFFECTIVE	Mininum	Please reach out to HR for internal salary steps.			Maximum			Hourly	UNIT
Administrative Support Associate	0500	12/22/24	16.50				50.00			50.00	Unrepresented
Executive Consultant	910	03/16/15	30.00				100.00			100.00	Unrepresented
Intern - High School	0550	12/22/24	16.50				16.50			16.50	Unrepresented
Intern - College	0510	12/22/24	16.50				19.00			19.00	Unrepresented
Maintenance Aide	0530	12/22/24	16.92				23.46			23.46	Unrepresented
Police Trainee	6009	07/07/24	34.20				34.20			34.20	Unrepresented
Professional Consultant	0540	12/24/23	20.00				90.00			90.00	Unrepresented
Recreation Leader I	0550	12/22/24	16.50				16.50			16.50	Unrepresented
Recreation Leader II	0560	12/22/24	16.50				21.50			21.50	Unrepresented
Recreation Leader III	0570	07/09/23	16.50				24.50			24.50	Unrepresented
Technical Consultant	0520	12/24/23	20.00				80.00			80.00	Unrepresented

City of Pittsburg
 Monthly Salary Schedule

ELECTED OFFICIAL CLASSIFICATIONS	CODE	EFFECTIVE					Monthly				UNIT
City Clerk	8349						470				Elected Official
City Council	8177						500				Elected Official
City Council -- member of a different governing board											
if serving on Tri Delta Transit		\$100 per meeting			visit www.TriDeltaTransit.com						
if serving on Delta Diablo Sanitation District		\$209 per meeting			visit ddsd.org						
City Treasurer	8349						470				Elected Official



**OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565**

TO: Chair and Governing Board Members

FROM: Garrett Evans, Executive Director

SUBJECT: Adoption of a Pittsburg Power Company Resolution Approving the First Amendment to the Operating Agreement with the City of Vallejo to Provide Gas Service to Mare Island and the First Amendment to the Operating Agreement with the City of Vallejo to Provide Electric Service to Mare Island

MEETING DATE: March 17, 2025

EXECUTIVE SUMMARY

In 2005, the Governing Board (Board) of the Pittsburg Power Company (PPC) authorized the execution of Operating Agreements with the City of Vallejo related to the provision of electric and gas services to residents and businesses by PPC on Mare Island, Vallejo. In 2024, PPC and Vallejo began discussion on revised Operating Agreements for electric and gas services to Mare Island. The Parties concur that additional time is needed to negotiate the terms and conditions of another long-term agreement(s), and propose extending the current agreements for twelve months (First Amendments). The Vallejo City Council authorized execution of the First Amendments on February 25, 2025.

FISCAL IMPACT

There is no fiscal impact related to this action.

RECOMMENDATION

The Board adopt a resolution authorizing the Executive Director to execute the First Amendments to the Operating Agreements.

BACKGROUND

On September 23, 1996, PPC, a joint powers authority, was formed. On April 1, 1997, PPC commenced the sale and service of electricity and gas on Mare Island, Vallejo, as a municipally owned utility under the name Island Energy. On August 22, 2001, Island Energy accepted from the federal government, acting through the Department of the Navy, a Grant of Non-Exclusive Easements for Gas and Electric Distribution Systems and Associated Buildings at Mare Island ("Easements").

Under the Easements, Island Energy acquired both the existing assets, including all utility distribution systems and related buildings and the non-exclusive easements upon, under and over which the systems and buildings were or are located. As such, PPC retained the right to continue to serve gas and electric load on Mare Island in perpetuity.

In 2005, the City of Vallejo and PPC entered into an Operating Agreements for Electricity and Natural Gas. The Agreements each had a twenty year term. The Vallejo City Council authorized execution of the First Amendments on February 25, 2025.

SUBCOMMITTEE FINDINGS

This item was not presented to the subcommittee.

STAFF ANALYSIS

As stated above, in 2005, PPC entered into two Operating Agreements with the City of Vallejo related to the provision of utility service, and in 2024, PPC and Vallejo began discussion on revised Operating Agreements for electric and gas service to Mare Island. The Parties agreed additional time is warranted to negotiate revised agreements, in part to address potential new development on Mare Island by the Mare Island Company.

ATTACHMENTS

1. Proposed Resolution
2. First Amendments
3. Operating Agreements

Prepared by: Jordan Davis, Director of Community and Economic Development

BEFORE THE GOVERING BOARD OF THE PITTSBURG POWER COMPANY
OF THE CITY OF PITTSBURG

In the Matter of:

Approving the First Amendment to the)
Operating Agreement with the City of)
Vallejo to Provide Gas Service to Mare)
Island and the First Amendment to the)
Operating Agreement with the City of)
Vallejo to Provide Electric Service to)
Mare Island)

RESOLUTION NO. 25-

WHEREAS, on April 1, 1997, the Pittsburg Power Company (PPC), a joint powers authority, formed and commenced the sale and service of electricity and gas on Mare Island, Vallejo, as a municipally owned utility under the name Island Energy; and

WHEREAS, Vallejo City Ordinance 1536 N.C.(2d) adopting procedures for the award of franchises for gas and electric service on Mare Island was adopted by the Vallejo City Council on November 30, 2004, and went into effect 30 days later on December 30, 2004; and

WHEREAS, on August 22, 2001, Island Energy accepted from the federal government, acting through the Department of the Navy, a Grant of Non- Exclusive Easements For Gas and Electric Distribution Systems and Associated Buildings at Mare Island ("Easements"). Under the Easements, Island Energy acquired both the existing assets, including all utility distribution systems and related buildings and the non-exclusive easements upon, under and over which the systems and buildings were or are located. As such, PPC retained the right to continue to serve gas and electric load on Mare Island in perpetuity; and

WHEREAS, in 2005, PPC entered into two Operating Agreements with the City of Vallejo related to the provision of utility service, and in 2024, PPC and Vallejo began discussion on revised Operating Agreements for electric and gas services to Mare Island; and

WHEREAS, Section 3 (Term) of the Operating Agreements state the terms will commence on the Effective Date and expire twenty (20) years from that date; and

WHEREAS, since sixty (60) days after Ordinance 1536 went into effect was February 28, 2005, and the first day of the first full month following this date is March 1, 2005, the parties determined that the Agreement Effective Date was on or after March 1, 2005, and the expiration of the original Agreement is on or after March 1, 2025; and

WHEREAS, both PPC and City of Vallejo need time to negotiate the terms and conditions of another long-term agreement(s), including but not limited to assessing the

utility requirements per the new proposed Mare Island Specific Plan; and

WHEREAS, the Vallejo City Council authorized execution of the First Amendments on February 25, 2025.

NOW, THEREFORE, BE IT RESOLVED that the Governing Board of the Pittsburg Power Company hereby authorizes the Executive Director to execute the First Amendments to the Operating Agreements for gas and electric services dated March 1, 2005.

PASSED AND ADOPTED by the Governing Board of the Pittsburg Power Company of the City of Pittsburg at a regular meeting on the 17th day of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Jelani Killings, Chair

ATTEST:

Garrett Evans, Executive Secretary

**FIRST AMENDMENT TO THE
OPERATIONS AGREEMENT BETWEEN THE CITY OF VALLEJO AND ISLAND
ENERGY REGARDING DISTRIBUTION OF ELECTRICITY ON MARE ISLAND**

This First Amendment to the Operations Agreement regarding distribution of electricity on Mare Island (hereafter referred to as “First Amendment”) between Pittsburg Power Company, a Joint Powers Authority providing retail gas and electric service on Mare Island, Vallejo, under the name Island Energy (hereafter referred to as “Grantee” or “Island Energy”), and the City of Vallejo, a municipal corporation and charter city (hereafter referred to as “Grantor” or “City”), is made and entered into on this 25th day of February 2025.

RECITALS

WHEREAS, Ordinance 1536 N.C.(2d) adopting procedures for the award of franchises for gas and electric service on Mare Island was adopted by City Council on November 30, 2004, and went into effect 30 days later on December 30, 2004; and

WHEREAS, consistent with those procedures, on February 1, 2005, City Council adopted Resolution No. 05-39 N.C., (a) awarding a franchise to Island Energy to provide gas and electric service on Mare Island, and (b) authorizing the City Manager to execute the Operations Agreement between the City of Vallejo and Island Energy Regarding the Distribution of Electricity on Mare Island (hereafter referred to as “Agreement”); and

WHEREAS, Section 3 (Term) of the Agreement states the term will commence on the Effective Date and expire twenty (20) years from that date; and

WHEREAS, Section 19 (Effective Date) of the Agreement states that the Effective Date shall be the first day of the first full month following the date Island Energy executes this Agreement (no later than sixty (60) days after the effective date of Ordinance 1536) and files proof of insurance with the City Clerk; and

WHEREAS, since sixty (60) days after Ordinance 1536 went into effect is February 28, 2005, and the first day of the first full month following this date is March 1, 2005, the parties determined that the Agreement Effective Date was on or after March 1, 2005, and the expiration of the original Agreement is on or after March 1, 2025; and

WHEREAS, both Island Energy and City need time to negotiate the terms and conditions of another long-term agreement, including but not limited to assessing the utility requirements per the new proposed Mare Island Specific Plan.

NOW, THEREFORE, Island Energy and City do mutually agree to the following:

1. Amendment to Section 3 “Term.” Section 3 of the Agreement, “Term,” is hereby amended to delete the first paragraph and replace it with the following:

Section 3. Term. The term of this Agreement shall commence on March 1, 2005, and shall continue in full force and effect until February 28, 2026. Provided, however, the Parties, through their respective City Manager and Executive Director, may mutually agree to extend the term of this Agreement six (6) additional months, which shall be discussed a minimum of ninety (90) days prior to expiration. The total duration of the term of this Agreement, including the exercise of any options under this section, shall not extend beyond August 31, 2026. After the expiration of the term as described in this section, the Agreement will be of no force or effect unless it is renewed by the parties in accordance with Ordinance 1536 (or any successor ordinance setting terms for awarding a franchise for gas and electric services on Mare Island).

2. Integration. This First Amendment contains the entire agreement between the parties with respect to its subject matter and supersedes whatever oral or written understanding they may have had prior to the execution of this First Amendment. This First Amendment shall not be amended or modified except by a written agreement executed by each of the parties. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Island Energy shall perform all duties, obligations and conditions required under the Agreement.

3. Inconsistencies. In the event of any conflict or inconsistency between the provisions of this First Amendment and the Agreement, the provisions of this First Amendment shall control in all respects.

4. Ambiguities. The parties have each carefully reviewed this First Amendment and have agreed to each term of this First Amendment. No ambiguity shall be presumed to be construed against either party.

5. Counterparts. This First Amendment may be executed by the parties in one or more counterparts, all of which collectively shall constitute one document and agreement.

6. Authority. The person signing this First Amendment for Island Energy hereby represents and warrants that he or she is fully authorized to sign this First Amendment on behalf of Island Energy.

(SIGNATURES ARE ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have entered into this First Amendment on the day and year first hereinabove appearing.

PITTSBURG POWER COMPANY,
A Joint Powers Authority, providing retail
gas and electric service on Mare Island,
Vallejo, under the name ISLAND ENERGY

CITY OF VALLEJO,
a municipal corporation

BY: _____
Garrett Evans
Executive Director

BY: _____
Andrew Murray
City Manager

DATE: _____

DATE: _____

ATTEST:

ATTEST:

Garrett Evans
Executive Secretary

Dawn G. Abrahamson
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Donna Mooney

Veronica A.F. Nebb City Attorney

APPROVED AS TO INSURANCE:

Armond Sarkis Risk Manager

**FIRST AMENDMENT TO THE
OPERATIONS AGREEMENT BETWEEN THE CITY OF VALLEJO AND ISLAND
ENERGY REGARDING DISTRIBUTION OF GAS ON MARE ISLAND**

This First Amendment to the Operations Agreement regarding distribution of gas on Mare Island (hereafter referred to as “First Amendment”) between Pittsburg Power Company a Joint Powers Authority providing retail gas and electric service on Mare Island, Vallejo, under the name Island Energy (hereafter referred to as “Grantee” or “Island Energy”), and the City of Vallejo, a municipal corporation and charter city (hereafter referred to as “Grantor” or “City”), is made and entered into on this 25th day of February 2025.

RECITALS

WHEREAS, Ordinance 1536 N.C.(2d) adopting procedures for the award of franchises for gas and electric service on Mare Island was adopted by City Council on November 30, 2004, and went into effect 30 days later on December 30, 2004; and

WHEREAS, consistent with those procedures, on February 1, 2005, City Council adopted Resolution No. 05-39 N.C., (a) awarding a franchise to Island Energy to provide gas and electric service on Mare Island, and (b) authorizing the City Manager to execute the Operations Agreement between the City of Vallejo and Island Energy Regarding the Distribution of Gas on Mare Island (hereafter referred to as “Agreement”); and

WHEREAS, Section 3 (Term) of the Agreement states the term will commence on the Effective Date and expire twenty (20) years from that date; and

WHEREAS, Section 19 (Effective Date) of the Agreement states that the Effective Date shall be the first day of the first full month following the date Island Energy executes this Agreement (no later than sixty (60) days after the effective date of Ordinance 1536) and files proof of insurance with the City Clerk; and

WHEREAS, since sixty (60) days after Ordinance 1536 went into effect is February 28, 2005, and the first day of the first full month following this date is March 1, 2005, the parties determined that the Agreement Effective Date was on or after March 1, 2005, and the expiration of the original Agreement is on or after March 1, 2025; and

WHEREAS, both Island Energy and City need time to negotiate the terms and conditions of another long-term agreement, including but not limited to assessing the utility requirements per the new proposed Mare Island Specific Plan.

NOW, THEREFORE, Island Energy and City do mutually agree to the following:

1. Amendment to Section 3 “Term.” Section 3 of the Agreement, “Term,” is hereby amended to delete the first paragraph and replace it with the following:

Section 3. Term. The term of this Agreement shall commence on March 1, 2005, and shall continue in full force and effect until February 28, 2026. Provided, however, the Parties, through their respective City Manager and Executive Director, may mutually agree to extend the term of this Agreement six (6) additional months, which shall be discussed a minimum of ninety (90) days prior to expiration. The total duration of the term of this Agreement, including the exercise of any options under this section, shall not extend beyond August 31, 2026. After the expiration of the term as described in this section, the Agreement will be of no force or effect unless it is renewed by the parties in accordance with Ordinance 1536 (or any successor ordinance setting terms for awarding a franchise for gas and electric services on Mare Island).

2. Integration. This First Amendment contains the entire agreement between the parties with respect to its subject matter and supersedes whatever oral or written understanding they may have had prior to the execution of this First Amendment. This First Amendment shall not be amended or modified except by a written agreement executed by each of the parties. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Island Energy shall perform all duties, obligations and conditions required under the Agreement.

3. Inconsistencies. In the event of any conflict or inconsistency between the provisions of this First Amendment and the Agreement, the provisions of this First Amendment shall control in all respects.

4. Ambiguities. The parties have each carefully reviewed this First Amendment and have agreed to each term of this First Amendment. No ambiguity shall be presumed to be construed against either party.

5. Counterparts. This First Amendment may be executed by the parties in one or more counterparts, all of which collectively shall constitute one document and agreement.

6. Authority. The person signing this First Amendment for Island Energy hereby represents and warrants that he or she is fully authorized to sign this First Amendment on behalf of Island Energy.

(SIGNATURES ARE ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have entered into this First Amendment on the day and year first hereinabove appearing.

PITTSBURG POWER COMPANY,
A Joint Powers Authority, providing retail
gas and electric service on Mare Island,
Vallejo, under the name ISLAND ENERGY

CITY OF VALLEJO,
a municipal corporation

BY: _____
Garrett Evans
Executive Director

BY: _____
Andrew Murray
City Manager

DATE: _____

DATE: _____

ATTEST:

ATTEST:

Garrett Evans
Executive Secretary

Dawn G. Abrahamson
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Donna Mooney

Veronica A.F. Nebb City Attorney

APPROVED AS TO INSURANCE:

Armond Sarkis Risk Manager

**OPERATIONS AGREEMENT BETWEEN CITY OF VALLEJO AND ISLAND
ENERGY REGARDING DISTRIBUTION OF ELECTRICITY ON MARE ISLAND**

This Operations Agreement is made and entered into by and between the City of Vallejo, a municipal corporation and charter city (hereafter, "GRANTOR" or "CITY") and Pittsburg Power Company, a Joint Powers Authority, doing business as Island Energy, (hereafter, "GRANTEE" or "ISLAND ENERGY").

RECITALS

A. Within the boundaries of the City lies Mare Island. Historically the Island contained Mare Island Naval Shipyard (the "Shipyard"), the first naval base on the West Coast, which Congress established in 1853. Mare Island consists of almost 1,650 dry upland acres and now contains about 960 buildings, including many dating from the 1800s. Mare Island is a California Historic Landmark and a National Historic Landmark. At its height, over 40,000 people worked at the Shipyard and it was an important element in the defense of this country through two World Wars and other military actions.

B. In 1993, 140 years after this country established the Shipyard, the Defense Base Closure and Realignment Commission recommended the Shipyard be closed. That has occurred. When the Shipyard closed, about 9,300 civilians and military personnel worked there. Another 5,700 persons in the City were employed in connection with the Shipyard. In response to the closure, the City initiated the development and implementation of a successful closure process. The Mare Island Final Reuse Plan (the "Reuse Plan"), which established a policy for the future of the Island, was adopted by the CITY on July 26, 1994. The Reuse Plan's goal is to become a model for successful conversion of a military facility. Among other objectives, the Reuse Plan seeks to create jobs and other economic development opportunities to sustain and improve economic conditions in the City and surrounding area; it seeks to create a self-sustaining and multi-use community under a common design theme, with balanced uses that will meet the needs of future generations; and, it seeks to use a variety of innovative economic development tools, including public-private partnerships, to market, finance and develop Mare Island. This Agreement furthers those goals and objectives, by, among other things, providing stable and attractive utility rates for businesses and residents on Mare Island.

C. The CITY also adopted a Specific Plan on March 30, 1999 to govern the land use policy and development process for Mare Island. Further, it amended the Architectural Heritage Historic Preservation Ordinance (Vallejo Municipal Code Chapter 16.38) to govern historic resources on Mare Island.

D. The regulatory planning process that the CITY has undertaken sets forth goals and objectives concerning provision of electric and gas utilities to Mare Island. The Reuse Plan, for example, described the electric system on the Island as generally being in good condition and supporting the land uses the Plan envisioned. It identified Capital Improvement Project activities, such as sealing underground electric vaults

against water intrusion and performing asbestos abatement. It also noted that Federal power was being purchased at a favorable rate pursuant to an agreement between the Navy and the Western Area Power Administration. The Specific Plan recognized a possible need to replace overhead distribution in the residential areas with underground facilities and the installation of electric service meters throughout the Island.

E. Following the determination by CITY that it would not assume the responsibility for distribution of the gas and electric utilities on Mare Island, Pittsburg Power Company was formed for this and other purposes and, under the name ISLAND ENERGY, commenced operations as a municipal gas and electric utility provider on Mare Island under a license agreement with the U. S. Government on April 1, 1997. The CITY and ISLAND ENERGY have cooperated with the Western Area Power Administration (WAPA) in retaining the benefit of the lower cost electricity through WAPA under the National Defense Authorization Act.

F. On August 22, 2001, Pittsburg Power Company accepted from the federal government, acting through the Department of the Navy, the Grant of Non-Exclusive Easement For Gas And Electric Distribution Systems And Associated Buildings At The Former Mare Island Naval Shipyard To Pittsburg Power Company, J. P. A. (d.b.a. "Island Energy") (the "Grant of Easement"). Under the Grant of Easement, ISLAND ENERGY acquired both the then-existing hard assets, including all utility distribution systems and related buildings and the easements upon, under and over which the systems and buildings were located, from the U.S. Government, CITY's predecessor in title.

G. Under the Grant of Easement, if any of the Existing Easements (as defined below) or the Existing Facilities (as defined below) are required to be relocated by the Navy, its successors and assigns or the local redevelopment agency for Mare Island, the party requesting such relocation, is to pay ISLAND ENERGY all costs of relocation and provide ISLAND ENERGY with an equivalent substitute easement. The Grant of Easement also provides that after fifty (50) years from the date of the Grant of Easement, any costs of relocation of aboveground gas and electrical distribution facilities shall be borne by ISLAND ENERGY.

H. Under its Charter, the CITY is authorized to enter into agreements for the operation, maintenance and construction of electric utility systems on Mare Island. The CITY and ISLAND ENERGY have agreed that it is in the best interest of both parties, as well as the economic development of Mare Island, to enter into this Agreement and provide for continued, improved, expanded and, to the extent possible, lower cost electric service on Mare Island.

I. The parties hereto desire to enter into this Agreement to provide for (1) an agreement by ISLAND ENERGY that, as Mare Island develops, it will exchange those easements and electric distribution facilities and buildings conveyed under the Grant of Easement for relocated easements, facilities and buildings at the times and under the conditions specified in this Agreement; (2) payment of a fee by ISLAND ENERGY, similar to that paid by PG&E to the City for PG&E's franchise rights in other areas of the

City; and (3) the grant of a franchise by CITY to ISLAND ENERGY to provide electric service in that portion of Mare Island outside of the Existing Service Area (referred to herein as the "Franchise Area") under the terms and conditions specified herein. A Map of the Franchise Area will be attached hereto as Exhibit B and this Agreement shall be thereby amended once such locations are determined.

AGREEMENTS

SECTION 1. DEFINITIONS

Whenever in this Agreement the words or phrases defined in this section are used, they shall have the respective meanings assigned to them in the following definitions:

"City" shall mean the City of Vallejo, a municipal corporation and a charter city in the State of California, in its present incorporated form or in any later reorganized, consolidated, enlarged or reincorporated form.

"Construct, maintain and use" shall mean to lay, construct, erect, install, operate, maintain, use, repair, modify or replace.

"Day" means a calendar day.

"Effective Date" shall mean the date set forth in Section 19 of this Agreement.

"Existing Easements" shall mean those non-exclusive easements granted to ISLAND ENERGY by the Grant of Easement.

"Existing Facilities" shall mean those electric distribution facilities and associated buildings granted to ISLAND ENERGY by the Grant of Easement.

"Existing Service Area" shall be that portion of Mare Island that is described in the Grant of Easement as being served by the electrical distribution system transferred to ISLAND ENERGY through the Bill of Sale and Grant of Easement. This area is shown on Exhibit A, "Map of the Existing Service Area", attached hereto and incorporated herein by this reference.

"Franchise" shall mean the right and privileges acquired under the terms and conditions described in this Agreement with respect to the provision of electric service by ISLAND ENERGY in the Franchise Area.

"Franchise Area" shall be as defined in Recital I above.

"Grant of Easement" shall be as defined in Recital F above.

"Grantee" shall mean Pittsburg Power Company, a Joint Powers Authority, comprised of the City of Pittsburg, California and the Redevelopment Agency of the City of Pittsburg, doing business as Island Energy ("ISLAND ENERGY").

"Gross Annual Receipts" shall mean all receipts received by ISLAND ENERGY from the sale of electricity within the City of Vallejo. Gross Annual Receipts shall not include such sums collected by ISLAND ENERGY on behalf of and paid to others, such as taxes, fees and charges collected on behalf of the CITY, state government or federal government. The fiscal year for ISLAND ENERGY is from July 1 through June 30 of the following year

"Operations Fee" shall mean the fee payable by ISLAND ENERGY to the CITY as described in Section 7 of this Agreement.

"Poles, wires, conduits and appurtenances" means facilities necessary for the distribution of electricity, including poles, towers, supports, wires, conductors, cables, guys, stubs, platforms, cross arms, braces, transformers, insulators, conduits, ducts, vaults, manholes, meters, cutouts, switches, communication circuits, appliances, attachments, appurtenances, and without limitation to the foregoing, any other equipment located or to be located under, along, across or upon the public streets of Mare Island, and necessary or proper in distributing electricity;. The term "facilities" may hereafter be used for convenience to refer to "poles, wires, conduits and appurtenances."

"Public streets" shall mean the public streets, ways, alleys and places as the same now or may hereafter exist within Mare Island, now or hereafter established within Mare Island, now or hereafter established within Mare Island. "Public streets" includes a public right-of-way, whether or not formally included within City's public road system. "Public streets" does not include a public utility easement crossing private property, nor does "public streets" include any park, playground, school property or other municipal or public property not constituting a public right-of-way. "Public streets" does not include, and the rights granted herein do not allow the use of, a public utility easement described in Government Code section 50335 or successor legislation, the use of which is governed by such terms and conditions as agreed upon by the parties thereto.

"Relocated Facilities" shall mean those new facilities acquired by Island Energy in exchange for the Existing Facilities.

"Term" shall mean the initial term as defined in Section 3 and any renewal term, unless otherwise required by the context.

SECTION 2. GRANT OF FRANCHISE

In consideration of the provision by ISLAND ENERGY of electric service, within the Existing Service Area, as well as its agreement to comply with the Reuse Plan, Specific Plan and WAPA Power Agreement, and in further consideration of the promises contained herein, the CITY grants ISLAND ENERGY, its successors and assigns, a franchise to construct, maintain and use in said public streets and places all poles, wires, conduits and appurtenances whenever and wherever required to extend service and to convey and distribute electricity to the public within the Franchise Area

and for all related purposes. ISLAND ENERGY shall be required to allow joint use of common trenches within the Franchise Area and within the Existing Service Area, where common trenches are used, by other persons where appropriate and where such joint use is not otherwise prohibited by law or ordinance; provided that any joint user must first have or obtain an appropriate franchise from CITY or other lawful regulatory authority. This Agreement shall be amended to specifically add each portion of the Franchise Area as they become identifiable. As of the date of this Agreement; there are no Franchise Areas in which ISLAND ENERGY operates.

SECTION 3. TERM

This Agreement will commence on the Effective Date and expire twenty (20) years from that date. After that time, it will be of no force or effect unless it is renewed under applicable law and pursuant to agreement of the parties.

During the term of this Agreement, the Agreement shall remain in full force and effect unless: (1) ISLAND ENERGY voluntarily surrenders the Agreement, in accordance with applicable State or federal laws; (2) the State or some municipal or public corporation purchases by voluntary agreement or condemns and takes under the power of eminent domain, all property actually used and useful in the exercise of ISLAND ENERGY's provision of electric service on Mare Island, or (3) the Agreement is terminated by one party due to noncompliance with its terms by the other party. At least six (6) months prior to the expiration of the term of this Agreement, the parties shall meet and confer to determine if this Agreement should be extended and/or what terms and conditions shall apply to any such extension.

SECTION 4. COMPLIANCE WITH LOCAL LAWS

(a) Except in the event of an emergency where it may be impractical to do so, prior to commencing any work, ISLAND ENERGY shall obtain all necessary permits from City and pay all processing, permitting and regulatory fees associated with those permits, and post any required security deposits or bonds, before starting any construction, repair, upgrade or extension of its system. ISLAND ENERGY shall obtain all required permits and pay any fees described herein as soon as practicable after the emergency conditions have ended. These permits include, but are not limited to, grading permits, encroachment permits, excavation permits, temporary pole permits, appropriate environmental review, or any other regulatory approval PG&E and any other party would have to obtain from the CITY under its municipal code or other authorities if it was PG&E or another party seeking to perform the activities ISLAND ENERGY was planning. This provision is intended to keep ISLAND ENERGY on an equal footing with PG&E and any others doing work within the City.

(b) ISLAND ENERGY shall construct, restore, maintain and use all poles, wires, conduits, and appurtenances in a good and workmanlike manner and in compliance with all applicable federal, State and City laws, ordinances, resolutions, regulations, policies, rules, orders, plans and specifications, and subject to all lawful fees and exactions.

(c) Upon constructing, maintaining or using any poles, wires, conduits, and appurtenances, or any part thereof, ISLAND ENERGY shall expeditiously restore to applicable and lawful City standards all public property disturbed or altered as a result of Grantee's actions. As used in this section, "public property" means public streets, rights-of-way and improvements and includes, but is not limited to, all public improvements associated with the public streets that may be affected by ISLAND ENERGY'S activities, such as landscaping, irrigation systems, street lights, street furniture, sidewalks and bus shelters. ISLAND ENERGY shall comply with CITY'S reasonable terms and conditions concerning the location within the public streets of proposed facilities, except to the extent State or federal law or regulation preempts any such terms and conditions.

(d) ISLAND ENERGY has adopted standards of construction for its facilities, which are set forth in the following manuals:

Underground Construction Standards

Overhead Construction Standards

Gas Material Specifications

Service Guide

Copies of these manuals have been provided to CITY, and ISLAND ENERGY shall provide copies of any significant revisions to such manuals when adopted. ISLAND ENERGY agrees that any proposed significant modifications to such General Conditions shall be presented to the Island Energy Advisory Committee (as described in Section 21 hereof) for its review and comment, prior to any adoption of such modifications.

SECTION 5. RELOCATION OF FACILITIES WITHIN EXISTING SERVICE AREA

(a) Relocation of Facilities

During the term of this Agreement and in the event any portion of the Existing Service Area is proposed to be redeveloped ("Proposed Redevelopment") in a manner which would require the relocation of the Existing Facilities within the area of the Proposed Redevelopment, ISLAND ENERGY agrees that it shall cooperate with CITY and any developer within the Existing Service Area to quitclaim, free and clear of any encumbrances or liens that may have been placed against the interest of ISLAND ENERGY in such non-exclusive Existing Easements and Existing Facilities as may be necessary to accommodate such Proposed Redevelopment in exchange for new electric distribution facilities to be owned and operated by ISLAND ENERGY and to be placed within non-exclusive easements granted or dedicated to ISLAND ENERGY in new locations as necessary to allow for the distribution of electricity to the same area. To the greatest extent possible, these new locations shall be within designated "public utility easements" ("PUEs"), as shown on the parcel or subdivision map for any such

Proposed Redevelopment, provided the requirements contained in this Section 5 are complied with. In addition, CITY hereby acknowledges that ISLAND ENERGY shall be entitled to the use of the public streets in the Existing Service Area and any Franchise Areas during the term of this Agreement for the purpose of providing retail electric service, subject to the reasonable review and approval by the City of Vallejo with respect to location of such use to ensure that adequate spacing and clearance is maintained for other public utilities and roadway uses.

(b) Preservation of Rights

Subject to the terms of the Grant of Easement and subject to the terms of any separate agreement with a developer on Mare Island, which separate agreement shall not be inconsistent herewith, ISLAND ENERGY agrees that it shall quitclaim Existing Easements and Existing Facilities (in the condition described in paragraph (a) above) within the area of a Proposed Redevelopment when and as necessary within the Existing Service Area, in exchange for the Relocated Facilities and new non-exclusive easements. To the greatest extent possible, the new easements shall be in the form of public utility easements dedicated to the City and ISLAND ENERGY. Such dedication shall be clearly displayed under the "Owner's Statement" or otherwise for all final subdivision and parcel maps where ISLAND ENERGY will be replacing its easements with locations in the PUEs as follows:

"THE UNDERSIGNED HEREBY MAKES AN IRREVOCABLE OFFER OF DEDICATION TO THE CITY OF VALLEJO AND PITTSBURG POWER COMPANY, DOING BUSINESS ON MARE ISLAND AS ISLAND ENERGY, OF THE EASEMENTS DESIGNATED AS PUBLIC UTILITY EASEMENTS (PUEs) FOR PUBLIC UTILITY PURPOSES ONLY, INCLUDING THE RIGHTS FOR CONSTRUCTION, RECONSTRUCTION, ACCESS TO AND MAINTENANCE OF IMPROVEMENTS AND STRUCTURES, WHETHER COVERED OR OPEN, AND THE CLEARING OF OBSTRUCTIONS AND VEGETATION.

In addition, the following statement shall be clearly displayed under the "Owner's Statement" or otherwise on all final subdivision and parcel maps:

"THE DEDICATION OF STREETS, AS PUBLIC ROADWAYS, TO THE CITY OF VALLEJO INCLUDES THE RIGHT, POWER AND AUTHORITY OF THE CITY OF VALLEJO TO GRANT TO PITTSBURG POWER COMPANY, DOING BUSINESS ON MARE ISLAND AS ISLAND ENERGY, SUCH ADDITIONAL RIGHTS, INCLUDING THE GRANT OF SUCH NON-EXCLUSIVE EASEMENTS WITHIN SUCH DEDICATED AREAS, AS ARE NECESSARY TO INSURE THE CONTINUED AND UNINTERRUPTED DISTRIBUTION OF GAS AND ELECTRICITY WITHIN THE SUBDIVISION BOUNDARIES."

(c) Preservation of Easement Rights Within Public Streets

So long as ISLAND ENERGY is a municipal utility or a regulated utility provider, in the event of termination, irrespective of the cause or reason, or expiration of this Agreement, CITY shall, prior to any such event and as a condition thereto, provide Island Energy with a grant of non-exclusive easement, which may be located within a common trench, sufficient to enable ISLAND ENERGY to relocate, replace, update, install, reinstall and/or maintain its existing facilities in order to continue to provide service to all redeveloped areas in the Existing Service Area. The grant of easement shall include an adequate non-exclusive easement within those portions of the public streets utilized by Island Energy for the distribution of electricity. Further, CITY hereby acknowledges that ISLAND ENERGY is entitled to the rights and protections provided in the Public Streets, Highways and Service Easements Vacation Law (Streets and Highways Code, section 8300 *et seq.*) for public utility facilities.

SECTION 6. MINOR RELOCATIONS

Until such time as the Relocation Fund (as set forth in Section 14 hereof,) is funded and available to the CITY, and upon written application being made by CITY, or on its behalf, to ISLAND ENERGY, for a project requiring relocation of ISLAND ENERGY facilities within the Existing Service Area having a total cost of less than \$100,000, ISLAND ENERGY shall either credit or reimburse CITY for up to \$25,000 of the cost of such relocation. The CITY shall be responsible for all costs above and beyond the \$25,000 credit or reimbursement from ISLAND ENERGY. Such credit or reimbursement shall apply only once during the fiscal year in which such work is performed, and any reimbursement by ISLAND ENERGY under this provision may be delayed until the following fiscal year for budgetary reasons. In addition, the \$25,000 annual limit specified herein applies in the aggregate to relocations of ISLAND ENERGY'S electric and gas facilities within their respective Existing Service Areas. A similar provision to this Section 6 is provided in the Operations Agreement Regarding Distribution of Gas on Mare Island executed by ISLAND ENERGY and the CITY. Unless otherwise specified in the contract relating to such work, all work on ISLAND ENERGY facilities shall be performed by ISLAND ENERGY.

SECTION 7. OPERATIONS FEE

(a) In consideration of the rights provided under this Agreement, during the term of this Agreement, ISLAND ENERGY shall pay CITY two percent (2%) of GRANTEE'S Gross Annual Receipts (the "Operations Fee").

(b) As used in this section, "Annual Payment Date" means September 30, following the close of ISLAND ENERGY'S fiscal year.

(c) Within three (3) months after the expiration of each fiscal year, or fractional fiscal year, following the Effective Date of this Agreement as certified under Section 20, but no later than September 30th of each such year, ISLAND ENERGY

shall file with City's Finance Director or other official designated by CITY a verified statement under penalty of perjury showing in detail the Gross Annual Receipts of ISLAND ENERGY during the preceding fiscal year, or fractional fiscal year. ISLAND ENERGY'S statement shall include such other data or information as CITY may reasonably require in calculating or determining the amounts which ISLAND ENERGY is obligated to pay CITY pursuant to the provisions of this Section 7.

(d) No later than September 30th of each year, following the Effective Date of this Agreement, ISLAND ENERGY shall pay to CITY, in lawful money of the United States, the amount required by this Section 7. In the event there is an overpayment for any reason, ISLAND ENERGY shall be entitled, at its election, to either a refund of the difference or the application of a credit in the amount of the difference to the following year's Operations Fee. In the event the Operations Fee is not paid on or before the date set forth herein, ISLAND ENERGY shall pay as additional compensation, an interest charge, computed from such due date, at an annual rate of ten percent (10%) during the period for which payment was due.

(e) Annually, at ISLAND ENERGY'S expense, ISLAND ENERGY shall provide CITY with an audited report conducted pursuant to Generally Accepted Auditing Standards consistently applied, which expresses an opinion that the statement has been prepared in accordance with the terms of this Agreement and that nothing has come to the auditor's attention that would cause the auditors to believe that ISLAND ENERGY has not complied with this Agreement insofar as it relates to accounting matters.

(f) The City Finance Director, or any certified public accountant or qualified person designated by CITY, after reasonable notice and at any reasonable times during business hours, may make examination or audit at ISLAND ENERGY'S office or offices, of its books, accounts and records germane to and for the purpose of verifying the data set forth in the statement required by Section (c). Upon CITY'S request, ISLAND ENERGY shall provide CITY with such records, directly related to revenues derived within CITY, which it may have. In the event an audit obtained by CITY indicates an underpayment by ISLAND ENERGY of the Operations Fee by more than five (5%) percent, ISLAND ENERGY shall bear the costs of such audit.

SECTION 8. AUTHORITY

This Agreement for the provision of electric service in the Franchise Area is granted under Article IX of the Vallejo City Charter.

SECTION 9. ENFORCEMENT

(a) This Agreement may be terminated by either party for failure to comply with the terms of the agreement after written notice and an opportunity to cure, as set forth below. If a Party believes that the other Party is in default of its obligations under this Agreement, it shall send a written notice to the defaulting party, specifying the nature of the default.

(b) After receipt of the written notice of default, if the defaulting Party does not promptly commence to cure such default or the work of compliance, or after such commencement does not prosecute the work with due diligence to completion, the other Party may terminate this Agreement or seek any remedy available to it, whether in law or in equity. Prior to terminating this Agreement or instituting any action to enforce this Agreement, the parties shall, in good faith, meet and confer with the intention of resolving their differences. The parties agree that the appropriate venue for any such action shall be in the Superior Court of the County of Solano. Notice of demand for compliance shall be in writing and delivered in accordance with the provisions set forth in Section 18 hereof.

SECTION 10. OBLIGATIONS OF ISLAND ENERGY

(a) Non-Obstruction

All transmission and distribution structures, lines and equipment erected by ISLAND ENERGY within the public streets or in PUEs shall be located so as not to unreasonably obstruct or unnecessarily interfere with the usual and customary use of streets, alleys, and other public rights-of-way and places, and to cause minimum interference with the rights of property owners who abut the same; and not to unreasonably interfere with the existing public utility installations. ISLAND ENERGY has furnished to the City Engineer a copy of the Grant of Easement, including all attached maps, plats and descriptions of the location and character of all existing facilities, including underground facilities. ISLAND ENERGY shall file with CITY updates of such maps, plats and permanent records annually if changes have been made in the system that did not otherwise require CITY approval. In using the Existing Service Area or the Franchise Area, ISLAND ENERGY shall not place poles, conduits, or other fixtures above or below ground where they will unreasonably interfere with any telephone, sanitary storm or sewer, or water or other utility fixtures. All of ISLAND ENERGY's poles, conduits, or other fixtures placed in any street shall be so placed as to comply with all requirements of the CITY. ISLAND ENERGY shall, on request of any person holding a moving permit issued by CITY, temporarily move its electric wires or fixtures to permit the moving of buildings with the expense of such temporary removal and relocation to be paid by the person requesting the same, and ISLAND ENERGY shall be given not less than ten days advance notice to arrange for such temporary change. ISLAND ENERGY shall cooperate with and participate fully in Underground Service Alert (USA) and other reputable underground facility locating services to ensure that damage and/or interference with other underground facilities occupants is minimized.

(b) Notice of Repairs to Property Owners

Except in cases of emergency or responses to unplanned system failures where it is impractical to do so, prior to entering onto property to construct, operate or repair its facilities (unless the repair or construction can be performed from the street without disrupting property), ISLAND ENERGY shall give the person residing on or using the property adequate notice, not less than twenty-four hours in advance that it intends to work on the property; a description of when and what work it intends to perform; and a name and telephone number the person can call to protest or seek modification of the work. Work shall be done in a manner that causes the least interference with the rights and reasonable convenience of property owners, residents and users, and that complies with applicable law.

(c) Temporary Poles

New permanent overhead facilities will not be installed on Mare Island. However, when in the course of construction, ISLAND ENERGY desires to utilize temporary poles to facilitate construction, ISLAND ENERGY shall apply to the CITY to use the temporary pole method. Temporary Poles shall not be utilized, absent an emergency, without the prior written approval of the CITY, which approval shall not be unreasonably withheld. ISLAND ENERGY shall agree in writing to complete the undergrounding of related permanent facilities and the removal of the temporary poles within two (2) months from the date specified as the ending date of the temporary services, as provided by ISLAND ENERGY in its request to CITY. ISLAND ENERGY may request from CITY reasonable extensions of time to remove any temporary poles, subject to any conditions normally required by CITY of PG&E or any other utilities within the CITY.

(d) ISLAND ENERGY agrees that it shall collect and remit to CITY any applicable utility tax, transportation surcharges, such as those contained in Public Utilities Code §§ 6351 et seq. or any other lawful charges relating to utility operation on Mare Island, if such collection is required generally of utilities by law; provided, however, that ISLAND ENERGY shall not be required to withhold service or pursue collection on any unpaid amounts.

SECTION 11. INSURANCE

During the term of this Agreement, ISLAND ENERGY shall obtain and maintain at its sole cost and expense the insurance coverage required by this Section. In the event replacement coverage at the same levels and with companies having the same or better rating becomes unavailable, the parties shall cooperate in modifying this Agreement as necessary to provide for the best alternative available.

(a) Description

Upon the Effective Date, ISLAND ENERGY shall, at its sole expense and in addition to any other insurance required under this Agreement, take out and maintain during the term of this Agreement primary commercial general liability insurance with a

company authorized to do business in the State of California with a rating by A.M. Best & Co. of not less than "A" that shall protect ISLAND ENERGY from claims which may arise from operations under this Agreement, whether such operations be by ISLAND ENERGY, its officials, officers, directors, employees and agents or any subcontractors of ISLAND ENERGY. ISLAND ENERGY shall use its best efforts to obtain insurance from a company with as high a rating as possible, but in the event it is unable to procure insurance with a company with the required minimum rating, CITY agrees to modify this requirement based on evidence reasonably satisfactory to CITY that such insurance is not generally available to other municipal utilities or otherwise regulated utilities at a reasonable cost. This liability insurance shall include, but shall not be limited to, protection against claims arising from bodily and personal injury and damage to property, resulting from ISLAND ENERGY's vehicles, products and operations. The amount of insurance for single limit coverage applying to bodily and personal injury and property damage shall not be less than One Million Dollars (\$1,000,000.00). The primary liability policy shall provide coverage for the following:

- (i) The policy shall provide coverage on an "occurrence" basis.
- (ii) The policy shall cover personal injury as well as bodily injury.
- (iii) The policy shall cover blanket contractual liability subject to the standard universal exclusions of contractual liability included in the carrier's standard endorsement as to bodily injuries, personal injuries and property damage.
- (iv) Property damage liability shall be afforded.
- (v) An endorsement stating that the policy shall not be, canceled without thirty days written notice of such cancellation given to CITY.

As long as the coverage is available, ISLAND ENERGY shall maintain excess general liability coverage of up to Four Million (\$4,000,000) dollars, having exclusions as follows:

- (i) Directors and Officers Liability.
- (ii) Discrimination.
- (iii) Employment Discrimination and Employment Related Practices.
- (iv) Acts of Terrorism.
- (v) Failure to Supply – Utilities.
- (vi) Lead Contamination.
- (vii) Occupational or Environmental Disease.

- (viii) Real and Personal Property Damage Exclusion.
- (ix) Pollution Exclusion.
- (x) Punitive Damages Exclusion.
- (xi) Subsidence.
- (xii) Silica.
- (xiii) Electromagnetic Radiation.
- (xiv) Cross Liability.
- (xv) Fungi or Bacteria.
- (xvi) Professional Liability.
- (xvii) Exterior Insulation and Finish System.
- (xviii) Contractors.
- (xix) Intellectual Property.

The insurance coverage shall be primary and no insurance held by CITY shall be called to contribute to a loss under this coverage unless it is established that the loss is attributable solely or in part to the negligence or willful misconduct of CITY. Such coverage shall name CITY as an additional insured for any work performed by ISLAND ENERGY or its operations under this Agreement, provided that ISLAND ENERGY shall not be required to pay any additional cost to obtain such endorsements.

(b). Documentation

Upon execution of this Agreement, ISLAND ENERGY shall submit to CITY documentation of the required insurance, including a certificate of insurance signed by the insurance agent and companies named, as well as an Additional Insured Endorsement designating CITY and its officers, boards, commissions, officials, agents and employees as additional insureds, and shall thereafter file additional such proof annually.

(c) Notification of Litigation

It shall be the obligation of ISLAND ENERGY to promptly notify CITY of any pending or threatened litigation that would be likely to adversely affect the CITY. It shall be the obligation of CITY to promptly notify ISLAND ENERGY of any pending or threatened litigation that would be likely to adversely affect the rights or obligations of ISLAND ENERGY under this Agreement.

(d) Workers Compensation

Whenever conducting work on Mare Island, ISLAND ENERGY, shall ensure that either it, or any entity performing such work on ISLAND ENERGY's behalf, shall obtain and maintain Workers' Compensation Insurance for all of its employees performing such work, and in case any work is sublet, ISLAND ENERGY shall require any subcontractor similarly to provide Workers' Compensation Insurance for all of their employees, all in compliance with State laws, and to fully indemnify CITY from and against any and all workers compensation claims by employees of ISLAND ENERGY and its contractors and subcontractors arising out of occurrences during work on Mare Island. ISLAND ENERGY hereby indemnifies CITY for any and all costs, expenses (including reasonable attorneys' fees and disbursements of counsel), damages and liabilities incurred by CITY as a result of any failure of either ISLAND ENERGY or any subcontractor of ISLAND ENERGY'S to take out and maintain such insurance. ISLAND ENERGY shall provide CITY with a certificate of insurance indicating Workers' Compensation coverage on the Effective Date. This provision does not apply to employees of ISLAND ENERGY who do not perform work on Mare Island.

SECTION 12. INDEMNIFICATION

(a) ISLAND ENERGY Indemnification

(1) ISLAND ENERGY shall indemnify, defend and hold CITY, its officers, boards, commissions, agents and employees (collectively the "CITY Indemnified Parties") harmless from and against any and all lawsuits, claims, causes of action, actions, liability, demands, damages, judgments, settlements, losses, expenses (including reasonable attorneys' fees) and costs, that any of the CITY Indemnified Parties, acting within the performance of the official duties of the position and not resulting from their sole negligence or willful misconduct, may at any time suffer, sustain or incur, arising out of, based upon or in any way connected with any work performed by ISLAND ENERGY or its contractors or its use, repair, management, installation of facilities within common trenches, locations on or adjacent to CITY facilities and public streets, including associated appurtenances, by ISLAND ENERGY or its officers, boards, commissions, agents, contractors and employees.

(2) ISLAND ENERGY shall specifically indemnify, defend and hold harmless CITY Indemnified Parties from and against any and all lawsuits, claims, causes of action, actions, liability, demands, damages, costs, judgments, settlements, losses and expenses (including reasonable attorneys' fees), arising from any discharge of any hazardous materials in a public street and right-of-way or other public property and as a direct and proximate result of ISLAND ENERGY'S operations within any public streets and rights-of-way or other public property. This indemnification does not extend to hazardous materials that remain the responsibility of the United States Government and its grantees and assigns or are the responsibility of CITY or its grantees and assigns. As used in this section, "hazardous materials" means any

hazardous substances, materials or wastes (1) defined or listed as "hazardous substances," "toxic substances" or similarly identified under any provision of California law; (2) designated as "hazardous substances" under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Sections 9601 *et seq.*), the Federal Hazardous Materials Transportation Law (49 U.S.C. Sections 5101 *et seq.*), the Resource Conservation and Recovery Act (42 U.S.C. Sections 6901 *et seq.*), or the Toxic Substance Control Act of 1976 (15 U.S.C. Sections 2601 *et seq.*); (3) defined as "toxic pollutants" under the Clean Water Act (33 U.S.C. Sections 1251 *et seq.*); (4) designated as "hazardous air pollutants" under the Clean Air Act (42 U.S.C. Sections 7401 *et seq.*); or (5) defined, designated or listed under any State or federal legislation or regulations adopted or amended during the term of this Agreement.

(b) City Indemnification

CITY shall indemnify, defend and hold ISLAND ENERGY, its officers, boards, commissions, agents and employees (collectively the "ISLAND ENERGY Indemnified Parties") harmless from and against any and all lawsuits, claims, causes of action, actions, liability, demands, damages, judgments, settlements, losses, expenses (including reasonable attorneys' fees) and costs that any of the ISLAND ENERGY Indemnified Parties, acting within the performance of the official duties of the position and not resulting from their negligence or willful misconduct, may at any time suffer, sustain or incur, arising out of, based upon or in any way connected with any work performed by the CITY or its contractors, or their use, repair, management, installation of facilities within common trenches, locations on or adjacent to ISLAND ENERGY facilities and public streets, including associated appurtenances, by the CITY or its officers, boards, commissions, agents, contractors and employees.

SECTION 13. TRANSFER OF RIGHTS

(a) ISLAND ENERGY may not sell, transfer, assign, or lease this Agreement, or part hereof, or any of the rights or privileges granted hereby, without the prior written consent of CITY, which may not be unreasonably withheld, expressed by ordinance or resolution of the City Council. Notwithstanding the foregoing, the CITY may withhold its consent, in its sole discretion, to any proposed sale, transfer, assignment or lease of this Agreement or any part hereof to an entity other than a municipal utility or otherwise regulated utility. Any attempt to sell, transfer, assign, lease or otherwise dispose of the rights under this Agreement without the consent of the CITY Council shall be null and void. Notwithstanding the foregoing, CITY approval is not required for the granting of a security interest in any of ISLAND ENERGY'S assets, or any mortgage or other hypothecation, or by assignment as collateral of any rights, title or interest of ISLAND ENERGY in the Agreement and the rights hereunder in order to secure an indebtedness.

(b) The CITY Council's approval or disapproval of any proposed transfer shall be based on the proposed transferee's legal, financial and technical

qualifications, the transferee's acceptance of the terms and conditions of this Agreement and agreement to be bound thereby, and on whether ISLAND ENERGY is in compliance with the terms of this Agreement.

SECTION 14. FACILITY RELOCATION FUND

In accordance with the proposed revisions to the Electric Tariff Schedules (the "Tariff Schedules") to be adopted by ISLAND ENERGY, ISLAND ENERGY shall establish and make contributions to a relocation fund (the "Relocation Fund") beginning on July 1, 2013 to defray the costs of relocation of its facilities after July 1, 2013. The Tariff Schedules shall also provide for certain "Early Contributions", as defined within the Tariff Schedules and in the amounts set forth therein, to be made by ISLAND ENERGY prior to the establishment of the Relocation Fund. The Relocation Fund shall be funded and operated in accordance with the terms of the Tariff Schedules.

SECTION 15. FRANCHISE NOT EXCLUSIVE

The franchise under this Agreement is not exclusive. The CITY reserves the right to build, install, own or operate electric power generation on Mare Island, allow others to do so, or do so in combination with others. If, however, the CITY or others besides ISLAND ENERGY undertake to provide service to customers of ISLAND ENERGY on Mare Island, this Agreement does not relieve them from any obligation to pay exit or other fees if required by state or federal law.

SECTION 16. NOTICES

All notices, reports or demands required or permitted to be given under this Agreement shall be in writing and shall be deemed to be given when delivered personally to the party designated below, or when delivered by the United States mail in a sealed envelope, with registered or certified mail, postage prepaid thereon, or delivered by express mail or nationally recognized overnight air courier addressed to the party to which notice, report or demand is being given, as follows:

If to CITY: City Manager
 CITY OF VALLEJO
 City Hall
 555 Santa Clara Street
 Vallejo, CA 94590

with a copy to:

City Attorney
CITY OF VALLEJO
City Hall
555 Santa Clara Street
Vallejo, CA 94590

If to GRANTEE:

General Manager,

Pittsburg Power Company
65 Civic Avenue
Pittsburg, CA 94565

with a copy to:

General Counsel
Pittsburg Power Company
65 Civic Avenue
Pittsburg, CA 94565

Such addresses may be changed by either party upon notice to the other party given as provided in this Section.

SECTION 17. RESOLUTION. NOTICE OF HEARING AND PROTESTS

On January 11 2005, the CITY Council adopted Resolution No. 05-23 N.C. ^{mid RK} stating its intent to grant the franchise contained herein and execute this Agreement. Notice of hearing was given in the manner required by the Vallejo City Charter. The CITY Council has held a duly noticed public hearing on its intention to grant this franchise. The CITY Council heard any and all protests. On Feb. 1, 2005 ^{mid RK} the CITY Council adopted Resolution No. 05-39 N.C. ^{mid RK} determining such protests to be insufficient, overruled or denied and approving the award of this franchise and approval of this Agreement.

SECTION 18. CONSTRUCTION

Headings in this Agreement are for convenience only, and shall have no bearing on interpreting the provisions hereof. If any provision of this Agreement is held by a court to be void or unenforceable, the same shall in no way affect any other provision of this Agreement, the application of any such provision in another circumstance, or the validity or enforceability of this Agreement as a whole. In the event any provision of this Agreement is held by a court to be void or unenforceable, CITY shall have the opportunity to amend this Agreement in a manner consistent with the judgment and in consultation with ISLAND ENERGY. Notwithstanding any provisions of this section to the contrary, if any provision of this Agreement is held by a court to be void or unenforceable in an action brought by ISLAND ENERGY or in an action in which ISLAND ENERGY appears and contests the facial validity of such provision, then the entire Agreement shall be of no further force or effect.

SECTION 19. EFFECTIVE DATE

The rights granted under this Agreement shall not become effective until all of the following conditions is satisfied: (1) ISLAND ENERGY executes this Agreement, which shall be no later than sixty (60) days after the effective date of Ordinance No. ____ or this Agreement shall be of no further force and effect; and (2) ISLAND ENERGY files with

the CITY Clerk proof of insurance as required by Section 11. The first day of the first full month following receipt of the required documentation by the CITY Clerk shall be the effective date of this Agreement.

SECTION 20. JURISDICTION AND VENUE

Any dispute that arises under or relates to this Agreement shall be resolved in the Superior Court of the State of California and venue shall be proper in Solano County. In any such litigation, the prevailing Party shall be entitled to its respective attorneys' fees and costs.

SECTION 21. ISLAND ENERGY ADVISORY COMMITTEE

Concurrently with the transfer of Mare Island by the Navy to the CITY and the easements to ISLAND ENERGY, ISLAND ENERGY and CITY formed an advisory committee that has met regularly to confer on issues relating to the delivery of electric and gas service to Mare Island. The parties agree that this committee with representatives from both parties shall continue to meet regularly to discuss issues that may arise during the course of development on Mare Island, as well as the implementation of this Agreement. Such issues include, but are not limited to, any proposed changes in the tariffs and rates, any proposed transfer under Section 13 hereof, or any proposed modifications to the General Conditions. In addition, during the term of this Agreement, ISLAND ENERGY agrees that it shall provide to the CITY's representatives on the advisory committee copies of all notices, agendas and agenda packets for all public meetings of the Pittsburg Power Company that relate to the business of ISLAND ENERGY on Mare Island at the same time as such information is made available to the public, at no cost to CITY.

SECTION 22. NO EXPANSION OR DIMINISHMENT OF GRANT OF EASEMENT

Nothing in this Agreement is intended to expand upon or diminish the rights granted to ISLAND ENERGY under the Grant of Easement.

SECTION 23. REPRESENTATIONS AND WARRANTIES OF SIGNATORIES

Each of the parties executing this Agreement does affirmatively represent and warrant as follows:

1. That this Agreement and the resulting contract constitute a valid and binding obligation, as to each and every term thereof, enforceable in accordance with the terms thereof;

2. That the persons who have executed this Agreement are duly authorized to do so by all necessary action; and

3. That the execution and delivery of this Agreement does not violate any provision of the laws, rules and authorities to which the parties are subject.

CITY OF VALLEJO, a Municipal
Corporation of the State of California and
Charter City

By: Roger L. Kemp
Roger L. Kemp
City Manager

Attest:

Allison Villante
Allison Villante
City Clerk

Approved as to Form:

Frederick G. Soley
Frederick G. Soley
City Attorney

Approved as to Content:

Mark K. Akaba
Mark K. Akaba
Public Works Director

PITTSBURG POWER COMPANY, A Joint
Powers Authority, dba ISLAND ENERGY

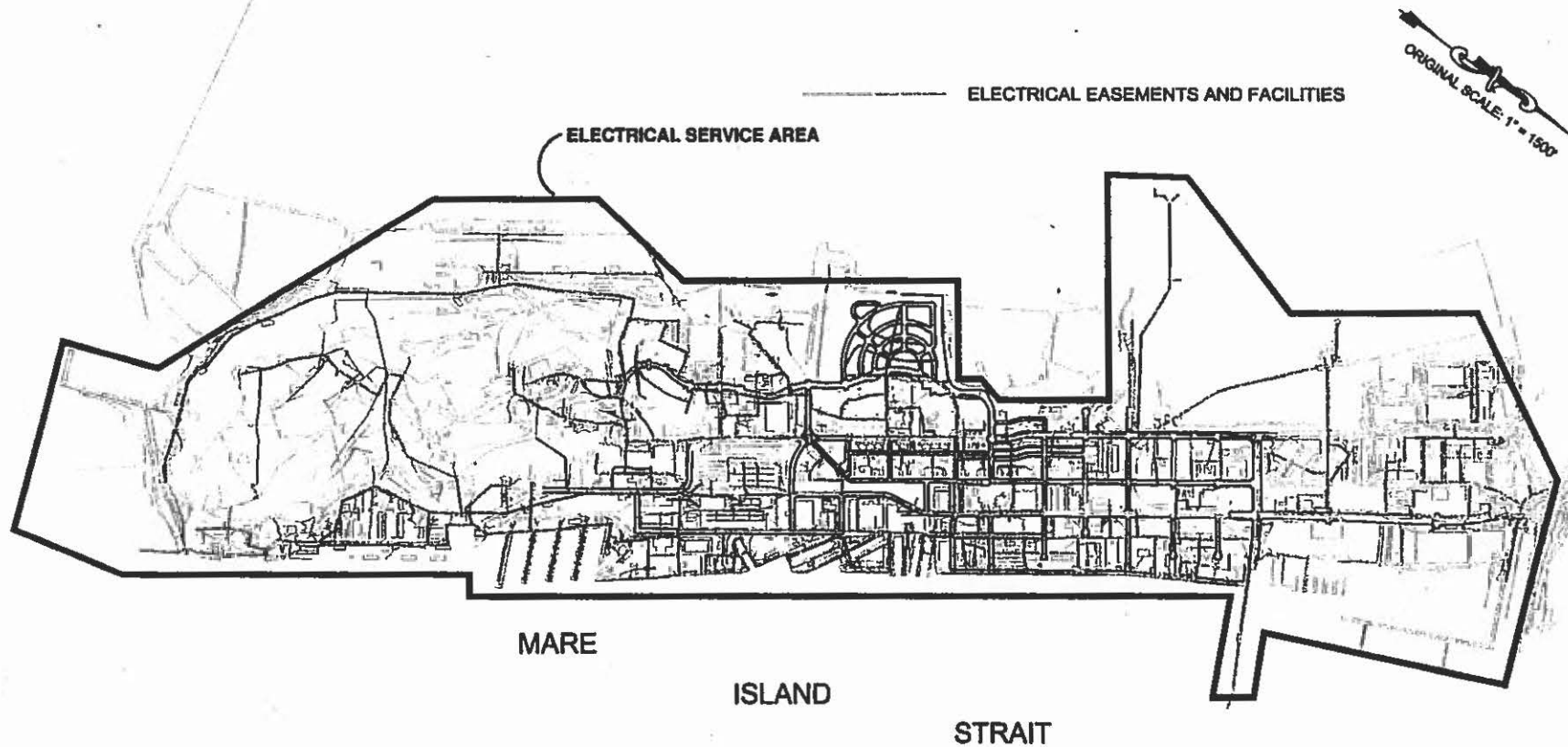
By: Marc S. Grisham
Marc S. Grisham
Executive Director

Attest:

Lillian J. Pride
Secretary

Approved as to Form:

Russell H. Townsend
Russell H. Townsend
General Counsel
Pittsburg Power Company



PREPARED BY:



CHAUDHARY & ASSOCIATES, INC.

ENGINEERING SURVEYING
 CIVIL MECHANICAL ELECTRICAL & ENVIRONMENTAL
 2000/0008077/CHMITS/geo-elec-easements IE-dscl

PREPARED FOR:



LENNAR MARE ISLAND

EXHIBIT 'A'

**MARE ISLAND
 ISLAND ENERGY UTILITIES
 ELECTRICAL SERVICE AREA**

SCALE: 1" = 1500'

DATE: DECEMBER 14, 2004

**OPERATIONS AGREEMENT BETWEEN CITY OF VALLEJO AND ISLAND
ENERGY REGARDING DISTRIBUTION OF GAS ON MARE ISLAND**

This Operations Agreement is made and entered into by and between the City of Vallejo, a municipal corporation and charter city (hereafter, "GRANTOR" or "CITY") and Pittsburg Power Company, a Joint Powers Authority, doing business as Island Energy, (hereafter, "GRANTEE" or "ISLAND ENERGY").

RECITALS

A. Within the boundaries of the City lies Mare Island. Historically the Island contained Mare Island Naval Shipyard (the "Shipyard"), the first naval base on the West Coast, which Congress established in 1853. Mare Island consists of almost 1,650 dry upland acres and now contains about 960 buildings, including many dating from the 1800s. Mare Island is a California Historic Landmark and a National Historic Landmark. At its height, over 40,000 people worked at the Shipyard and it was an important element in the defense of this country through two World Wars and other military actions.

B. In 1993, 140 years after this country established the Shipyard, the Defense Base Closure and Realignment Commission recommended the Shipyard be closed. That has occurred. When the Shipyard closed, about 9,300 civilians and military personnel worked there. Another 5,700 persons in the City were employed in connection with the Shipyard. In response to the closure, the City initiated the development and implementation of a successful closure process. The Mare Island Final Reuse Plan (the "Reuse Plan"), which established a policy for the future of the Island, was adopted by the CITY on July 26, 1994. The Reuse Plan's goal is to become a model for successful conversion of a military facility. Among other objectives, the Reuse Plan seeks to create jobs and other economic development opportunities to sustain and improve economic conditions in the City and surrounding area; it seeks to create a self-sustaining and multi-use community under a common design theme, with balanced uses that will meet the needs of future generations; and, it seeks to use a variety of innovative economic development tools, including public-private partnerships, to market, finance and develop Mare Island. This Agreement furthers those goals and objectives, by, among other things, providing stable and attractive utility rates for businesses and residents on Mare Island.

C. The CITY also adopted a Specific Plan on March 30, 1999 to govern the land use policy and development process for Mare Island. Further, it amended the Architectural Heritage Historic Preservation Ordinance (Vallejo Municipal Code Chapter 16.38) to govern historic resources on Mare Island.

D. The regulatory planning process that the CITY has undertaken sets forth goals and objectives concerning provision of electric and gas utilities to Mare Island. The Final Reuse Plan, for example, described the gas system on the Island as generally being in good condition and supporting the land uses the Plan envisioned. It identified

the major Capital Improvement Project as being the installation of new gas service meters throughout the Island.

E. Following the determination by CITY that it would not assume the responsibility for distribution of the gas and electric utilities on Mare Island, Pittsburg Power Company was formed for this and other purposes and, under the name ISLAND ENERGY, commenced operations as a municipal gas and electric utility provider on Mare Island under a license agreement with the U. S. Government on April 1, 1997.

F. On August 22, 2001, Pittsburg Power Company accepted from the federal government, acting through the Department of the Navy, the Grant of Non-Exclusive Easement For Gas And Electric Distribution Systems And Associated Buildings At The Former Mare Island Naval Shipyard To Pittsburg Power Company, J. P. A. (d.b.a. "Island Energy") (the "Grant of Easement"). Under the Grant of Easement, ISLAND ENERGY acquired both the then-existing hard assets, including all utility distribution systems and related buildings and the easements upon, under and over which the systems and buildings were located, from the U.S. Government, CITY's predecessor in title.

G. Under the Grant of Easement, if any of the Existing Easements (as defined below) or the Existing Facilities (as defined below) are required to be relocated by the Navy, its successors and assigns or the local redevelopment agency for Mare Island, the party requesting such relocation, is to pay ISLAND ENERGY all costs of relocation and provide ISLAND ENERGY with an equivalent substitute easement. The Grant of Easement also provides that after fifty (50) years from the date of the Grant of Easement, any costs of relocation of aboveground gas and electrical distribution facilities shall be borne by ISLAND ENERGY.

H. Under its Charter, the CITY is authorized to enter into agreements for the operation, maintenance and construction of gas utility systems on Mare Island. The CITY and ISLAND ENERGY have agreed that it is in the best interest of both parties, as well as the economic development of Mare Island, to enter into this Agreement and provide for continued, improved, expanded and, to the extent possible, lower cost gas service on Mare Island.

I. The parties hereto desire to enter into this Agreement to provide for (1) an agreement by ISLAND ENERGY that, as Mare Island develops, it will exchange those easements and gas distribution facilities and buildings conveyed under the Grant of Easement for relocated easements, facilities and buildings at the times and under the conditions specified in this Agreement; (2) payment of a fee by ISLAND ENERGY, similar to that paid by PG&E to the City for PG&E's franchise rights in other areas of the City; and (3) the grant of a franchise by CITY to ISLAND ENERGY to provide gas service in that portion of Mare Island outside of the Existing Service Area (referred to herein as the "Franchise Area") under the terms and conditions specified herein. A Map of the Franchise Area will be attached hereto as Exhibit B and this Agreement shall be thereby amended once such locations are determined.

AGREEMENTS

SECTION 1. DEFINITIONS

Whenever in this Agreement the words or phrases defined in this section are used, they shall have the respective meanings assigned to them in the following definitions:

"City" shall mean the City of Vallejo, a municipal corporation and a charter city in the State of California, in its present incorporated form or in any later reorganized, consolidated, enlarged or reincorporated form.

"Construct, maintain and use" shall mean to lay, construct, erect, install, operate, maintain, use, repair, modify or replace.

"Day" means a calendar day.

"Effective Date" shall mean the date set forth in Section 19 of this Agreement.

"Existing Easements" shall mean those non-exclusive easements granted to ISLAND ENERGY by the Grant of Easement.

"Existing Facilities" shall mean those gas distribution facilities and associated buildings granted to ISLAND ENERGY by the Grant of Easement.

"Existing Service Area" shall be that portion of Mare Island that is described in the Grant of Easement as being served by the gas distribution system transferred to ISLAND ENERGY through the Bill of Sale and Grant of Easement. This area is shown on Exhibit A, "Map of the Existing Service Area", attached hereto and incorporated herein by this reference.

"Franchise" shall mean the right and privileges acquired under the terms and conditions described in this Agreement with respect to the provision of gas service by ISLAND ENERGY in the Franchise Area.

"Franchise Area" shall be as defined in Recital I above.

"Gas" means any combustible gas or vapor, or combustible mixture of gaseous constituents used to produce heat by burning. "Gas" shall include, but not be limited to, natural gas, gas manufactured from coal or oil, gas obtained from biomass or from a landfill, or any other source.

"Grant of Easement" shall be as defined in Recital F above.

"Grantee" shall mean Pittsburg Power Company, a Joint Powers Authority, comprised of the City of Pittsburg, California and the Redevelopment Agency of the City of Pittsburg, doing business as Island Energy ("ISLAND ENERGY").

"Gross Annual Receipts" shall mean all receipts received by ISLAND ENERGY from the sale of gas within the City of Vallejo. Gross Annual Receipts shall not include such sums collected by ISLAND ENERGY on behalf of and paid to others, such as taxes, fees and charges collected on behalf of the CITY, state government or federal government. The fiscal year for ISLAND ENERGY is from July 1 through June 30 of the following calendar year

"Operations Fee" shall mean the fee payable by ISLAND ENERGY to the CITY as described in Section 7 of this Agreement.

"Pipes and appurtenances" means facilities necessary for the transmission of gas, including pipes, pipelines, mains, services, traps, vents, vaults, manholes, meters, gauges, regulators, valves, conduits, taps and compressors, appliances, attachments, communication circuits, appurtenances, and without limitation to the foregoing, any other equipment located or to be located under, along, across or upon the public streets of CITY, and necessary or proper in transmitting gas.; provided, however, that nothing in this Agreement grants the right to use any of the foregoing facilities for any purpose other than the transmission of gas. The term "facilities" may hereafter be used for convenience to refer to "pipes and appurtenances."

"Public streets" shall mean the public streets, ways, alleys and places as the same now or may hereafter exist within Mare Island, now or hereafter established within Mare Island, now or hereafter established within Mare Island. "Public streets" includes a public right-of-way, whether or not formally included within CITY's public road system. "Public streets" does not include a public utility easement crossing private property, nor does "public streets" include any park, playground, school property or other municipal or public property not constituting a public right-of-way. "Public streets" does not include, and the rights granted herein do not allow the use of, a public utility easement described in Government Code section 50335 or successor legislation, the use of which is governed by such terms and conditions as agreed upon by the parties thereto.

"Relocated Facilities" shall mean those new facilities acquired by ISLAND ENERGY in exchange for the Existing Facilities.

"Term" shall mean the initial term as defined in Section 3 and any renewal term, unless otherwise required by the context.

SECTION 2. GRANT OF FRANCHISE

In consideration of the provision by ISLAND ENERGY of gas service, within the Existing Service Area, as well as its agreement to comply with the Reuse Plan and Specific Plan, and in further consideration of the promises contained herein, the CITY grants ISLAND ENERGY, its successors and assigns, a franchise to construct, maintain and use in said public streets and places all pipes and appurtenances whenever and wherever required to extend service and to convey and distribute gas to the public within the Franchise Area and for all related purposes. ISLAND ENERGY shall be

required to allow joint use of common trenches within the Franchise Area and within the Existing Service Area, where common trenches are used, by other persons where appropriate and where such joint use is not otherwise prohibited by law or ordinance; provided that any joint user must first have or obtain an appropriate franchise from CITY or other lawful regulatory authority. This Agreement shall be amended to specifically add each portion of the Franchise Area as they become identifiable. As of the date of this Agreement, there are no Franchise Areas in which ISLAND ENERGY operates.

SECTION 3. TERM

This Agreement will commence on the Effective Date and expire twenty (20) years from that date. After that time, it will be of no force or effect unless it is renewed under applicable law and pursuant to agreement of the parties.

During the term of this Agreement, the Agreement shall remain in full force and effect unless: (1) ISLAND ENERGY voluntarily surrenders the Agreement, in accordance with applicable State or federal laws; (2) the State or some municipal or public corporation purchases by voluntary agreement or condemns and takes under the power of eminent domain, all property actually used and useful in the exercise of ISLAND ENERGY's provision of gas service on Mare Island, or (3) the Agreement is terminated by one party due to noncompliance with its terms by the other party. At least six (6) months prior to the expiration of the term of this Agreement, the parties shall meet and confer to determine if this Agreement should be extended and/or what terms and conditions shall apply to any such extension.

SECTION 4. COMPLIANCE WITH LOCAL LAWS

(a) Except in the event of an emergency where it may be impractical to do so, prior to commencing any work, ISLAND ENERGY shall obtain all necessary permits from City and pay all processing, permitting and regulatory fees associated with those permits, and post any required security deposits or bonds, before starting any construction, repair, upgrade or extension of its system. ISLAND ENERGY shall obtain all required permits and pay any fees described herein as soon as practicable after the emergency conditions have ended. These permits include, but are not limited to, grading permits, encroachment permits, excavation permits, appropriate environmental review, or any other regulatory approval PG&E and any other party would have to obtain from the CITY under its municipal code or other authorities if it was PG&E or another party seeking to perform the activities ISLAND ENERGY was planning. This provision is intended to keep ISLAND ENERGY on an equal footing with PG&E and any others doing work within the City.

(b) ISLAND ENERGY shall construct, restore, maintain and use all pipes and appurtenances in a good and workmanlike manner and in compliance with all applicable federal, State and City laws, ordinances, resolutions, regulations, policies, rules, orders, plans and specifications, and subject to all lawful fees and exactions.

(c) Upon constructing, maintaining or using any pipes and appurtenances, or any part thereof, ISLAND ENERGY shall expeditiously restore to applicable and lawful City standards all public property disturbed or altered as a result of Grantee's actions. As used in this section, "public property" means public streets, rights-of-way and improvements and includes, but is not limited to, all public improvements associated with the public streets that may be affected by ISLAND ENERGY'S activities, such as landscaping, irrigation systems, street lights, street furniture, sidewalks and bus shelters. ISLAND ENERGY shall comply with CITY'S reasonable terms and conditions concerning the location within the public streets of proposed facilities, except to the extent State or federal law or regulation preempts any such terms and conditions.

(d) ISLAND ENERGY has adopted standards of construction for its facilities, which are set forth in the following manuals:

Underground Construction Standards

Overhead Construction Standards

Gas Material Specifications

Service Guide

Copies of these manuals have been provided to CITY, and ISLAND ENERGY shall provide copies of any significant revisions to such manuals when adopted. ISLAND ENERGY agrees that any proposed significant modifications to such General Conditions shall be presented to the Island Energy Advisory Committee (as described in Section 21 hereof) for its review and comment, prior to any adoption of such modifications.

SECTION 5. RELOCATION OF FACILITIES WITHIN EXISTING SERVICE AREA

(a) Relocation of Facilities

During the term of this Agreement and in the event any portion of the Existing Service Area is proposed to be redeveloped ("Proposed Redevelopment") in a manner which would require the relocation of the Existing Facilities within the area of the Proposed Redevelopment, ISLAND ENERGY agrees that it shall cooperate with CITY and any developer within the Existing Service Area to quitclaim, free and clear of any encumbrances or liens that may have been placed against the interest of ISLAND ENERGY in such non-exclusive Existing Easements and Existing Facilities as may be necessary to accommodate such Proposed Redevelopment in exchange for new gas distribution facilities to be owned and operated by ISLAND ENERGY and to be placed within non-exclusive easements granted or dedicated to ISLAND ENERGY in new locations as necessary to allow for the distribution of gas to the same area. To the greatest extent possible, these new locations shall be within designated "public utility easements" ("PUEs"), as shown on the parcel or subdivision map for any such

Proposed Redevelopment, provided the requirements contained in this Section 5 are complied with. In addition, CITY hereby acknowledges that ISLAND ENERGY shall be entitled to the use of the public streets in the Existing Service Area and any Franchise Areas during the term of this Agreement for the purpose of providing retail gas service, subject to the reasonable review and approval by the City of Vallejo with respect to location of such use to ensure that adequate spacing and clearance is maintained for other public utilities and roadway uses

(b) Preservation of Rights

Subject to the terms of the Grant of Easement and subject to the terms of any separate agreement with a developer on Mare Island, which separate agreement shall not be inconsistent herewith, ISLAND ENERGY agrees that it shall quitclaim Existing Easements and Existing Facilities (in the condition described in paragraph (a) above) within the area of a Proposed Redevelopment when and as necessary within the Existing Service Area, in exchange for the Relocated Facilities and new non-exclusive easements. To the greatest extent possible, the new easements shall be in the form of public utility easements dedicated to the City and ISLAND ENERGY. Such dedication shall be clearly displayed under the "Owner's Statement" or otherwise for all final subdivision and parcel maps where ISLAND ENERGY will be replacing its easements with locations in the PUEs as follows:

"THE UNDERSIGNED HEREBY MAKES AN IRREVOCABLE OFFER OF DEDICATION TO THE CITY OF VALLEJO AND PITTSBURG POWER COMPANY, DOING BUSINESS ON MARE ISLAND AS ISLAND ENERGY, OF THE EASEMENTS DESIGNATED AS PUBLIC UTILITY EASEMENTS (PUEs) FOR PUBLIC UTILITY PURPOSES ONLY, INCLUDING THE RIGHTS FOR CONSTRUCTION, RECONSTRUCTION, ACCESS TO AND MAINTENANCE OF IMPROVEMENTS AND STRUCTURES, WHETHER COVERED OR OPEN, AND THE CLEARING OF OBSTRUCTIONS AND VEGETATION.

In addition, the following statement shall be clearly displayed under the "Owner's Statement" or otherwise on all final subdivision and parcel maps:

"THE DEDICATION OF STREETS, AS PUBLIC ROADWAYS, TO THE CITY OF VALLEJO INCLUDES THE RIGHT, POWER AND AUTHORITY OF THE CITY OF VALLEJO TO GRANT TO PITTSBURG POWER COMPANY, DOING BUSINESS ON MARE ISLAND AS ISLAND ENERGY, SUCH ADDITIONAL RIGHTS, INCLUDING THE GRANT OF SUCH NON-EXCLUSIVE EASEMENTS WITHIN SUCH DEDICATED AREAS, AS ARE NECESSARY TO INSURE THE CONTINUED AND UNINTERRUPTED DISTRIBUTION OF GAS AND ELECTRICITY WITHIN THE SUBDIVISION BOUNDARIES."

(c) Preservation of Easement Rights Within Public Streets

So long as ISLAND ENERGY is a municipal utility or a regulated utility provider, in the event of termination, irrespective of the cause or reason, or expiration of this Agreement, CITY shall, prior to any such event and as a condition thereto, provide Island Energy with a grant of non-exclusive easement, which may be located within a common trench, sufficient to enable ISLAND ENERGY to relocate, replace, update, install, reinstall and/or maintain its existing facilities in order to continue to provide service to all redeveloped areas in the Existing Service Area. The grant of easement shall include an adequate non-exclusive easement within those portions of the public streets utilized by Island Energy for the distribution of gas. Further, CITY hereby acknowledges that ISLAND ENERGY is entitled to the rights and protections provided in the Public Streets, Highways and Service Easements Vacation Law (Streets and Highways Code, section 8300 *et seq.*) for public utility facilities.

SECTION 6. MINOR RELOCATIONS

Until such time as the Relocation Fund (as set forth in Section 14 hereof,) is funded and available to the CITY, and upon written application being made by CITY, or on its behalf, to ISLAND ENERGY, for a project requiring relocation of ISLAND ENERGY facilities within the Existing Service Area having a total cost of less than \$100,000, ISLAND ENERGY shall either credit or reimburse CITY for up to \$25,000 of the cost of such relocation. The CITY shall be responsible for all costs above and beyond the \$25,000 credit or reimbursement from ISLAND ENERGY. Such credit or reimbursement shall apply only once during the fiscal year in which such work is performed, and any reimbursement by ISLAND ENERGY under this provisions may be delayed until the following fiscal year for budgetary reasons. In addition, the \$25,000 annual limit specified herein applies in the aggregate to relocations of ISLAND ENERGY'S electric and gas facilities within their respective Existing Service Areas. A similar provision to this Section 6 is provided in the Operations Agreement Regarding Distribution of Electricity on Mare Island executed by ISLAND ENERGY and the CITY. Unless otherwise specified in the contract relating to such work, all work on ISLAND ENERGY facilities shall be performed by ISLAND ENERGY.

SECTION 7. OPERATIONS FEE

(a) In consideration of the rights provided under this Agreement, during the term of this Agreement, ISLAND ENERGY shall pay CITY two percent (2%) of ISLAND ENERGY'S Gross Annual Receipts (the "Operations Fee") received on or after January 1, 2009..

(b) As used in this section, "Annual Payment Date" means September 30, following the close of ISLAND ENERGY'S fiscal year.

(c) Within three (3) months after the expiration of each fiscal year, or fractional fiscal year, following the Effective Date of this Agreement as certified under

Section 20, but no later than September 30th of each such year, ISLAND ENERGY shall file with City's Finance Director or other official designated by CITY a verified statement under penalty of perjury showing in detail the Gross Annual Receipts of ISLAND ENERGY during the preceding fiscal year, or fractional fiscal year. ISLAND ENERGY'S statement shall include such other data or information as CITY may reasonably require in calculating or determining the amounts which ISLAND ENERGY is obligated to pay CITY pursuant to the provisions of this Section 7.

(d) No later than September 30th of each year, following the Effective Date of this Agreement, ISLAND ENERGY shall pay to CITY, in lawful money of the United States, the amount required by this Section 7. In the event there is an overpayment for any reason, ISLAND ENERGY shall be entitled, at its election, to either a refund of the difference or the application of a credit in the amount of the difference to the following year's Operations Fee. In the event the Operations Fee is not paid on or before the date set forth herein, ISLAND ENERGY shall pay as additional compensation, an interest charge, computed from such due date, at an annual rate of ten percent (10%) during the period for which payment was due.

(e) Annually, at ISLAND ENERGY'S expense, ISLAND ENERGY shall provide CITY with an audited report conducted pursuant to Generally Accepted Auditing Standards consistently applied, which expresses an opinion that the statement has been prepared in accordance with the terms of this Agreement and that nothing has come to the auditor's attention that would cause the auditors to believe that ISLAND ENERGY has not complied with this Agreement insofar as it relates to accounting matters.

(f) The City Finance Director, or any certified public accountant or qualified person designated by CITY, after reasonable notice and at any reasonable times during business hours, may make examination or audit at ISLAND ENERGY'S office or offices, of its books, accounts and records germane to and for the purpose of verifying the data set forth in the statement required by Section (c). Upon CITY'S request, ISLAND ENERGY shall provide CITY with such records, directly related to revenues derived within CITY, which it may have. In the event an audit obtained by CITY indicates an underpayment by ISLAND ENERGY of the Operations Fee by more than five (5%) percent, ISLAND ENERGY shall bear the costs of such audit.

SECTION 8. AUTHORITY

This Agreement for the provision of gas service in the Franchise Area is granted under Article IX of the Vallejo City Charter.

SECTION 9. ENFORCEMENT

(a) This Agreement may be terminated by either party for failure to comply with the terms of the Agreement after written notice and an opportunity to cure, as set forth below. If a Party believes that the other Party is in default of its obligations

under this Agreement, it shall send a written notice to the defaulting party, specifying the nature of the default.

(b) After receipt of the written notice of default, if the defaulting Party does not promptly commence to cure such default or the work of compliance, or after such commencement does not prosecute the work with due diligence to completion, the other Party may terminate this Agreement or seek any remedy available to it, whether in law or in equity. Prior to terminating this Agreement or instituting any action to enforce this Agreement, the parties shall, in good faith, meet and confer with the intention of resolving their differences. The parties agree that the appropriate venue for any such action shall be in the Superior Court of the County of Solano. Notice of demand for compliance shall be in writing and delivered in accordance with the provisions set forth in Section 18 hereof.

SECTION 10. OBLIGATIONS OF ISLAND ENERGY

(a) Non-Obstruction

All transmission and distribution structures, pipes and appurtenances erected by ISLAND ENERGY within the public streets or in PUEs shall be located so as not to unreasonably obstruct or unnecessarily interfere with the usual and customary use of streets, alleys, and other public rights-of-way and places, and to cause minimum interference with the rights of property owners who abut the same; and not to unreasonably interfere with the existing public utility installations. ISLAND ENERGY has furnished to the City Engineer a copy of the Grant of Easement, including all attached maps, plats and descriptions of the location and character of all existing facilities, including underground facilities. ISLAND ENERGY shall file with CITY updates of such maps, plats and permanent records annually if changes have been made in the system that did not otherwise require CITY approval. In using the Existing Service Area or the Franchise Area, ISLAND ENERGY shall not place pipes, conduits, or other fixtures above or below ground where they will unreasonably interfere with any telephone, sanitary storm or sewer, or water or other utility fixtures. All of ISLAND ENERGY's pipes or appurtenances placed in any street shall be so placed as to comply with all requirements of the CITY. ISLAND ENERGY shall, on request of any person holding a moving permit issued by CITY, temporarily move its gas pipes or appurtenances to permit the moving of buildings with the expense of such temporary removal and relocation to be paid by the person requesting the same, and ISLAND ENERGY shall be given not less than ten days advance notice to arrange for such temporary change. ISLAND ENERGY shall cooperate with and participate fully in Underground Service Alert (USA) and other reputable underground facility locating services to ensure that damage and/or interference with other underground facilities occupants is minimized.

(b) Notice of Repairs to Property Owners

Except in cases of emergency or responses to unplanned system failures where it is impractical to do so, prior to entering onto property to construct, operate or repair its facilities (unless the repair or construction can be performed from the street

without disrupting property), ISLAND ENERGY shall give the person residing on or using the property adequate notice, not less than twenty-four hours in advance that it intends to work on the property; a description of when and what work it intends to perform; and a name and telephone number the person can call to protest or seek modification of the work. Work shall be done in a manner that causes the least interference with the rights and reasonable convenience of property owners, residents and users, and that complies with applicable law.

(c) ISLAND ENERGY agrees that it shall collect and remit to CITY any applicable utility tax, transportation surcharges, such as those contained in Public Utilities Code §§ 6351 et seq. or any other lawful charges relating to utility operation on Mare Island, if such collection is required generally of utilities by law; provided, however, that ISLAND ENERGY shall not be required to withhold service or pursue collection on any unpaid amounts.

SECTION 11. INSURANCE

During the term of this Agreement, ISLAND ENERGY shall obtain and maintain at its sole cost and expense the insurance coverage required by this Section. In the event replacement coverage at the same levels and with companies having the same or better rating becomes unavailable, the parties shall cooperate in modifying this Agreement as necessary to provide for the best alternative available.

(a) Description

Upon the Effective Date, ISLAND ENERGY shall, at its sole expense and in addition to any other insurance required under this Agreement, take out and maintain during the term of this Agreement primary commercial general liability insurance with a company authorized to do business in the State of California with a rating by A.M. Best & Co. of not less than "A" that shall protect ISLAND ENERGY from claims which may arise from operations under this Agreement, whether such operations be by ISLAND ENERGY, its officials, officers, directors, employees and agents or any subcontractors of ISLAND ENERGY. ISLAND ENERGY shall use its best efforts to obtain insurance from a company with as high a rating as possible, but in the event it is unable to procure insurance with a company with the required minimum rating, CITY agrees to modify this requirement based on evidence reasonably satisfactory to CITY that such insurance is not generally available to other municipal utilities or otherwise regulated utilities at a reasonable cost. This liability insurance shall include, but shall not be limited to, protection against claims arising from bodily and personal injury and damage to property, resulting from ISLAND ENERGY's vehicles, products and operations. The amount of insurance for single limit coverage applying to bodily and personal injury and property damage shall not be less than One Million Dollars (\$1,000,000.00). The primary liability policy shall provide coverage for the following:

- (i) The policy shall provide coverage on an "occurrence" basis.

- (ii) The policy shall cover personal injury as well as bodily injury.
- (iii) The policy shall cover blanket contractual liability subject to the standard universal exclusions of contractual liability included in the carrier's standard endorsement as to bodily injuries, personal injuries and property damage.
- (iv) Property damage liability shall be afforded.
- (v) An endorsement stating that the policy shall not be, canceled without thirty days written notice of such cancellation given to CITY.

As long as the coverage is available, ISLAND ENERGY shall maintain excess general liability coverage of up to Four Million (\$4,000,000) dollars, having exclusions as follows:

- (i) Directors and Officers Liability.
- (ii) Discrimination.
- (iii) Employment Discrimination and Employment Related Practices.
- (iv) Acts of Terrorism.
- (v) Failure to Supply – Utilities.
- (vi) Lead Contamination.
- (vii) Occupational or Environmental Disease.
- (viii) Real and Personal Property Damage Exclusion.
- (ix) Pollution Exclusion.
- (x) Punitive Damages Exclusion.
- (xi) Subsidence.
- (xii) Silica.
- (xiii) Electromagnetic Radiation.
- (xiv) Cross Liability.
- (xv) Fungi or Bacteria.
- (xvi) Professional Liability.

(xvii) Exterior Insulation and Finish System.

(xviii) Contractors.

(xix) Intellectual Property.

The insurance coverage shall be primary and no insurance held by CITY shall be called to contribute to a loss under this coverage unless it is established that the loss is attributable solely or in part to the negligence or willful misconduct of CITY. Such coverage shall name CITY as an additional insured for any work performed by ISLAND ENERGY or its operations under this Agreement, provided that ISLAND ENERGY shall not be required to pay any additional cost to obtain such endorsements.

(b) Documentation

Upon execution of this Agreement, ISLAND ENERGY shall submit to CITY documentation of the required insurance, including a certificate of insurance signed by the insurance agent and companies named, as well as an Additional Insured Endorsement designating CITY and its officers, boards, commissions, officials, agents and employees as additional insureds, and shall thereafter file additional such proof annually.

(c) Notification of Litigation

It shall be the obligation of ISLAND ENERGY to promptly notify CITY of any pending or threatened litigation that would be likely to adversely affect the CITY. It shall be the obligation of CITY to promptly notify ISLAND ENERGY of any pending or threatened litigation that would be likely to adversely affect the rights or obligations of ISLAND ENERGY under this Agreement.

(d) Workers Compensation

Whenever conducting work on Mare Island, ISLAND ENERGY, shall ensure that either it, or any entity performing such work on ISLAND ENERGY's behalf, shall obtain and maintain Workers' Compensation Insurance for all of its employees performing such work, and in case any work is sublet, ISLAND ENERGY shall require any subcontractor similarly to provide Workers' Compensation Insurance for all of their employees, all in compliance with State laws, and to fully indemnify CITY from and against any and all workers compensation claims by employees of ISLAND ENERGY and its contractors and subcontractors arising out of occurrences during work on Mare Island. ISLAND ENERGY hereby indemnifies CITY for any and all costs, expenses (including reasonable attorneys' fees and disbursements of counsel), damages and liabilities incurred by CITY as a result of any failure of either ISLAND ENERGY or any subcontractor of ISLAND ENERGY'S to take out and maintain such insurance. ISLAND ENERGY shall provide CITY with a certificate of insurance indicating Workers' Compensation coverage on the Effective Date. This provision does not apply to employees of ISLAND ENERGY who do not perform work on Mare Island.

SECTION 12. INDEMNIFICATION

(a) ISLAND ENERGY Indemnification

(1) ISLAND ENERGY shall indemnify, defend and hold CITY, its officers, boards, commissions, agents and employees (collectively the "CITY Indemnified Parties") harmless from and against any and all lawsuits, claims, causes of action, actions, liability, demands, damages, judgments, settlements, losses, expenses (including reasonable attorneys' fees) and costs, that any of the CITY Indemnified Parties, acting within the performance of the official duties of the position and not resulting from their sole negligence or willful misconduct, may at any time suffer, sustain or incur, arising out of, based upon or in any way connected with any work performed by ISLAND ENERGY or its contractors or its use, repair, management, installation of facilities within common trenches, locations on or adjacent to CITY facilities and public streets, including associated appurtenances, by ISLAND ENERGY or its officers, boards, commissions, agents, contractors and employees.

(2) ISLAND ENERGY shall specifically indemnify, defend and hold harmless CITY Indemnified Parties from and against any and all lawsuits, claims, causes of action, actions, liability, demands, damages, costs, judgments, settlements, losses and expenses (including reasonable attorneys' fees), arising from any discharge of any hazardous materials in a public street and right-of-way or other public property and as a direct and proximate result of ISLAND ENERGY'S operations within any public streets and rights-of-way or other public property. This indemnification does not extend to hazardous materials that remain the responsibility of the United States Government and its grantees and assigns or are the responsibility of CITY or its grantees and assigns. As used in this section, "hazardous materials" means any hazardous substances, materials, or wastes (1) defined or listed as "hazardous substances," "toxic substances" or similarly identified under any provision of California law; (2) designated as "hazardous substances" under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Sections 9601 *et seq.*), the Federal Hazardous Materials Transportation Law (49 U.S.C. Sections 5101 *et seq.*), the Resource Conservation and Recovery Act (42 U.S.C. Sections 6901 *et seq.*), or the Toxic Substance Control Act of 1976 (15 U.S.C. Sections 2601 *et seq.*); (3) defined as "toxic pollutants" under the Clean Water Act (33 U.S.C. Sections 1251 *et seq.*); (4) designated as "hazardous air pollutants" under the Clean Air Act (42 U.S.C. Sections 7401 *et seq.*); or (5) defined, designated or listed under any State or federal legislation or regulations adopted or amended during the term of this Agreement.

(b) City Indemnification

CITY shall indemnify, defend and hold ISLAND ENERGY, its officers, boards, commissions, agents and employees (collectively the "ISLAND ENERGY Indemnified Parties") harmless from and against any and all lawsuits, claims, causes of action, actions, liability, demands, damages, judgments, settlements, losses, expenses

(including reasonable attorneys' fees) and costs that any of the ISLAND ENERGY Indemnified Parties, acting within the performance of the official duties of the position and not resulting from their negligence or willful misconduct, may at any time suffer, sustain or incur, arising out of, based upon or in any way connected with any work performed by the CITY or its contractors, or their use, repair, management, installation of facilities within common trenches, locations on or adjacent to ISLAND ENERGY facilities and public streets, including associated appurtenances, by the CITY or its officers, boards, commissions, agents, contractors and employees.

SECTION 13. TRANSFER OF RIGHTS

(a) ISLAND ENERGY may not sell, transfer, assign, or lease this Agreement, or part hereof, or any of the rights or privileges granted hereby, without the prior written consent of CITY, which may not be unreasonably withheld, expressed by ordinance or resolution of the City Council. Notwithstanding the foregoing, the CITY may withhold its consent, in its sole discretion, to any proposed sale, transfer, assignment or lease of this Agreement or any part hereof to an entity other than a municipal utility or otherwise regulated utility. Any attempt to sell, transfer, assign, lease or otherwise dispose of the rights under this Agreement without the consent of the CITY Council shall be null and void. Notwithstanding the foregoing, CITY approval is not required for the granting of a security interest in any of ISLAND ENERGY'S assets, or any mortgage or other hypothecation, or by assignment as collateral of any rights, title or interest of ISLAND ENERGY in the Agreement and the rights hereunder in order to secure an indebtedness.

(b) The CITY Council's approval or disapproval of any proposed transfer shall be based on the proposed transferee's legal, financial and technical qualifications, the transferee's acceptance of the terms and conditions of this Agreement and agreement to be bound thereby, and on whether ISLAND ENERGY is in compliance with the terms of this Agreement.

SECTION 14. FACILITY RELOCATION FUND

In accordance with the proposed revisions to the Gas Tariff Schedules (the "Tariff Schedules") to be adopted by ISLAND ENERGY, ISLAND ENERGY shall establish and make contributions to a relocation fund (the "Relocation Fund") beginning on July 1, 2013 to defray the costs of relocation of its facilities after July 1, 2013. The Tariff Schedules shall also provide for certain "Early Contributions", as defined within the Tariff Schedules and in the amounts set forth therein, to be made by ISLAND ENERGY prior to the establishment of the Relocation Fund. The Relocation Fund shall be funded and operated in accordance with the terms of the Tariff Schedules.

SECTION 15. FRANCHISE NOT EXCLUSIVE

The franchise under this Agreement is not exclusive. The CITY reserves the right to build, install, own or operate a gas distribution system on Mare Island, allow others to do so, or do so in combination with others. If, however, the CITY or others

besides ISLAND ENERGY undertake to provide service to customers of ISLAND ENERGY on Mare Island, this Agreement does not relieve them from any obligation to pay exit or other fees if required by state or federal law.

SECTION 16. NOTICES

All notices, reports or demands required or permitted to be given under this Agreement shall be in writing and shall be deemed to be given when delivered personally to the party designated below, or when delivered by the United States mail in a sealed envelope, with registered or certified mail, postage prepaid thereon, or delivered by express mail or nationally recognized overnight air courier addressed to the party to which notice, report or demand is being given, as follows:

If to CITY: City Manager
 CITY OF VALLEJO
 City Hall
 555 Santa Clara Street
 Vallejo, CA 94590

with a copy to:

City Attorney
CITY OF VALLEJO
City Hall
555 Santa Clara Street
Vallejo, CA 94590

If to GRANTEE: General Manager,
 Pittsburg Power Company
 65 Civic Avenue
 Pittsburg, CA 94565

with a copy to:

General Counsel
Pittsburg Power Company
65 Civic Avenue
Pittsburg, CA 94565

Such addresses may be changed by either party upon notice to the other party given as provided in this Section.

SECTION 17. RESOLUTION, NOTICE OF HEARING AND PROTESTS

On January 11, 2005, the CITY Council adopted Resolution No. 05-23 N.C. ^{not 24} stating its intent to grant the franchise contained herein and execute this Agreement. Notice of hearing was given in the manner required by the Vallejo City Charter. The CITY Council has held a duly noticed public hearing on its intention to grant this franchise. The CITY Council heard any and all protests. On Feb. 1, 2005 ^{not 24}, the CITY Council adopted Resolution No. 05-39 N.C. ^{not 24}, determining such protests to be insufficient, overruled or denied and approving the award of this franchise and approval of this Agreement.

SECTION 18. CONSTRUCTION

Headings in this Agreement are for convenience only, and shall have no bearing on interpreting the provisions hereof. If any provision of this Agreement is held by a court to be void or unenforceable, the same shall in no way affect any other provision of this Agreement, the application of any such provision in another circumstance, or the validity or enforceability of this Agreement as a whole. In the event any provision of this Agreement is held by a court to be void or unenforceable, CITY shall have the opportunity to amend this Agreement in a manner consistent with the judgment and in consultation with ISLAND ENERGY. Notwithstanding any provisions of this section to the contrary, if any provision of this Agreement is held by a court to be void or unenforceable in an action brought by ISLAND ENERGY or in an action in which ISLAND ENERGY appears and contests the facial validity of such provision, then the entire Agreement shall be of no further force or effect.

SECTION 19. EFFECTIVE DATE

The rights granted under this Agreement shall not become effective until all of the following conditions is satisfied: (1) ISLAND ENERGY executes this Agreement, which shall be no later than sixty (60) days after the effective date of Ordinance No. ____ or this Agreement shall be of no further force and effect; and (2) ISLAND ENERGY files with the CITY Clerk proof of insurance as required by Section 11. The first day of the first full month following receipt of the required documentation by the CITY Clerk shall be the effective date of this Agreement.

SECTION 20. JURISDICTION AND VENUE

Any dispute that arises under or relates to this Agreement shall be resolved in the Superior Court of the State of California and venue shall be proper in Solano County. In any such litigation, the prevailing Party shall be entitled to its respective attorneys' fees and costs.

SECTION 21. ISLAND ENERGY ADVISORY COMMITTEE

Concurrently with the transfer of Mare Island by the Navy to the CITY and the easements to ISLAND ENERGY, ISLAND ENERGY and CITY formed an advisory committee that has met regularly to confer on issues relating to the delivery of electric and gas service to Mare Island. The parties agree that this committee with representatives from both parties shall continue to meet regularly to discuss issues that may arise during the course of development on Mare Island, as well as the implementation of this Agreement. Such issues include, but are not limited to, any proposed changes in the tariffs and rates, any proposed transfer under Section 13 hereof, or any proposed modifications to the General Conditions. In addition, during the term of this Agreement, ISLAND ENERGY agrees that it shall provide to the CITY's representatives on the advisory committee copies of all notices, agendas and agenda packets for all public meetings of the Pittsburg Power Company that relate to the business of ISLAND ENERGY on Mare Island at the same time as such information is made available to the public, at no cost to CITY.

SECTION 22. NO EXPANSION OR DIMINISHMENT OF GRANT OF EASEMENT

Nothing in this Agreement is intended to expand upon or diminish the rights granted to ISLAND ENERGY under the Grant of Easement.

SECTION 23. REPRESENTATIONS AND WARRANTIES OF SIGNATORIES

Each of the parties executing this Agreement does affirmatively represent and warrant as follows:

1. That this Agreement and the resulting contract constitute a valid and binding obligation, as to each and every term thereof, enforceable in accordance with the terms thereof;
2. That the persons who have executed this Agreement are duly authorized to do so by all necessary action; and
3. That the execution and delivery of this Agreement does not violate any provision of the laws, rules and authorities to which the parties are subject.

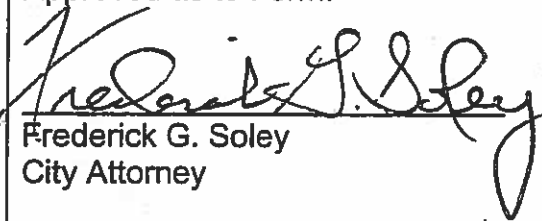
CITY OF VALLEJO, a Municipal
Corporation of the State of California and
Charter City

By: 
Roger L. Kemp
City Manager

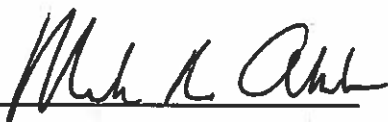
Attest:


Allison Villarante
City Clerk

Approved as to Form:


Frederick G. Soley
City Attorney

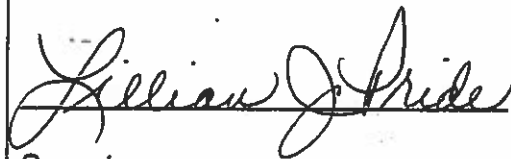
Approved as to Content:


Mark K. Akaba
Public Works Director

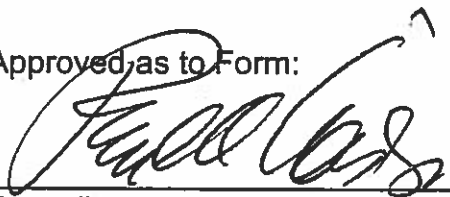
PITTSBURG POWER COMPANY, A Joint
Powers Authority, dba ISLAND ENERGY

By: 
Marc S. Grisham
Executive Director

Attest:


Secretary

Approved as to Form:


Russell H. Townsend
General Counsel
Pittsburg Power Company

LENNAR MARCISIANDI

EXHIBIT 'A'

**MARE ISLAND
ISLAND ENERGY UTILITIES
NATURAL GAS SERVICE AREA**

SCALE: 1" = 1500'

DATE: DECEMBER 14, 2004





**OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565**

TO: Mayor/Chair and Council/Governing Board Members

FROM: Garrett Evans, Executive Director/City Manager

SUBJECT: Adoption of a Pittsburg Power Company Resolution Allocating \$4 Million of Capital Reserve Balance to the Sports Tourism Project and Adoption of a City Council Resolution Authorizing the City Manager to Expend Funds and Execute Necessary Agreements to Complete Construction of the Dream Courts

MEETING DATE: March 17, 2025

EXECUTIVE SUMMARY

The City of Pittsburg and Discovery Builders DBI (“DBI”) have previously entered into an agreement in which DBI shall design and construct all components of an approximately 45,000 square foot recreation facility (“Dream Courts”) on land owned by the City (“Agreement”). Pursuant to this Agreement, DBI shall contribute an amount not-to-exceed \$3.25 million, while the City shall be responsible for the remaining cost(s).

FISCAL IMPACT

On June 17, 2024, the City Council adopted Resolution No. 24-14499, allocating \$9,792,811 of American Rescue Plan Act (ARPA) funding to the Sports Tourism Project, which includes construction of the Dream Courts.

Staff is requesting the allocation of an additional \$4 million of Pittsburg Power Company (PPC) capital reserve balance for the completion of Dream Courts.

PPC currently maintains a capital reserve cash balance of \$4,850,124. Allocation of the requested \$4 million would reduce the cash balance of the reserves to \$850,124. The City’s adopted Fiscal Sustainability Policy requires 30% of operational costs be held in reserves (20% in cash and liquid investments and 10% in real property). The estimated operational costs for Fiscal Years 2024/25 and 2025/26 are approximately \$4 million and \$3m respectively, which would require \$900,000 to \$1.2m in the reserves to comply with the Fiscal Sustainability Policy. The \$850,124 in capital reserve cash balance and PPC-owned facilities on Mare Island sufficiently satisfies the Fiscal Sustainability Policy.

RECOMMENDATION

1. Staff recommends the Governing Board of the Pittsburg Power Company adopt a resolution allocating \$4 million of capital reserve cash balance to the City's Sports Tourism Project.
2. Staff further recommends the City Council adopt a resolution authorizing the City Manager to expend funds and execute necessary agreements to complete construction of the Dream Courts.

BACKGROUND

The City currently lacks some of the infrastructure helpful in providing recreational services. Former youth centers along Crestview Drive have been closed since the late 1990s. The Pittsburg Youth Development Center, which offers youth classes and sports, is outdated and cannot meet the demand of a city the size of Pittsburg.

On August 2, 2020, the City Council adopted Resolution No. 20-13810, approving an agreement in which Discovery Builders, Inc. to design and construct all components of an approximately 45,000 square foot recreation facility on land owned by the City, at a cost not to exceed \$3 million. On February 1, 2021, the City Council adopted Resolution No. 21-13895, approving the First Amendment to Agreement specifying that site improvements include restrooms and increase the not-to-exceed amount to \$3.25 million. As mentioned in the Fiscal Impact, on June 17, 2024, the City Council adopted Resolution No. 24-14499, allocating \$9,792,811 of ARPA funding to the Sports Tourism Project. In Fall 2024, DBI began construction of the Dream Courts Project. Construction was halted to ensure the Project complies with the adopted Projects Stabilization Agreement ("PSA") between the City and the Contra Costa Trades Council.

SUBCOMMITTEE FINDINGS

This item was not presented to the subcommittee.

STAFF ANALYSIS

The anticipated increase in costs and subsequent funding request being made is required in order to ensure compliance with the adopted PSA. If approved, future construction activities will be completed by signatories to the PSA, as applicable. Staff anticipates that following allocation of the requested funds, construction of the Dream Courts will restart within 6 weeks.

ATTACHMENTS

1. Proposed PPC Resolution
2. Proposed City Council Resolution

Prepared by: Jordan Davis, Director of Community and Economic Development

NOW, THEREFORE, BE IT RESOLVED the Governing Board of the Pittsburgh Power Company hereby allocates up to \$4 million from capital reserves to the City of Pittsburgh Sports Tourism Project.

PASSED AND ADOPTED by the Governing Board of the Pittsburgh Power Company of the City of Pittsburgh at a regular meeting on the 17th day of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Jelani Killings, Chair

ATTEST:

Garrett Evans, Executive Secretary

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Authorizing the City Manager to Expend)
Funds and Execute Necessary)
Agreements to Complete Construction)
Of the Dream Courts)

RESOLUTION NO. 25-

WHEREAS, the City of Pittsburgh currently lacks infrastructure helpful in providing recreational services. A former youth center along Crestview Drive has been closed since the late 1990s. The Pittsburgh Youth Development Center, which offers youth classes and sports, is outdated and cannot meet the demand of a city the size of Pittsburgh; and

WHEREAS, on August 2, 2020, the City Council adopted Resolution No. 20-13810, approving an agreement in which Discovery Builders, Inc. ("DBI") to design and construct all components of an approximately 45,000 square foot Recreation Facility on land owned by the City, at a cost not to exceed \$3 million; and

WHEREAS, on February 1, 2021, the City Council adopted Resolution No. 21-13895, approving the First Amendment to Agreement specifying that site improvements include restrooms and increase the not-to-exceed amount to \$3.25 million; and

WHEREAS, on June 17, 2024, the City Council adopted Resolution No. 24-14499, allocating \$9,792,811 of American Rescue Plan Act ("ARPA") funding a Sports Tourism Project, including construction of the Dream Courts; and

WHEREAS, in Fall 2024, DBI began construction of the Dream Courts Project; and

WHEREAS, construction was halted to ensure the Project complies with the adopted Projects Stabilization Agreement ("PSA") between the City and the Contra Costa Trades Council; and

WHEREAS, the Pittsburgh Power Company ("PPC") currently maintains a capital reserve cash balance of \$4,850,124. Allocation of the requested \$4 million would reduce the cash balance of the PPC reserves to \$850,124; however, when combined with physical assets, PPC's reserve balance would still comply with the 30% of operational costs required by the City's adopted Fiscal Sustainability Policy; and

WHEREAS, the anticipated increase in costs and subsequent funding is required in order to ensure compliance with the adopted PSA; and

WHEREAS, future construction activities related to the Dream Courts will be completed by signatories to the PSA, as applicable.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Pittsburgh hereby authorizes the City Manager to expend funds and execute necessary agreements to complete construction of the Dream Courts.

PASSED AND ADOPTED by the City Council of the City of Pittsburgh at a regular meeting on the 17th day of March 2025, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Jelani Killings, Mayor

ATTEST:

Alice E. Evenson, City Clerk